



# Insurance

## Employer sponsored members



The Product Disclosure Statement for employer-sponsored members (including members employed under Police Blue Ribbon and Ambulance Officers' Super arrangements) comprises a core **Member Booklet** and a number of **Member Booklet Supplements**. The *Member Booklet Supplement – Insurance* (this document) provides additional information that supplements the insurance information contained in the Member Booklet.

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## Reading this Supplement

First State Super's death, total and permanent disablement (TPD) and income protection insurance is offered to First State Super members through TOWER Australia Limited (ABN 70 050 109 450, AFSL 237848) (the '**Insurer**'). This *Member Booklet* Supplement provides you with general information about these insurance arrangements and the information does not take into account your specific needs. You should consider the information having regard for your personal circumstances. It is recommended that you consult a licensed or authorised financial adviser if you require financial advice which takes into account your personal circumstances.

All insurance cover provided by First State Super is subject to the terms and conditions contained in the insurance policies issued by the Insurer and the terms and conditions of the policies prevail over any inconsistency in this Supplement. The insurance information provided in this Member Booklet Supplement is based on the policies issued to the Trustee by the Insurer, and information provided by the Insurer about the operation of those policies.

The Insurer has given and not withdrawn its consent for this information to be included in this *Member Booklet* Supplement in the form and context in which it appears. The Insurer takes no responsibility for any other information contained in the *Member Booklet* or this Member Booklet Supplement. When reading this supplement, please note that underlined words have a particular meaning under the insurance policies. These words or expressions are explained in the *Glossary* on page 22. References to 'we/us' are references to First State Super.

# Death and TPD cover

## About your automatic cover

As a member of First State Super's Employer Sponsored Division, you may automatically receive insurance to cover you for death, (which includes cover for terminal illness) and total and permanent disablement (this is referred to as **TPD**). Automatic cover is subject to eligibility, as explained below.

The cost of cover (deducted from your account) and the value of any insurance benefit paid (if your claim is accepted) are calculated on a per unit basis. The automatic cover is 3 units of death and TPD cover. You can opt out or reduce your units of automatic cover, or change your units of death and TPD cover to death only cover. Refer to page 12 for further information.

### Eligibility

To be eligible for automatic cover to commence you must be a new member of First State Super, aged over 15 and less than 70 years of age, and your employer must be a First State Super participating employer making your superannuation guarantee (**SG**) contributions to First State Super.

In addition, your automatic cover will be restricted if:

- you have previously been paid a total and permanent disablement type benefit from any fund (including First State Super) or insurer, or
- we do not receive an SG contribution for you from your First State Super participating employer within 6 months of you commencing work with that employer.

See page 11 for an explanation of these restrictions.

### Cost of automatic cover

The cost of automatic cover is:

- \$5.00 per month per unit of death and TPD cover; and
- \$2.38 per month per unit of death only cover.

This amount is deducted monthly from your super account.

From 1 July 2011, \$0.10 of the cost of each unit of death and TPD cover, and \$0.05 of the cost of each unit of death only cover, will be retained by First State Super to offset costs in administering TPD and death benefits and claims.

First State Super receives a tax deduction for insurance premiums. This tax deduction is passed on to you after the end of the financial year.

The cost of automatic cover may increase in the future. If this happens, you will be notified at least 30 days before the change is implemented.

### When does cover start?

Provided you are eligible, your automatic cover will commence on the date you commence employment with a First State Super participating employer if we receive the first SG contribution made for you by that employer within 180 days of commencing employment.

If you are eligible, and we receive your first SG contribution from your First State Super participating employer more than 180 days after you commenced employment, your cover will commence when we receive your first SG contribution.

### When does cover cease?

Your death and, if applicable, TPD cover in First State Super will cease when any of the following occur:

- your membership with First State Super ceases;
- there is not enough money in your account to cover the cost of your cover;
- you reach age 70 (or 69 in the case of terminal illness cover);
- a death, terminal illness or TPD benefit is paid or payable for your full cover under the insurance policy issued by the Insurer to the Trustee;
- if you have any residual death cover after payment of a terminal illness or TPD benefit, the date this residual death cover is paid or payable for you under the insurance policy issued by the Insurer to the Trustee;
- you commence military service (other than in the Australian Armed Forces Reserve if you are not on active duty outside Australia)\*; or
- the date we receive your written request to cancel your cover.

In addition, cover may cease with the Insurer under circumstances outlined under the section *Termination of the policy* on page 12.

See the section *Opting out, reducing, terminating or ceasing cover* on page 12 for information on when cover may recommence or continue, if cover ceases because:

- there is insufficient money in your account; or
- you commence military service.

\* It is important that you notify us if you commence military service or, if you are in the Australian Armed Forces Reserve and you commence active duty outside Australia. You can also apply at that time for your cover to continue. The Insurer may accept (with or without conditions) or reject your application.

## What is your insurance rating?

The value of your insurance benefit depends on your insurance rating and your age. For automatic cover, your insurance rating is your First State Super participating employer's category – it is not based on your particular occupation. Each employer is given an employer category by the Insurer, based on the average duties of all employees of that employer. If you are unsure of your employer's category from **Table 1** below, check your member statement or contact us to find out. See *If you change employers* below for more information.

If you have more than one First State Super participating employer, your insurance rating for automatic cover will be the more favourable of your employers' categories.

While your insurance is automatically rated according to your employer's category, if you are employed in a low-risk clerical or management occupation you can apply to be in the Basic Plus insurance category. If your application to be in the Basic Plus category is accepted by the Insurer, you may be eligible to receive a larger benefit.

You can apply to be occupationally rated for all cover. Your application will need to be assessed and accepted by the Insurer. The *Application to change insurance category rating* form is available on our website at [www.firststatesuper.com.au](http://www.firststatesuper.com.au) under *Publications and forms* or by calling Customer Service on 1300 650 873.

**Table 1: Category/Rating Description of employees' duties**

Category/Rating		Description of employees' duties
Public sector	Private sector	
<b>Education and Public Service</b>	<b>White Collar</b>	Predominantly office-based, including professionals such as accountants or lawyers and other occupations such as teachers or other tertiary educated people who work in sedentary positions.
<b>Government Trading Enterprise</b>	<b>Light Manual</b>	Not purely office-based and not only in sedentary roles. Occupational duties are not of a manual nature or within a hazardous environment. Some trade supervisory roles also fall into this category. The Health sector falls within this rating.
<b>Emergency Services</b>	<b>Manual</b>	Mostly manual occupational duties including occupations such as tradesmen, security guards and manufacturing type of occupations, including apprentices.
	<b>Heavy Manual</b>	Heavy manual occupations and duties in hazardous environments, including occupations such as cleaners.
<b>Basic Plus</b>		You must apply and be accepted by the Insurer to be in the Basic Plus category. You may be eligible for the Basic Plus insurance category if you work in a low-risk clerical or management occupation and you earn more than \$80,000 a year (including SG). The \$80,000 per year may be adjusted on a pro-rata basis if you are a part-time employee. To apply for the Basic Plus insurance category contact Customer Service or go to the website for an application form.

## If you change employers

If you change employers, your insurance rating can be the more favourable of your old employer and your new employer. If you change employers, make sure that you complete the *Insured members change of employment advice* form available on our website [www.firststatesuper.com.au](http://www.firststatesuper.com.au) or from Customer Service by calling 1300 650 873.



## How much is the benefit?

Table 2 below shows the benefit payable for each insurance rating for each unit of cover. Remember, if you are eligible, you will automatically receive 3 units of death and TPD cover. You can reduce your units of automatic cover, or change your units of death and TPD cover to death only cover. Refer to page 12 for further information.

