



FirstChoice - Confidential financial report

Full name of life to be insured

Date of birth of life to be insured

Account number

Questions should be completed in respect of the life to be insured

Duty to take reasonable care

When applying for insurance, there is a legal duty to take reasonable care not to make a misrepresentation to the insurer before the contract of insurance is entered into.

A misrepresentation is a false answer, an answer that is only partially true, or an answer which does not fairly reflect the truth.

This duty applies to a new contract of insurance and also applies when extending or making changes to existing insurance, and reinstating insurance.

If you do not meet your duty

If you do not meet your legal duty, this can have serious impacts on your insurance. There are different remedies that may be available to us. These are set out in the *Insurance Contracts Act 1984* (Cth). These are intended to put us in the position we would have been in if the duty had been met.

Your cover could be avoided (treated as if it never existed), or its terms may be varied. This may also result in a claim being declined or a benefit being reduced.

Please note that there may be circumstances where we later investigate whether the information given to us was true. For example, we may do this when a claim is made.

Before we exercise any of these remedies, we will explain our reasons and what you can do if you disagree.

Guidance for answering our questions

You are responsible for the information provided to us. When answering our questions, please:

- think carefully about each question before you answer. If you are unsure of the meaning of any question, please ask us before you respond.
- answer every question.
- answer truthfully, accurately and completely. If you are unsure about whether you should include information, please include it.
- review your application carefully before it is submitted. If someone else helped prepare your application (for example, your adviser), please check every answer (and if necessary, make any corrections) before the application is submitted.

Changes before your cover starts

Before your cover starts, we may ask about any changes that mean you would now answer our questions differently. As any changes might require further assessment or investigation, it could save time if you let us know about any changes when they happen.

If you need help

It's important that you understand this information and the questions we ask. Ask us or a person you trust, such as your adviser for help if you have difficulty understanding the process of buying insurance or answering our questions.

If you're having difficulty due to a disability, understanding English or for any other reason, we're here to help. If you want, you can have a support person you trust with you.

Notifying the insurer

If, after the cover starts, you think you may not have met your duty, please contact us immediately and we'll let you know whether it has any *impact on the cover*.

Please tick the purpose for the insurance and complete the relevant section(s)

- Personal/Family insurance** (complete sections A and F)
- Self Employed/Business Related insurance** (complete sections A, B and F)
- Loan Protection insurance** (complete sections A, C and F)
- Keyperson insurance** (complete sections D and F)
- Partnership/Buy and Sell insurance** (complete sections B, E and F)

A – Personal/Family insurance

1 What are the reasons for the amount of cover calculated?

2 How many dependants do you have? Please state number, age and relationship

3 What is your annual income from personal exertion for the last 2 financial years?

Please complete the period and income earned

Period	30/06/YY	30/06/YY
Annual income	\$	\$

4 Do you receive other income from trusts, investments, etc (e.g rent, dividends, etc)?

Yes No

If 'Yes':

Please complete the table below:

Type of income	Net amount per annum, i.e. after expenses have been deducted
	\$
	\$
	\$

5 Please complete details of assets and liabilities below:

Assets		Liabilities	
Home	\$	Mortgage	\$
Investment properties	\$	Rent	\$
Cars	\$	Leasing/Hire purchase	\$
Household goods, e.g. furniture	\$	Personal loans	\$
Shares/Bonds	\$	Credit card(s)	\$
Other investments/assets	\$	Other liabilities, e.g. business loans	\$

B – Self Employed/Business Related insurance

1 Please provide details below of all businesses/companies/trusts/partnerships associated with the Life Insured.

Business names and percentage of ownership	Business address (not PO Box)	Phone and fax number
1		
2		
3		
4		

Please provide a business structure diagram showing all business entities including service companies, trusts, etc in the Additional Comments/Business Structure Diagram Section on page 4.

