

Level 1
1 Shelley Street
Sydney NSW 2000
PO Box 4294
New South Wales 1164

Telephone (61 2) 8232 3333
Facsimile (61 2) 8232 3350
Client Service (61 2) 8232 3737
Toll Free 1800 808 001
Internet <http://www.macquarie.com.au>

Offices throughout Australia and New Zealand

Media Release

Macquarie Life Unveils an Innovation in Australian Insurance



17 May 2010 – Macquarie Life has today launched an innovative product offering, which is set to revolutionise the Australian insurance industry and make a genuine contribution to addressing the country’s underinsurance problem.

Macquarie Life Active brings to Australia a new category of life insurance cover which allows the client to make multiple claims under the same policy, offering the flexibility to make a claim as and when circumstances require throughout their lifetime.

Macquarie Life Active turns traditional life insurance on its head, by providing benefits to the client while they are still living, encapsulating and expanding on life, trauma and total permanent disability (TPD) cover, within just one policy.

This is unlike traditional trauma policies, which take an “all or nothing” claims approach, meaning the client may receive a significant payout on their policy for a relatively minor medical requirement, or alternatively not receive anything at all to offset financial expenses.

Head of Macquarie Life, Justin Delaney, said this style of product has a proven track record overseas and is an important addition to the Australian insurance industry.

“There are several factors which make Macquarie Life Active different to anything currently available in Australia,” Mr Delaney said. “The product enables financial advisers to address all of their client’s insurance needs under just one policy, has the flexibility to allow a client to make multiple claims throughout their lifetime and, importantly, is a concept that is easy for people to understand.

“The traditional product structures of life, TPD and trauma do not apply here. Instead we have introduced a level of flexibility that can meet the specific financial needs of the client at the time they are making a claim.

“We know this style of product has been very successful in other markets so bringing it here, where a lack of insurance remains a considerable issue, is an important step.”

The Macquarie Life Active policy includes “Health Events cover”, spanning many more medical conditions than traditional trauma and TPD policies. Even if a Health Event is not specifically mentioned, clients may still be covered, offering even greater protection.

“Insurance cover has, in the past, been rigid in its approach to claims and cover, dictating to the client how severe their condition is and therefore what they should receive.

“This isn’t the future of the industry as we see it, because it does not provide the greatest benefit to the client. Not matching benefits to needs and severity leads to products, particularly trauma, that are too expensive for many clients. Macquarie Life Active is a life insurance policy that’s designed for living,” Mr Delaney continued.

Macquarie Life Active also offers optional Income Cover and Child Cover Insurance, assisting to minimise the possibility of gaps in a client’s cover.

Head of Underwriting and Claims for Macquarie Life, Dr Sally Phillips, said that making a claim can be a stressful time for the client, who is already undergoing some form of medical distress, so Macquarie Life Active aims to ease this strain.

“Being in a position of having to make a claim is never pleasant for the client or for the claims manager, who is tasked with assessing whether the nature of the claim meets the terms of the policy in place,” Dr Phillips said.

“It’s also very challenging for a doctor to have to state in a claim form that a patient is definitely never going to work again and it is unfair to ask this of them.

“In addition, statistics tell us that injuries and illnesses can reoccur, happening more than once to the same client. But if their policy has already paid out once, probably for more than they need, what options are left to them?

“Macquarie Life Active provides a solution by paying multiple claims for the same health event, or a different event that has happened to the same client.”

This works by paying a tiered lump sum to the client, which is dependent on the seriousness of the “Health Event”.

For example, a client suffering from an early stage melanoma commonly will not require their full policy paid out to them, but they might need a smaller sum to cover expenses. Macquarie Life Active can do this and offer the peace of mind that their cover remains in place if a second incident occurs.

“In developing this product we have worked with medical professionals who specialise in each body system to determine the objective criteria they use to assess the severity of a client’s condition. We have applied these criteria to the medical conditions definition we use during the claims process.

“This ensures there’s much greater alignment between what the medical professional tells the client is wrong with them and what they expect from their insurance claim.

“After spending many years working in the South African market where these products are already being used, and seeing their positive impact in the UK too, I know the significant benefits they can bring to both the adviser and the client,” Dr Philips said.

For further information, please contact:

Laura Bramwell	02 8232 3835
Public Relations	0417 266 546

The PDS is to be dated 11 June 2010 and will be issued by and available from Macquarie Life Limited (Macquarie Life) ABN 56 003 963 773 AFSL 237 497 and Macquarie Investment Management Limited (MIML) ABN 66 002 867 003 AFSL 237 492 (“we”, “us”, “our” or “Macquarie” as the context requires). Macquarie Life and MIML are not authorised deposit-taking institutions for the purposes of the Banking Act (Cth) 1959, and Macquarie Life’s and MIML’s obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Life and MIML. In deciding whether to acquire or continue to hold insurance, investors should consider the Product Disclosure Statement (PDS) available from us. This information is provided for the use of licensed financial advisers only. In no circumstances is it to be used by a person for the purposes of making a decision about a financial product or class of financial products.