**Table 2: \$ cover per unit per Insurance Rating**

Rating/Category (Public sector)	Education and Public Service	Government Trading Enterprise and Health	Emergency Services	Basic Plus
Rating/Category (Private sector)	White Collar	Light Manual	Manual / Heavy Manual	
Age of member (years)*	\$ cover per unit	\$ cover per unit	\$ cover per unit	\$ cover per unit
15	127,911	83,629	69,072	129,190
16	127,911	83,629	69,072	129,190
17	127,911	83,629	69,072	129,190
18	127,911	83,629	69,072	129,190
19	127,911	83,629	69,072	129,190
20	127,911	83,629	69,072	129,190
21	127,911	83,629	69,072	129,190
22	127,911	83,629	69,072	129,190
23	127,911	83,629	69,072	129,190
24	127,911	83,629	69,072	129,190
25	127,911	84,786	69,072	129,190
26	127,911	85,641	69,072	129,190
27	127,911	86,979	69,072	129,190
28	127,911	86,979	69,072	129,190
29	127,911	86,979	69,072	129,190
30	127,911	86,979	69,072	129,190
31	127,911	86,979	69,072	129,190
32	127,911	86,979	69,072	129,190
33	127,911	86,979	69,072	129,190
34	127,911	86,979	69,072	129,190
35	127,911	86,979	69,072	129,190
36	124,865	84,908	67,366	127,143
37	121,820	82,837	65,783	125,992
38	119,992	81,619	64,808	123,562
39	112,074	76,259	60,544	120,875
40	102,328	71,500	55,306	112,561
41	100,812	68,579	54,518	105,296
42	91,527	65,191	49,478	91,527
43	82,242	56,166	44,437	82,242
44	72,956	49,610	39,529	72,956
45	63,671	43,243	34,488	63,671
46	55,712	37,135	30,244	55,712
47	47,753	32,499	25,866	47,753
48	41,121	27,989	22,152	41,366
49	35,815	24,407	19,499	39,556
50	31,172	21,091	16,780	37,606
51	30,861	19,624	16,588	41,963
52	26,232	17,611	14,196	39,209
53	22,374	15,276	12,190	35,968
54	20,060	13,502	10,801	32,890
55	17,745	12,036	9,567	29,650
56	15,430	10,570	8,410	26,247
57	13,347	9,104	7,175	22,845
58	11,033	8,149	6,018	18,632
59	8,950	6,309	4,706	14,906
60	7,870	5,433	4,243	12,476
61	6,712	4,556	3,626	10,369
62	6,095	4,162	3,240	8,101
63	5,555	3,780	2,932	7,615
64	4,706	3,286	2,469	5,995
65	4,706	3,286	2,469	5,995
66	4,706	3,286	2,469	5,995
67	4,706	3,286	2,469	5,995
68	4,706	3,286	2,469	5,995
69	4,706	3,286	2,469	5,995

\* A restricted definition of total and permanent disablement applies from age 65

## Increased benefit payments

In some circumstances, you may receive an increased benefit payment. These circumstances are set out in **Table 3** below.

**Table 3: Increased Benefit**

Circumstance	Effect on your benefit amount
If you have eight or more years of continuous cover	Your death (and <u>terminal illness</u> ) benefit amount for each unit of automatic cover will increase by 5% (for a maximum of 3 units).
If you permanently lose: <ul style="list-style-type: none"><li>■ the use of two limbs (where a limb is a whole hand or foot), or</li><li>■ the sight of both eyes, or</li><li>■ the use of one limb and the sight of one eye.</li></ul>	Your TPD benefit amount for each unit of automatic death and TPD cover will increase by 25% (for a maximum of 3 units).

## When will you receive a benefit?

If you have automatic cover, you will be entitled to receive a benefit payment if you die, you are diagnosed with a terminal illness or, if you have TPD cover, you become totally and permanently disabled while your insurance cover is in force. 'Terminal illness' and 'totally and permanently disabled' are terms defined in the insurance policy and you must meet certain conditions to be entitled to these benefits. Both these terms are explained in **Table 4** on page 6. Before a payment of a claim can be made it must be approved by the Insurer and the Trustee.

You are responsible for any costs associated with completing and providing the claim forms (including ongoing claim forms) and any associated documents that the Insurer reasonably requires for the assessment of your claim. You may also be asked, at your expense, to provide other evidence that the Insurer reasonably requires to substantiate your claim.

The Insurer may require you to attend (at its expense) any medical examination by a medical practitioner

or other health professional that it nominates, and/or to undergo tests, that it considers necessary to substantiate your claim.

Insurance benefits are paid to First State Super on your behalf. If a terminal illness or TPD benefit is paid, you will need to satisfy a condition of release under superannuation law to enable First State Super to pay your super account balance and your insured benefit to you. Applicable tax will be deducted from a TPD benefit. If you do not satisfy a condition of release, First State Super is not able to release the benefit to you but will hold it as part of your super account balance. The conditions of release under superannuation law are described in the *Member Booklet Supplement: Accessing your super* available on our website [www.firststatesuper.com.au](http://www.firststatesuper.com.au) or from Customer Service by calling 1300 650 873.

Death benefit payments are paid to your First State Super account and distributed together with your superannuation account balance.



**Table 4: Definitions of terminal illness and total and permanent disablement**

<p><b>Terminal illness</b></p>	<p>Under the insurance policy, 'terminal illness' means:</p> <ol style="list-style-type: none"> <li>a) an appropriate specialist <u>medical practitioner</u> specialising in your <u>illness</u> certifies in writing that, despite reasonable medical treatment, you are suffering an <u>illness</u> that will lead to your death within 12 months of the date of the certification, and</li> <li>b) the Insurer is satisfied, on medical or other evidence, that despite reasonable medical treatment, the <u>illness</u> will lead to your death within 12 months of the date of certification.</li> </ol> <p>You must have death cover on the date of the certification and the Insurer must be satisfied that the certificate is current at the time the claim is lodged.</p>
<p><b>Total and permanent disablement or totally and permanently disabled</b></p>	<p>Under the insurance policy, 'total and permanent disablement', or 'totally and permanently disabled', means:</p> <ol style="list-style-type: none"> <li>1. If, at the <u>incident date</u>, you are aged less than 65 and <u>employed</u> or <u>self-employed</u>, or have been unemployed for 12 months or less, you are eligible to be assessed under paragraphs (i), (ii), (iii), (iv), and (v) below.</li> <li>2. If, at the <u>incident date</u>, you have been unemployed for greater than 12 months, or you are aged 65 or more, you are eligible to be assessed under paragraphs (i), (iii), (iv), and (v) below.</li> <li>3. If, at the <u>incident date</u>, you are solely engaged in <u>domestic duties</u>, you are eligible to be assessed under paragraphs (i), (iii), (iv), and (vi) below.             <ol style="list-style-type: none"> <li>(i) you suffer the permanent loss of use of 2 limbs or the sight of both eyes or the loss of use of one limb and the sight of one eye (where limb is defined as the whole hand or the whole foot);</li> <li>(ii) you have been absent from your <u>occupation</u> through <u>illness</u> or <u>injury</u> for 3 consecutive months (where your condition is unclear, it is reasonable to defer assessment) and you have provided proof to the satisfaction of the Insurer that you have become incapacitated to such an extent as to render yourself unlikely ever to engage in or work for reward in any occupation or work for which you are reasonably qualified by reason of education, training or experience;</li> <li>(iii) through <u>illness</u> or <u>injury</u>, you are permanently unable to perform 2 of the following 6 'activities of daily living' unaided and you have provided proof of this to the satisfaction of the Insurer:                 <ol style="list-style-type: none"> <li>1. <i>Bathing</i> – to shower or bathe;</li> <li>2. <i>Dressing</i> – to dress or undress;</li> <li>3. <i>Toileting</i> – to use the toilet including getting on and off;</li> <li>4. <i>Feeding</i> – to eat and drink;</li> <li>5. <i>Mobility</i> – to get out of bed or chair or wheelchair; or</li> <li>6. <i>Continence</i> – to control bladder and bowel function.</li> </ol> <p>If you can perform the activity by using special equipment, you will be considered able to undertake that activity unaided.</p> </li> <li>(iv) through <u>illness</u> or <u>injury</u>, you suffer from the permanent deterioration or loss of intellectual capacity and proof to the satisfaction of the Insurer has been provided that you have been required to be under the continuous care and supervision by another adult person for a continuous period of 6 months or more following the <u>incident date</u> and that this care is likely to be on a permanent daily and ongoing basis.</li> </ol> </li> <li>(v) you have become so disabled by <u>illness</u> or <u>injury</u> that the Insurer is satisfied that you are:             <ul style="list-style-type: none"> <li>■ permanently unable to perform at least 2 of the following 5 'everyday working activities' without the physical assistance of another person, despite the use of appropriate assistive aids, and this permanent inability has lasted for a continuous period of 6 months or more following the <u>incident date</u>; and</li> <li>■ you are unlikely ever to return to <u>gainful employment</u>.</li> </ul> <p>The 'everyday working activities' are <i>Mobility, Communicating, Vision, Lifting and Manual Dexterity</i>, each of which is explained as follows:</p> <ol style="list-style-type: none"> <li>a) unable to perform <i>Mobility</i> means:                 <ol style="list-style-type: none"> <li>I. you cannot walk more than 200m on a level surface without stopping due to breathlessness or severe discomfort; and/or</li> <li>II. you cannot bend, kneel or squat to pick something up from the floor and straighten up again after bending, kneeling or squatting; nor can you get in and out of a standard sedan car.</li> </ol> </li> </ol> </li> </ol>