2 Nature of business, e.g. manufacturing?

3 Number of employees?

4 What are the Life Insured's duties within the business?

5 Briefly explain what would happen to the business if the Life Insured were to be disabled, i.e. would the business/income continue, if so, at what capacity, e.g. 50%

6 Please provide consolidated financial details below of business(es) for the last 2 financial years

Please complete the financial year

Description	30/06/YY	30/06/YY
Turnover	\$	\$
Net profit or loss (before tax)	\$	\$
Total assets	\$	\$
Total liabilities	\$	\$
Value of business (provide copy of current valuation certificate) if required due to level of proposed cover	\$	\$

C – Loan Protection insurance

(Copy of loan agreement required if Life cover exceeds \$2.75m, TPD exceeds \$1.75m and/or Trauma exceeds \$1.5m)

- 1 What is the amount of the loan?
- 2 What is the term of the loan?
- 3 What is the purpose of the loan?
- 4 What is the name of the lender?
- 5 Who is the borrower, i.e. individual, partnership, company name of lender?
- 6 What is the percentage of responsibility held by the Life Insured, e.g. 50% responsible for loan?
- 7 Do the terms of the loan require collateral cover? e.g. loan guarantor Yes No
- 8 Are there any other existing loans, including other loan protection insurance cover? Yes No
If 'Yes':
Provide details of other loans and loan protection insurance

D – Keyperson insurance

(Copy of key person agreement signed off by accountant required if Life cover exceeds \$2.75m, TPD exceeds \$1.75m and/or Trauma exceeds \$1.5m)

- 1 What is the position of the keyperson in the business and how long has he/she been employed in their current occupation?
- 2 How was the amount of insurance cover calculated or determined, e.g. eight times gross income?
- 3 What is the total value of the annual salary package and attributable net profit (if self employed)?
- 4 Is there an employment/service agreement or contract? Yes No
- 5 Is the keyperson a share/option holder or partner of the business Yes No
If 'Yes':
Percentage held: %

6 Are there other keypersons in the business? Yes No

If 'Yes':

Are policies to be effected on the other keypersons? Yes No

If 'No':

Please provide reasons

E – Partnership/Buy and Sell insurance

(Independent valuation report signed off by accountant or independent valuer required if Life cover exceeds \$2.75m, TPD exceeds \$1.75m and/or Trauma exceeds \$1.5m)

1 What are the reasons for the amount of cover calculated?

2 What is the current value of the business?

3 Is there a partnership and or a buy and sell agreement in place? Yes No

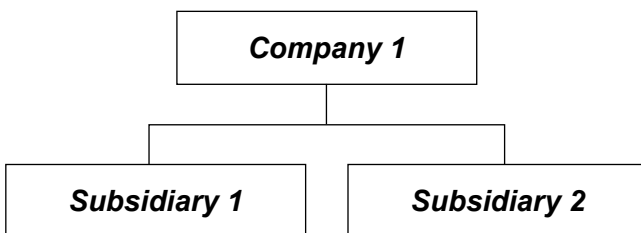
If 'No':

What legal agreement is in existence?

4 What is the Life Insured's share of the business?

5 Who are the other partners in the business? Please state names and percentage of ownership

6 **Adviser comments/Business structure diagram** (see example below)



F – Declaration

I/We have read the 'duty to take reasonable care' above and I am/we are aware of the consequences of misrepresentation. I/We understand that my/our duty to take reasonable care continues until AIA Australia has accepted the application for insurance in writing. I/We authorise AIA Australia to refer any statements that I/we have made in connection with the application for insurance and any medical reports, to other entities involved in providing or administering the insurance, reinsurers, medical consultants and legal advisers.

I/We declare that:

- the answers to all the questions on the Supplementary Personal Statement(s) are true, correct and complete (including those not in my/our handwriting);
- the answers given together with any special conditions will form the basis of the contract of insurance; and
- no information has been withheld which may affect AIA Australia's decision to provide insurance.

Signature of applicant

Date

X

/ /

Signature of life to be insured

Date

X

/ /

Please send completed form to: Colonial First State, Reply Paid 27, Sydney NSW 2001.

Accountant's declaration

To be completed by your accountant if you are applying for Life cover exceeding \$5,000,000.

I confirm that I have satisfied myself that the particulars provided in this financial statement regarding the financial situation of the Life/Lives to be Insured are true, correct and complete.

Signature of accountant

Date

X

/ /

Full name of accountant

Qualification

Firm name and address

Phone number

Fax number

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Email address