<b>Total and permanent disablement or totally and permanently disabled (cont.)</b>	<p>b) unable to perform <i>Communicating</i> means:</p> <ol style="list-style-type: none"> <li>I. you cannot speak in your first language so that you are understood in a quiet room; nor can you hear (with or without a hearing aid or other aid) an instruction given in a normal voice in your first language in a quiet room; and/or</li> <li>II. you cannot understand a simple message in your first language, and relay that message to another person.</li> </ol> <p>c) unable to perform <i>Vision</i> means you cannot, with or without glasses or contact lenses, read ordinary newsprint, nor can you pass the standard eyesight test for a car driver licence.</p> <p>d) unable to perform <i>Lifting</i> means you cannot lift, carry or move objects weighing 5kg using either or both hands.</p> <p>e) unable to perform <i>Manual Dexterity</i> means you cannot use either or both hands or your fingers to manipulate small objects with precision (such as picking up a coin or fastening shoelaces or buttons, using cutlery, or using a pen or keyboard to write a short note).</p> <p>(vi) as a result of <u>illness</u> or <u>injury</u>, you:</p> <ul style="list-style-type: none"> <li>■ are under the regular care of a <u>medical practitioner</u>; and</li> <li>■ are unable to perform normal <u>domestic duties</u>; and</li> <li>■ are unable to leave your home unaided; and</li> <li>■ have not engaged in any employment for a period of 6 consecutive months; and</li> </ul> <p>at the end of 6 months, you have provided proof to the satisfaction of the Insurer that you have become incapacitated to such an extent as to render yourself likely to require ongoing medical care and be unlikely ever to engage in <u>domestic duties</u> or any <u>gainful employment</u>.</p>
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### Claims while you are overseas

If you are not in Australia when you claim total and permanent disablement or terminal illness, you may be required to return to Australia at your expense for assessment of your claim.

## Start-up bonus cover

### Start-up bonus units

You have a limited opportunity to apply for up to 3 units of extra cover (start-up bonus units) on top of your 3 units of automatic cover without providing the same level of detail about health and lifestyle as is required in an ordinary application.

### Who can apply?

You can apply for the start-up bonus units if:

- you have automatic cover and you have not previously reduced it; and
- we receive your first SG contribution made by your First State Super participating employer within 6 months after you started work with that employer; and
- you are at work at the time of application.

### The application process

To be considered, your completed *Start-up bonus cover for new employer-sponsored members* form attached to this supplement (also available at [www.firststatesuper.com.au](http://www.firststatesuper.com.au) or from Customer Service by calling 1300 650 873) must be received by us within 180 days of us receiving your first SG contribution made by your First State Super participating employer. Your application may be accepted or rejected by the Insurer. However, while your application is being considered, you will be eligible for interim accident cover – see page 11.

### If your application is accepted

If your application is accepted, your cover will increase from 3 to up to 6 units, depending on the number of additional units you have applied for. The extra units will be at the same insurance rating as your automatic cover. The cost of the extra units will be the same as each unit of your automatic cover i.e. \$5 per month (or \$2.38 per month if you apply for death only cover). If your application is accepted, your cover (in respect of the start-up bonus units) commences on the date of acceptance.

## Start-up additional bonus cover

When applying for the start-up bonus cover, and using the same form, you may also apply for additional start-up bonus cover (above the total of 6 units, but subject to a maximum of 10 times salary or \$1,000,000, whichever is less) without providing the same level of detail about health and lifestyle as is required in an ordinary application.

If you are eligible to apply for the start-up bonus units, you can apply for additional start-up bonus cover if you:

- have not had death or total and permanent disablement type cover declined or excluded in the past from any fund (including First State Super) or insurer; and
- have not had a total and permanent disablement type benefit from any fund (including First State Super) or insurer accepted or declined.

Your application may be accepted or rejected by the Insurer. While your application is being considered, you will be eligible for interim accident cover – see page 11. If your application is accepted, your additional bonus cover commences on the date of acceptance.

### ➤ Example 1

John, aged 40 and with a salary of \$105,000, receives 3 units of automatic death and TPD cover and is accepted for 3 start-up bonus units. John also applies and is accepted for the basic plus occupation rating. John's 6 units of cover would be worth 6 times \$112,561 per unit or a total of \$675,366. At the same time as applying for the start-up bonus units, John can also apply for \$324,634 additional cover (\$1,000,000 minus \$675,366 – a maximum of 10 times salary or \$1,000,000, whichever is less, applies) using a simplified application.

**Note:** The above example is illustrative only and is based on the factors stated. It should not be taken to contain or provide an estimate of the premiums payable by you.

## Transferring cover to First State Super

You may, after joining the Fund, apply to have up to \$10 million in death and up to \$5 million in TPD cover that you may have in another life policy in your name (**previous insurance**), transferred to First State Super.

You can only transfer cover if:

- you are at work on the day immediately preceding the day that the transfer, if accepted by the Insurer, is due to start in the Fund; and
- you have not had an application for life, total and permanent disablement type benefit, or income protection insurance declined; and
- you are not eligible, have not received, nor are applying for a total and permanent disablement type benefit, a permanent or temporary incapacity benefit, terminal illness benefit or an income protection benefit from worker's compensation, any superannuation fund or life insurance policy; and
- you have not been diagnosed with a terminal illness; and
- you have agreed not to exercise any continuation option under the previous insurance nor had cover reinstated under that insurance; and
- you agree that your cover under the previous insurance will cease on acceptance of your transfer cover by the Insurer; and
- the Insurer has been provided with satisfactory evidence of any conditions or restrictions which applied under the previous insurance.

If any individual restrictions, conditions, premium loadings or exclusions were imposed under the previous insurance, they may also apply to the transferred cover. This transfer amount is in addition to your existing First State Super automatic cover and the total is subject to the maximum cover limits.

To apply to transfer your cover, you only have to provide limited information about your health, income, occupation, lifestyle and pastimes. Your application will then be assessed by the Insurer. The cost or the value of units transferred will depend on your insurance rating; i.e. your employer's employer category, or your occupation category, whichever is the more favourable. The application form to transfer cover can be found at the back of this supplement and is also available at [www.firststatesuper.com.au](http://www.firststatesuper.com.au) or from Customer Service by calling 1300 650 873.

**Note:** You should wait for our written confirmation of the transfer of cover before cancelling any previous insurance.

## Additional death and TPD cover

Further additional cover for death and TPD or death only (not including start up bonus cover) can be either:

- **Unit based cover** (where the benefit amount depends on your age and your insurance rating); or
- **Fixed cover** (where the benefit amount is fixed, regardless of your age).

### What is the maximum cover?

The maximum amount of insurance cover is:

- unlimited cover for death; and
- \$5 million for terminal illness, and
- \$5 million for TPD.

### What is the cost?

**Table 5: Cost of Additional Cover**

Type of cover	Death & TPD	Death only
Unit based	\$5 per unit per month	\$2.38 per unit per month
Fixed cover	Depends on your age, the amount of cover, and the applicable insurance rating (your employer category or occupation category).	

The cost of your insurance is deducted from your First State Super account each month in arrears. If you notify us that you wish to reduce or opt out of cover, the amount deducted will be reduced or cease on the day after the next payment is due.

The cost of unit based or fixed cover may increase in the future. If this happens, you will be notified at least 30 days before the change is implemented.

Use the calculators on our website to calculate the cost of fixed cover. An example of calculating the cost of fixed cover is included on page 11.

### The application process

The application form for additional cover is attached to this supplement (and is also available at [www.firststatesuper.com.au](http://www.firststatesuper.com.au) or from Customer Service by calling 1300 650 873).

When you apply for additional cover, you will need to provide information about your health, occupation, income and lifestyle. The Insurer may, at its discretion, accept your application (with or without conditions) or reject it. While your application is being considered, you will be eligible for interim accident cover (see page 11).

### When does cover start?

If your application is accepted, your additional cover commences on the date of acceptance.

### When does cover cease?

Your additional cover will cease under the same circumstances as your automatic cover (see page 12).

### Your insurance rating

Unlike automatic cover, your insurance rating for additional cover can be based on either your employer category (see page 3) or your particular occupation. Your insurance rating for your additional cover will be whichever is more favourable to you.

A more favourable insurance rating could mean you pay less in premiums (if you have fixed cover) or you will be eligible for a higher insurance benefit (if your cover is unit based).

If you do not apply to have your cover occupationally rated and if your occupation category is more favourable than your employer's insurance category, (and you have not been accepted for the basic plus insurance category) the benefit that you would receive for each unit of additional cover may be higher than the benefit you would receive for each unit of automatic cover.

If you change your employer or your occupation, you may be able to apply to improve your insurance rating.



## Calculating the cost of fixed cover

Using **Table 6** below:

1. Work out your annual premium per \$1,000 of cover, taking into account your age, your insurance rating and whether the cover is death and TPD, or death only.
2. Multiply by the number of \$1,000s of cover you wish to apply for (your fixed cover amount divided by \$1,000)
3. Divide the annual premium by 12 for your monthly premium.

**Table 6: Annual premium per \$1000 of cover**

Rating/Category (Public sector)	Education and Public Service		Government Trading Enterprise and Health		Emergency Services		Basic Plus	
Rating/Category (Private sector)	White		Light manual		Manual/Heavy manual		Basic Plus	
Age Attained*	Death Only	Death & TPD	Death Only	Death & TPD	Death Only	Death & TPD	Death Only	Death & TPD
15	0.22	0.46	0.33	0.70	0.40	0.85	0.22	0.46
16	0.22	0.46	0.33	0.70	0.40	0.85	0.22	0.46
17	0.22	0.46	0.33	0.70	0.40	0.85	0.22	0.46
18	0.22	0.46	0.33	0.70	0.40	0.85	0.22	0.46
19	0.22	0.46	0.33	0.70	0.40	0.85	0.22	0.46
20	0.22	0.46	0.33	0.70	0.40	0.85	0.22	0.46
21	0.22	0.46	0.33	0.70	0.40	0.85	0.22	0.46
22	0.22	0.46	0.33	0.70	0.40	0.85	0.22	0.46
23	0.22	0.46	0.33	0.70	0.40	0.85	0.22	0.46
24	0.22	0.46	0.33	0.70	0.40	0.85	0.22	0.46
25	0.22	0.46	0.33	0.69	0.40	0.85	0.22	0.46
26	0.22	0.46	0.33	0.69	0.40	0.85	0.22	0.46
27	0.22	0.46	0.32	0.68	0.40	0.85	0.22	0.46
28	0.22	0.46	0.32	0.68	0.40	0.85	0.22	0.46
29	0.22	0.46	0.32	0.68	0.40	0.85	0.22	0.46
30	0.22	0.46	0.32	0.68	0.40	0.85	0.22	0.46
31	0.22	0.46	0.32	0.68	0.40	0.85	0.22	0.46
32	0.22	0.46	0.32	0.68	0.40	0.85	0.22	0.46
33	0.22	0.46	0.32	0.68	0.40	0.85	0.22	0.46
34	0.22	0.46	0.32	0.68	0.40	0.85	0.22	0.46
35	0.22	0.46	0.32	0.68	0.40	0.85	0.22	0.46
36	0.22	0.47	0.33	0.69	0.42	0.87	0.22	0.46
37	0.23	0.48	0.34	0.71	0.43	0.89	0.22	0.47
38	0.23	0.49	0.34	0.72	0.43	0.91	0.23	0.48
39	0.25	0.52	0.37	0.77	0.46	0.97	0.23	0.49
40	0.27	0.57	0.39	0.82	0.51	1.06	0.25	0.52
41	0.28	0.58	0.41	0.86	0.51	1.08	0.27	0.56
42	0.31	0.64	0.43	0.90	0.57	1.19	0.31	0.64
43	0.34	0.71	0.50	1.05	0.63	1.32	0.34	0.71
44	0.38	0.81	0.56	1.19	0.71	1.49	0.38	0.81
45	0.44	0.92	0.65	1.36	0.81	1.70	0.44	0.92
46	0.50	1.06	0.75	1.58	0.92	1.94	0.50	1.06
47	0.59	1.23	0.86	1.81	1.08	2.27	0.59	1.23
48	0.68	1.43	1.00	2.10	1.26	2.65	0.68	1.42
49	0.78	1.64	1.15	2.41	1.43	3.02	0.71	1.49
50	0.90	1.89	1.33	2.79	1.67	3.50	0.74	1.56
51	0.91	1.91	1.42	3.00	1.69	3.54	0.67	1.40
52	1.07	2.24	1.59	3.34	1.97	4.14	0.71	1.50
53	1.25	2.63	1.83	3.85	2.29	4.82	0.78	1.63
54	1.39	2.93	2.07	4.35	2.59	5.44	0.85	1.79
55	1.58	3.31	2.32	4.89	2.92	6.15	0.94	1.98
56	1.81	3.81	2.65	5.56	3.32	6.99	1.07	2.24
57	2.09	4.41	3.07	6.46	3.90	8.20	1.22	2.57
58	2.53	5.33	3.43	7.22	4.65	9.77	1.50	3.16
59	3.12	6.57	4.43	9.32	5.94	12.49	1.88	3.94
60	3.55	7.47	5.15	10.82	6.59	13.86	2.24	4.71
61	4.17	8.76	6.14	12.91	7.71	16.22	2.70	5.67
62	4.59	9.65	6.72	14.13	8.63	18.15	3.45	7.26
63	5.03	10.59	7.40	15.56	9.54	20.05	3.67	7.72
64	5.94	12.49	8.51	17.89	11.32	23.82	4.66	9.81
65	5.94	12.49	8.51	17.89	11.32	23.82	4.66	9.81
66	5.94	12.49	8.51	17.89	11.32	23.82	4.66	9.81
67	5.94	12.49	8.51	17.89	11.32	23.82	4.66	9.81
68	5.94	12.49	8.51	17.89	11.32	23.82	4.66	9.81
69	5.94	12.49	8.51	17.89	11.32	23.82	4.66	9.81

\* A restricted definition of total and permanent disablement applies from age 65

## Example 2

For an additional \$50,000 death and TPD cover for Sue, a 39-year old employed by a Government Trading Enterprise, the premium is calculated as follows:

Level of fixed additional cover	\$1,000s of cover (divide \$50,000 by 1,000)	Multiply by the annual premium per \$1,000 of cover	Annual/monthly premium
\$50,000	50	X \$0.77	= \$38.50 (or \$3.21 per month)

**Note:** The above example is illustrative only and is based on the factors stated. It should not be taken to contain or provide an estimate of the premiums payable by you.

## Restrictions on automatic cover

In some circumstances, your automatic cover will be restricted, as explained in **Table 7** below.

**Table 7: Restrictions on Cover**

Circumstance	How cover is affected
If we do not receive your first SG contribution from your First State Super participating employer within 6 months of you commencing work with that employer	<ol style="list-style-type: none"> <li>Your cover will commence on the date that we receive your first SG contribution, and:</li> <li><b>For the first 12 months after cover commences</b> you are only eligible for <u>limited cover</u>.</li> <li><b>After 12 months from the date cover commences:</b> If on the date 12 months after your cover commences you are: <ul style="list-style-type: none"> <li><u>at work</u>, you will be eligible for full cover under the policy from that date;</li> <li><u>not at work</u>, you will only be eligible for <u>limited cover</u> until the date you meet the <u>at work</u> requirements, at which time you will be eligible for unlimited cover under the policy.</li> </ul> </li> </ol>
If you have previously been paid a total and permanent disablement type benefit from any fund (including First State Super) or insurer	You will only ever be eligible for <u>limited cover</u> in the Fund.

## Interim accident cover for death and TPD

If you are eligible to apply for start-up bonus or additional death and TPD or death-only cover, you receive interim accident cover for death and/or TPD while your application is being assessed by the Insurer. Your interim accident cover starts from the time that the Insurer receives a properly completed application form and ceases at the earliest of:

- when your application is accepted (on any terms), rejected or withdrawn; or
- when the Insurer notifies you that your interim accident cover has ceased; or
- you cease to be a member of the Fund.

The interim accident cover is

- for Death cover, the lesser of
  - the amount applied for; and
  - \$2,000,000; and
- for TPD cover, the lesser of
  - the amount applied for; and
  - \$1,000,000 reduced by any existing TPD cover.

Interim accident cover covers you where your death or total and permanent disablement, as applicable, is caused solely, directly and independently of any other cause, by accident as long as death or total and permanent disablement, as applicable, occurs within 365 days of the accident.

## Benefit payments

All benefit payments (for the total amount of your automatic cover, start-up bonus cover, additional cover and transferred cover) are subject to a maximum amount of \$5 million for terminal illness and \$5 million for total and permanent disablement. There is no maximum death benefit.

If you have fixed cover, the insurance benefit will be the amount of fixed cover accepted by the Insurer, plus an amount for each unit of cover that you have.

The benefit amount for additional unit-based cover depends on the insurance rating that applies to your additional cover, which could be different from your automatic cover unless you apply, and are accepted, to be occupationally rated for all cover. **Table 2**, on page 4, shows the benefit amount for each unit of cover, for each insurance rating.

## Opting out, reducing, terminating or ceasing cover

### Reducing or opting out of automatic cover

You can reduce your automatic cover to one or 2 units of death and TPD cover (the cost of death and TPD cover is still \$5 per unit per month) or you can opt out of cover altogether.

Alternatively, you can reduce your automatic cover to one, 2 or 3 units of death only cover (so that you are covered for death and terminal illness, but not TPD). The cost of each unit of death only cover is \$2.38 per unit per month.

To reduce your cover, complete the *Application to reduce or cancel insurance cover* form included at the back of this supplement, or available at [www.firststatesuper.com.au](http://www.firststatesuper.com.au) or from Customer Service by calling 1300 650 873.

If you reduce or opt out of cover, your cover can never be automatically reinstated. You can re-apply for cover by providing detailed information about your health, income, occupation and lifestyle, but cover is subject to acceptance by the Insurer.

**If you wish to reduce your automatic cover without costs being incurred, you must do so within 30 days of being notified that you have received automatic cover by completing the *Application to reduce or cancel insurance cover* included at the back of this supplement, or available at [www.firststatesuper.com.au](http://www.firststatesuper.com.au) or from Customer Service by calling 1300 650 873.**

### Insufficient money in your super to pay the cost of your insurance

If your cover ceases because you do not have enough money in your account to pay the cost of your insurance, but you remain a member of First State Super, your cover may be reinstated (as long as you have not reduced or opted out of cover) in the following circumstances:

- If a contribution sufficient to cover the cost of your insurance is made to your account within 28 days of the Trustee notifying you in writing that your cover has ceased, your cover will be reinstated as at the date that it previously ceased.
- If we do not receive a contribution sufficient to cover the cost of your insurance within this 28-day period, cover will be reinstated when we receive an SG contribution sufficient to cover the cost of your insurance on your behalf from a First State Super participating employer, but your reinstated cover will then be the lower of:
  - (a) the level of cover you had prior to it ceasing; and

- (b) 3 units of death and TPD automatic cover, and if, on the date cover is reinstated, you are not at work, then you will have only limited cover until you have been at work for 2 consecutive months.

If you have reduced or opted out of cover, your cover can never be automatically reinstated, but you can re-apply for cover by providing detailed information about your health, income, occupation and lifestyle. If your application is accepted, cover commences on the date of acceptance by the Insurer.

### Termination of the policy

If the policy issued to the Trustee by the Insurer terminates and you are at work, the Trustee may replace your cover with substantially equivalent cover under a new policy.

If the policy issued to the Trustee by the Insurer terminates and you are not at work on the termination date, you will continue to have total and permanent disablement cover with the Insurer until the earliest of the following:

- you return to work and actively perform all your normal duties and work your usual hours free from any limitation due to illness or injury and you are not entitled to receive income support benefits of any kind; or
- your 70th birthday; or
- the date the Insurer accepts or declines a claim for total and permanent disablement benefit claimed by or for you.

### If you are in the Australian Armed Forces Reserve on active duty overseas

You can apply to continue your cover if you are in the Australian Armed Forces Reserve on active duty outside Australia. If you do not apply, or your application is rejected, your cover that ceased will automatically re-commence:

- **at your previous level** – immediately after you return from active duty outside Australia, providing your period of active duty is less than 12 months and you are at work at the end of that period; otherwise
- **at the lower of your previous level of cover and 3 units of automatic cover** – immediately on receipt of the next SG contribution from your First State Super participating employer after your period of active duty outside Australia.

If you are not at work on the date cover re-commences, you will only have limited cover until you have been at work for 2 consecutive months.

# Income protection

You do not receive automatic income protection cover when you become a member of First State Super. You can apply however, for income protection cover under the policy issued to the Trustee by the Insurer. You do not need to have death or TPD cover to apply for income protection cover.

## Applying for income protection

### What can you apply for?

You can apply to be insured for a replacement income (paid to you monthly in arrears). You can apply for the benefit structure from the options shown in the **Table 8** below, as long as you do not exceed the maximum cover.

**Table 8: Benefit options**

Benefit Periods	2 years	5 years or age 65
Income Replacement Ratio	50% or 75%	50% or 75%
Waiting Period	14, 30, 60 or 90 days	30, 60 or 90 days
Cover for <u>superannuation contributions benefit</u> *	10% of <u>monthly income</u>	10% of <u>monthly income</u>

\*The superannuation contributions benefit is paid directly into your account in First State Super and will attract contributions tax.

### What is the maximum cover?

The maximum insured monthly benefit that you can have under the policy depends on the benefit period.

**2 year benefit period** – up to \$50,000 per month (including the superannuation contributions benefit, if applicable).

**5 year benefit period or benefit period to age 65** – up to \$40,000 per month (including the superannuation contributions benefit, if applicable).

### Who can apply?

You can apply if you are:

- a First State Super member or applying for membership of the Fund; and
- an Australian Resident; and
- older than 15 years of age and not older than 65 years of age; and
- gainfully employed for at least 15 hours per week.

### What is the cost?

A premium is deducted from your First State Super account monthly, in arrears. The premium amount is calculated by taking into account:

- your age; and
- your insurance rating (based on your employer's category or your occupational category); and
- your income replacement ratio (50% or 75%) of your monthly income; and
- whether you are insured for the superannuation contributions benefit; and
- your waiting period; and
- your benefit period.

See *The cost of income protection* on page 19 or go to the insurance calculator on our [www.firststatesuper.com.au](http://www.firststatesuper.com.au).

### The application process

Your application must contain information about your health, monthly income, occupation and lifestyle. Depending on the evidence supplied, your application may be accepted or declined by the Insurer, or special conditions may be imposed on your cover.

If your application for income protection is accepted by the Insurer, you will be notified of your insured monthly benefit, your income replacement ratio, your benefit period, your waiting period, the date your cover commences, whether the superannuation contributions benefit is included and any special conditions that apply to your cover.

### Changes to your financial circumstances

After your application is accepted, you should tell us if your monthly income decreases, as you may not be eligible to receive your full insured monthly benefit and you may be able to pay a lower premium.

If your monthly income increases, you can apply to increase your insured monthly benefit (subject to the maximum levels of cover). Any increase in cover is subject to acceptance by the Insurer. If the increase is accepted, you will be notified of your new insured monthly benefit.

## Start-up bonus

Start-up bonus is a limited amount of income protection that you can apply for without providing the same level of detail about your health and lifestyle as is required in an ordinary application for income protection.

### Who can apply?

If you are employed by a First State Super participating employer, you can apply for start-up bonus income protection within 180 days after the date we receive your first SG contribution from that employer. To apply, you must:

- be employed for at least 15 hours per week; and
- join First State Super within 6 months of commencing employment with a First State Super participating employer.

### Your insurance rating

Unless you apply to be occupationally rated, or you apply to be in the basic plus insurance category, your insurance rating for the start-up bonus is your employer's category. For an explanation of insurance ratings, see page 3.

Your insurance rating affects:

- your insured monthly benefit under the start-up bonus, and
- your income protection cover premium.

**Table 9** below shows the maximum insured monthly benefit (your income replacement ratio (50% or 75%) of your monthly income) that you can be insured for under the start-up bonus, depending on your employer category.

**Table 9**

Employer category		Maximum Start up Bonus Insured Monthly Benefits*
<b>Public sector</b>	<b>Private sector</b>	
Basic Plus*	Basic Plus	\$10,000
Education and Public Service	White Collar	\$6,000
Government Trading Enterprise (including Health Sector employees)	Light Manual	\$6,000
Emergency Services	Manual	\$5,000
	Heavy Manual	\$3,000

\* Basic Plus must be applied for and accepted by the Insurer.

# You can select the superannuation contributions benefit to apply to your start up bonus cover. The superannuation contribution benefit is subject to the maximum start up bonus insured monthly benefit.

### Applying for the start-up bonus

In your application, you are only required to provide limited information about your health, income, occupation and lifestyle (compared to an ordinary application for income protection). It may be accepted (with or without conditions) or rejected by the Insurer. While your application is being assessed, you will be eligible for interim accident cover (see page 18).

If your application for start-up bonus cover is accepted by the Insurer, you will be notified of your insured monthly benefit, your benefit period, your income replacement ratio, if the superannuation contribution benefit is included, your waiting period and the date your cover commences.



## Transferring cover to First State Super

You may, after joining the First State Super, apply to transfer up to \$40,000 per month income protection cover that you may have in another life policy in your name (**previous insurance**) to First State Super.

You can only transfer cover if:

- you are at work on the day immediately preceding your transferring cover commencing in the Fund; and
- you have not had an application for life, total and permanent disablement or income protection insurance declined; and
- you are not eligible, have not received nor are applying for a total and permanent disablement type benefit, a permanent or temporary incapacity benefit, terminal illness benefit or an income protection benefit from worker's compensation, any superannuation fund or life insurance policy; and
- you have not been diagnosed with a terminal illness; and
- you have agreed not to exercise any continuation option under the previous insurance nor had cover reinstated under that insurance; and
- you agree that your cover under the previous insurance will cease on acceptance of your transfer cover by the Insurer; and
- the Insurer has been provided with satisfactory evidence of any conditions or restrictions which applied under the previous insurance.

If any individual restrictions, conditions, premium loadings or exclusions were imposed under the previous insurance they may also apply to the transferred cover. This transfer amount is in addition to any income protection cover you may have under First State Super and the total is subject to the maximum cover limits.

To apply to transfer your cover, you only have to provide limited information about your health, income, occupation, lifestyle and pastimes. Your application will then be assessed by the Insurer. The premium cost will depend on your insurance rating. The application form to transfer cover and can be found at [www.firststatesuper.com.au](http://www.firststatesuper.com.au) or obtained from Customer Service by calling 1300 650 873

**Note:** You should wait for our written confirmation of the transfer of cover before cancelling any previous insurance.

### What is the benefit period?

The benefit period is the maximum period for which the Insurer will pay a monthly disability benefit and/or partial disability benefit for a claim in relation to total disability and partial disability for the same or related illness or injury. The benefit period is nominated by you in your application and accepted by the Insurer.

If you are entitled to a recurrent disability benefit (refer page 17) this will be considered to be a continuation of the initial claim and, while the waiting period will not be reapplied, all periods of claim will be added together for the purpose of assessing the benefit period.

## What income protection covers you for

### Monthly disability benefit

#### When are you eligible for a monthly disability benefit?

You will be eligible to receive a monthly disability benefit if:

- you have been totally disabled or partially disabled for the waiting period (and totally disabled for at least 7 out of 12 consecutive days during the waiting period); and
- you are totally disabled at the end of the waiting period, or immediately following a period during which the partial disability benefit has been payable; and
- your pre-disability income is reduced due to your total disability.

The monthly disability benefit will be paid monthly in arrears and the amount of your benefit accrues daily on a pro-rata basis.

Payment of the monthly disability benefit is subject to the limitations and exclusions outlined on page 18 and must be approved by the Insurer and the Trustee.

'Totally disabled' or 'total disability' means that, in the Insurer's opinion, while covered for Income Protection, solely as a result of an illness or injury, you are:

- unable to perform at least one income producing duty of your regular occupation; and
- not working in any capacity, gainful employment or otherwise; and
- under the regular care of a medical practitioner and, in the Insurer's reasonable opinion, you are complying with the advice and treatment given by that medical practitioner.

## How much is the monthly disability benefit?

Your monthly disability benefit payments will be the lesser of:

- your insured monthly benefit, and
- your income replacement ratio (50% or 75%) of your pre-disability income.

The superannuation contributions benefit, if you are covered for this benefit, may also be payable.

Any benefit payable is limited to the maximum cover and subject to the limitations and exclusions outlined on page 18.

## When do the monthly disability benefit payments cease?

Your monthly disability benefit payments will cease to be paid on the earliest of:

- the date you are no longer totally disabled; or
- the date of your death; or
- your 65th birthday; or
- the expiry of the benefit period.

## Partial disability benefit

You will be eligible to receive a partial disability benefit if:

- you have been totally disabled for at least 7 out of 12 consecutive days during the waiting period;
- you are partially disabled at the end of the waiting period, or immediately following a period during which the monthly disability benefit has been payable.

'Partially disabled' or 'partial disability' means that, in the Insurer's opinion, while covered for Income Protection, solely as a result of an illness or injury that caused you to be totally disabled, you:

- do not have the capacity to work in your occupation at the same level you were working at prior to commencement of total disability; and
- are earning return to employment income that is less than your pre-disability income; and
- are under the regular care of a medical practitioner and, in the Insurer's reasonable opinion, you are complying with the advice and treatment given by that medical practitioner.

## How much is the partial disability benefit?

The partial disability benefit payable is calculated as follows:

A partial disability benefit is equal to:

$$\frac{\text{pre-disability income} - \text{return to employment income}}{\text{pre-disability income}} \times \text{insured monthly benefit}$$

The superannuation contributions benefit, if you are covered for this benefit, may also be payable and will also be reduced by any superannuation guarantee contribution made in relation to your return to employment income.

Any benefit payable is subject to the maximum cover and subject to the limitations and exclusions outlined on page 18.

## When do partial disability benefit payments cease?

Monthly partial disability benefit payments will cease to be paid on the earliest of:

- the date you are no longer partially disabled, or
- the date of your death, or
- your 65th birthday, or
- the expiry of the benefit period.

## Indexation

If your benefit period is 2 years, at the end of 12 months during which you received a monthly disability benefit or partial disability benefit, your insured monthly benefit will be increased by 5%. If your benefit period is 5 years or to age 65, at the end of each 12 month period during which you receive a monthly disability benefit or partial disability benefit, your insured monthly benefit will be increased by the lesser of 5% and CPI.

If you are covered for the superannuation contributions benefit, it will be indexed on the same basis as your insured monthly benefit.

## Recurrent disability benefit

If you returned to work after receiving a monthly disability benefit or partial disability benefit and become totally disabled or partially disabled again within 6 months (from the same or a related illness or injury) the Insurer will treat any recurrence of that disablement from the same or related cause as a continuation of the same benefit period and no waiting period will apply. However, because the benefit will be treated as a continuation of the same benefit period, it will only be payable for the remainder, if any, of the benefit period.

## Rehabilitation expense benefit

If you are totally disabled or partially disabled, the Insurer may pay for the cost of an approved rehabilitation program if the Insurer reasonably considers the program is likely to assist in your rehabilitation. This is in addition to the benefits otherwise payable to you for income protection. The rehabilitation expense benefit will be payable if:

- the Insurer approves the rehabilitation expenses in writing before they are incurred, and
- the rehabilitation expenses are incurred to directly assist you to return to work or undertake a vocational retraining program.

The amount of the rehabilitation expense benefit will be reduced by any amounts that can be claimed for the rehabilitation expenses from any other source.

A rehabilitation expense benefit will be paid directly to the provider of the rehabilitation service.

## Income protection cover during leave without pay

As long as premiums continue to be paid, you will continue to be covered during a period of leave without pay on the following basis.

If you make a claim during the period of leave without pay, your pre-disability income will be averaged over the 12 months immediately prior to you going on leave without pay (rather than the 12 months immediately prior to you becoming totally disabled) as long as:

- if you are employed, your employer has approved the period of leave in writing prior to your going on leave and the period of leave does not exceed 24 months; or
- if you are self-employed, you have made arrangements for the continuation of your business during your absence on leave (through the support of other participants in the business or through the services of a locum or equivalent replacement on a temporary basis), you derive no income during your absence and your absence on leave does not exceed 24 months.

In all other circumstances, pre-disability income will be calculated over the 12 months immediately prior to you becoming totally disabled.

In the event you suffer illness or injury while on leave without pay, the occupation you followed before you commenced the leave will be your occupation for the purposes of determining total disability.

If you are covered during a period of leave without pay and eligible to receive an income protection benefit, no benefit will be paid until the last to occur of:

- if you are employed, the date your leave without pay is scheduled to cease in accordance with the period of employer approved leave, or
- if you are self-employed, the expiration of the period of absence arranged before the start of your leave, or
- the expiry of the waiting period.

### If you are taking leave without pay

If you are taking leave without pay, you should consider whether to retain your income protection cover. The amount of your benefit depends on your pre-disability income. Except in the circumstances explained in the previous section – *Income protection cover during leave without pay* – when your pre-disability income will be averaged over the 12 months immediately prior to you going on leave without pay, your pre-disability income will be calculated over the 12 months immediately prior to you becoming totally disabled. This means that, if you become totally disabled, your pre-disability income will be averaged over a period which includes time when you were on unpaid leave and any benefit that you would be entitled to will be reduced. Also, if your leave without pay continues for more than one year and you then become totally disabled, your pre-disability income will be averaged over the 12 months you were on leave and any benefit that you would be entitled to will be reduced to zero.

While you should have regard for your own circumstances, a member might wish to continue the cover, even if any benefit payable is reduced in this way, if he or she intends to resume gainful employment. Alternatively, a member may consider it is preferable to cancel income protection cover if intending to take extended unpaid leave, depending on whether or not the unpaid leave is approved and the duration of the unpaid leave. Please note, however, that if you cancel income protection insurance, you must re-apply (if you are eligible) and your application may be accepted or declined by the Insurer, or special conditions may be imposed on your cover.

It is recommended that you consult a licensed or authorised financial adviser if you are in this situation.

## Interim accident cover for income protection

If you apply for income protection cover, or an increase in your insured monthly benefit, the Insurer will provide you with interim accident cover for total disability or partial disability while considering your application.

Interim accident cover commences on the date that the Insurer receives your properly completed application form and continues until the earliest of:

- the day on which your application is accepted (on any terms), rejected or withdrawn; or
- the day 90 days after the date the Insurer receives your properly completed application form; or
- when the Insurer notifies you that your interim accident cover has ceased; or
- you cease to be a member of the Fund.

If total disability or partial disability occurs by accident while you have interim accident cover, the insured monthly benefit will be the lowest of:

- the amount nominated as the insured monthly benefit and superannuation contributions benefit in the application; or
- \$10,000 per month (including any superannuation contributions benefit) reduced by any existing income protection cover; and
- the maximum level of cover.

Any benefit payable will be subject to the limitations and exclusions outlined in the next column.

If an interim accident cover benefit is payable, it will only be payable until the earliest of:

- the date you are no longer total disabled or partially disabled; or,
- the date of your death; or
- your 65th birthday; or
- the expiry of the benefit period nominated in the application.

## Claiming a benefit

### Payment of a claim

Payment of a claim must be approved by the Insurer and First State Super.

You will need to satisfy a condition of release under superannuation law to enable us to pay a benefit to you and any applicable tax will be deducted from the benefit prior to payment. If you do not satisfy a condition of release, First State Super is not able to

release the benefit to you. The conditions of release under superannuation law are described in the *Member Booklet Supplement: Accessing your super* on our website at [www.firststatesuper.com.au](http://www.firststatesuper.com.au).

You are responsible for any costs associated with completing and providing the claim forms (including ongoing claim forms) and any associated documents that the Insurer reasonably requires for the initial and ongoing assessment of your claim. You may also be asked, at your expense, to provide other evidence that the Insurer reasonably requires to substantiate your claim.

The Insurer may require you to attend (at its expense) any medical examination by a medical practitioner or other health professional that it nominates, and/or to undergo tests, that it considers necessary to enable it to substantiate your claim.

### Claims while you are overseas

If you are outside Australia and on claim for total disability or partial disability for more than 12 months, the Insurer may refuse to continue paying benefits unless you have, at your expense, returned to Australia.

Also, you may be required to return to Australia at your expense for initial and ongoing assessment of any claim.

## Limitations and exclusions

### Reduction of monthly benefit payment

The amount of any benefit payable to you for a month will be reduced by any other disability income which accrues to you during that month.

### When benefits are not payable

Benefits are not payable in the following circumstances:

- intentional self-inflicted injury or any attempt to commit suicide; or
- normal pregnancy or childbirth; or
- war, which includes any act of war (whether declared or not), revolution, invasion, rebellion or civil unrest.

Further, no benefit will be payable under income protection cover if the payment of the benefit would contravene any provision in the *Private Health Insurance Act 2007 (Cth)* or other related legislation.

### One disability benefit payment at any time?

The Insurer will only pay you one monthly disability benefit or partial disability benefit at a time during the benefit period.

## The cost of income protection

Follow the steps below to calculate the cost of income protection. Alternatively, go to [www.firststatesuper.com.au](http://www.firststatesuper.com.au) and use the Insurance cover and premium calculator to determine how much insurance cover may be suitable for you and how much it may cost you. Premiums for income protection may increase in the future. If this happens you will be notified at least 30 days before the change is implemented.

### Step 1 – Work out your level of cover per annum

See *Applying for income protection* – your insured monthly benefit (this is the income replacement ratio of your monthly income) multiplied by 12. Add 10% of monthly income if the superannuation contributions benefit is included. Make sure that you do not exceed the maximum cover.

### Step 2 – Work out your insurance rating and premium factor

Unless you apply and are accepted to be occupationally rated your insurance rating for income protection (including the start-up bonus) is your employer's category. See page 3 for a description of the insurance ratings. Use your insurance rating to work out your premium factor from **Table 10**.

**Table 10: Premium factor**

Occupation rating factors		
Private sector	Public sector	Factor
Basic Plus	Basic Plus	0.90
White Collar	Education and Public Service	1.00
Light Manual	Government Trading Enterprise	1.30
Manual	Emergency Services	1.90
Heavy Manual		2.30

### Step 3 – Work out your basic income protection premium

Using **Table 11**, **Table 12** or **Table 13** on pages 20–21 (depending on your benefit period) to work out your basic income protection premium according to your age, your level of cover (see Step 1) and the waiting period applying.

### Step 4 – Calculate your premium

Divide your level of cover (Step 1) by \$1,000 to give you your number of \$1,000s of insured cover. Multiply this number by your basic income protection premium (Step 3) and your premium factor (Step 2). This will give you your annual premium. Divide your annual premium by 12 for your monthly premium.

#### ➤ Example 3

John is 39 years old, employed by a Government Trading Enterprise, has a monthly income of \$10,000, a benefit period of 2 years, a 90-day waiting period and an income replacement ratio of 50% of monthly income. The premium is calculated as follows:

Level of cover per annum	\$1,000s of cover (divide \$60,000 by \$1,000)	Basic income protection premium per annum (from Table 11)	Premium factor (from Table 10)	Annual/monthly premium
\$60,000 (\$5,000 monthly income)	60	X \$1.13	X 1.30	= \$88.14 per year or \$7.35 per month

**Note:** The above example is illustrative only and is based on the factors stated. It should not be taken to contain or provide an estimate of the premiums payable by you.

## Termination or cessation of income protection cover

### When does your income protection cover cease?

Your income protection cover in First State Super will cease when any of the following occur:

- your membership with First State Super ceases; or
- there is not enough money in your account to cover the cost of your cover; or
- the date of your death; or
- you reach age 65; or
- you commence military service (other than the Australian Armed Forces Reserve if you are not on active duty outside Australia); or
- the date we receive your written request to cancel your cover.

In addition, cover may cease with the Insurer under circumstances outlined in the following section *Termination of the policy*.

### Termination of the policy

If the policy issued to the Trustee by the Insurer terminates and you are actively performing all the duties of your occupation and working your usual hours free from any limitation due to illness or injury, your cover may be replaced with substantially equivalent cover under a new policy.

If the policy issued to the Trustee by the Insurer terminates and you are not actively performing all the duties of your occupation and are not working your usual hours free from any limitation due to illness or injury on the termination date, you will continue to have income protection cover until the earliest of the following:

- you return to work and actively perform all your normal duties and work your usual hours free from any limitation due to illness or injury and you are not entitled to receive income support benefits of any kind; or
- your 65th birthday; or
- the date the Insurer accepts or declines a claim for income protection benefits claimed by you.

Table 11

Age Attained	2 Year Benefit			
	Waiting Period			
	14 days \$	30 days \$	60 days \$	90 days \$
15	3.05	1.50	0.96	0.71
16	3.14	1.54	0.98	0.72
17	3.23	1.58	1.02	0.75
18	3.28	1.60	1.03	0.76
19	3.32	1.62	1.04	0.76
20	3.46	1.70	1.08	0.79
21	3.41	1.67	1.06	0.75
22	3.45	1.69	1.06	0.73
23	3.44	1.69	1.05	0.71
24	3.45	1.69	1.05	0.70
25	3.46	1.70	1.05	0.68
26	3.54	1.74	1.07	0.68
27	3.63	1.78	1.09	0.70
28	3.73	1.82	1.12	0.71
29	3.89	1.90	1.16	0.71
30	4.01	1.96	1.19	0.72
31	4.19	2.05	1.23	0.74
32	4.42	2.16	1.30	0.77
33	4.67	2.29	1.37	0.81
34	4.96	2.42	1.44	0.83
35	5.17	2.53	1.52	0.88
36	5.64	2.76	1.64	0.94
37	5.91	2.90	1.73	1.01
38	6.15	3.01	1.81	1.06
39	6.41	3.14	1.89	1.13
40	6.69	3.27	1.98	1.21
41	6.87	3.36	2.05	1.30
42	7.14	3.49	2.15	1.39
43	7.51	3.67	2.28	1.52
44	7.71	3.77	2.37	1.64
45	8.23	4.03	2.55	1.79
46	8.73	4.27	2.72	1.97
47	9.26	4.53	2.92	2.16
48	9.86	4.83	3.15	2.41
49	10.73	5.25	3.44	2.68
50	11.58	5.66	3.75	2.99
51	12.66	6.20	4.13	3.36
52	13.88	6.80	4.56	3.78
53	15.23	7.45	5.03	4.24
54	16.78	8.21	5.59	4.79
55	18.61	9.11	6.23	5.40
56	20.80	10.18	6.99	6.11
57	23.34	11.42	7.87	6.93
58	26.34	12.89	8.89	7.86
59	29.63	14.49	10.01	8.86
60	33.31	16.29	11.27	10.00
61	37.62	18.41	12.72	11.27
62	42.35	20.71	14.32	12.68
63	40.95	20.03	13.45	11.13
64	22.36	10.94	6.61	4.01

Table 12

5 Year Benefit			
Age Attained	Waiting Period		
	30 days \$	60 days \$	90 days \$
15	2.54	1.58	1.15
16	2.55	1.60	1.17
17	2.56	1.62	1.18
18	2.56	1.62	1.17
19	2.55	1.61	1.16
20	2.59	1.63	1.17
21	2.60	1.63	1.14
22	2.64	1.63	1.15
23	2.67	1.65	1.13
24	2.70	1.65	1.14
25	2.73	1.67	1.14
26	2.82	1.73	1.17
27	2.92	1.78	1.24
28	3.02	1.85	1.26
29	3.17	1.93	1.30
30	3.31	2.00	1.35
31	3.49	2.08	1.39
32	3.69	2.19	1.43
33	3.92	2.30	1.50
34	4.15	2.42	1.56
35	4.39	2.57	1.64
36	4.69	2.74	1.75
37	4.98	2.91	1.88
38	5.24	3.09	2.03
39	5.37	3.28	2.19
40	5.52	3.50	2.37
41	5.70	3.72	2.57
42	6.00	3.97	2.80
43	6.35	4.27	3.06
44	6.65	4.55	3.35
45	7.06	4.90	3.69
46	7.46	5.27	4.07
47	7.89	5.67	4.45
48	8.35	6.11	4.91
49	8.90	6.60	5.44
50	9.45	7.12	6.03
51	10.10	7.72	6.64
52	10.80	8.35	7.30
53	11.56	9.02	8.01
54	12.39	9.77	8.80
55	13.86	11.04	9.65
56	14.94	11.99	10.59
57	16.10	12.99	12.24
58	17.37	14.04	13.33
59	18.76	15.05	14.29
60	19.26	15.43	14.47
61	19.12	15.01	13.94
62	20.91	14.85	13.34
63	20.05	14.34	11.64
64	10.98	6.97	4.31

Table 13

To age 65 Benefit			
Age Attained	Waiting Period		
	30 days \$	60 days \$	90 days \$
15	5.34	3.45	2.64
16	5.34	3.45	2.64
17	5.34	3.45	2.64
18	5.34	3.45	2.64
19	5.34	3.45	2.64
20	5.34	3.45	2.64
21	5.48	3.51	2.66
22	5.61	3.57	2.69
23	5.75	3.64	2.73
24	5.90	3.71	2.77
25	6.05	3.78	2.81
26	6.29	3.97	2.97
27	6.59	4.16	3.12
28	6.93	4.36	3.25
29	7.33	4.57	3.38
30	7.77	4.79	3.52
31	8.26	5.04	3.66
32	8.80	5.31	3.81
33	9.39	5.61	3.99
34	10.01	5.94	4.20
35	10.68	6.32	4.45
36	11.38	6.73	4.73
37	12.12	7.19	5.07
38	12.89	7.69	5.46
39	13.70	8.24	5.91
40	14.53	8.85	6.42
41	15.38	9.50	6.99
42	16.25	10.21	7.62
43	17.14	10.97	8.32
44	18.04	11.77	9.08
45	18.96	12.62	9.91
46	19.87	13.51	10.78
47	20.79	14.43	11.70
48	21.69	15.37	12.66
49	22.59	16.33	13.65
50	23.46	17.29	14.65
51	24.30	18.24	15.65
52	25.11	19.17	16.62
53	25.86	20.04	17.55
54	26.55	20.85	18.41
55	27.15	21.57	19.18
56	27.58	22.12	19.77
57	27.79	22.43	20.13
58	27.69	22.42	20.17
59	27.18	22.01	19.79
60	26.12	21.06	18.89
61	24.29	19.39	17.29
62	21.33	16.69	14.70
63	16.23	12.16	10.41
64	7.11	4.45	3.30

# Glossary

Phrase	Meaning
Accident	Means an unforeseen, violent, external and visible event that occurs accidentally during the period of cover.
At Work	Means you are <u>gainfully employed</u> and, in the Insurer's opinion, capable of performing your identifiable work duties without restriction by <u>illness</u> or <u>injury</u> for at least 15 hours per week (whether or not you are actually working those hours).
Australian Resident	Means an Australian citizen or a person who is the holder of an Australian permanent visa within the meaning of Section 30 of the <i>Migration Act 1958</i> or resides in Australia on a 457 working visa.
Benefit Period	Please refer to the explanation on page 15
CPI	Means Consumer Price Index (all groups weighted average for eight capital cities) issued by the Australian Bureau of Statistics for the most recent 12 months before the date of calculation.
Domestic Duties	Means being solely engaged in maintaining the family home. For example: <ul style="list-style-type: none"> <li>■ Cooking of meals for your family</li> <li>■ Cleaning of the family home;</li> <li>■ Shopping for your family's food;</li> <li>■ Doing your family's laundry; and</li> <li>■ Taking care of dependent children (if applicable);</li> </ul> but excluding any tasks performed for salary, reward or profit.
Employed	Means being employed for remuneration or reward.
Gainful Employment or Gainfully Employed	Means the performance of work for reward or in the expectation of economic benefit to you, or a person or entity connected with you. You can be either <u>employed</u> or <u>self-employed</u> .
Illness	Means sickness, disease or disorder.
Incident Date	Means in respect of TPD cover, the later of the certification date of the <u>injury</u> or <u>illness</u> which caused <u>total and permanent disablement</u> , or the date on which you ceased employment due to the <u>injury</u> or <u>illness</u> that caused <u>total and permanent disablement</u> .
Income Producing Duty	Means a duty that generates at least 20% of your <u>pre-disability income</u> .
Injury	Means bodily injury which is caused solely and directly by external, violent and accidental means and is independent of any other cause.
Insured monthly benefit	Means the monthly benefit amount accepted by the Insurer.
Limited cover (for death and TPD cover)	Means that you are only covered for claims arising from an <u>illness</u> which first became apparent, or an <u>injury</u> which first occurred, on or after the date the cover started or, if the cover was reinstated, on or after the date the cover was reinstated. For details about how and when your cover can be reinstated, refer page 12.
Maximum levels of cover or maximum cover	<ul style="list-style-type: none"> <li>■ Death – unlimited</li> <li>■ <u>Terminal Illness</u> – \$5 million</li> <li>■ TPD – \$5 million</li> <li>■ Income Protection: <ul style="list-style-type: none"> <li>– 2 year benefit period - \$50,000 per month (including the <u>superannuation contributions benefit</u>);</li> <li>– 5 year and to age 65 benefit period - \$40,000 per month (including the <u>superannuation contributions benefit</u>)</li> </ul> </li> </ul>
Medical practitioner	Means, unless the Insurer agrees otherwise, a medical practitioner legally qualified and registered to practice in Australia, who is not you, your spouse, a relative, a business partner, a shareholder or your employee.  Chiropractors, physiotherapists and alternative health providers are not regarded as medical practitioners.

Phrase	Meaning
Monthly Income	<p>Your gross monthly income earned from personal exertion from your main <u>occupation</u>, or <u>occupations</u>, averaged over the 12 months immediately prior to applying for income protection cover, aside from bonuses which are to be averaged over the 3 years prior to applying for income protection cover. If you have been <u>employed</u> or <u>self-employed</u> for less than 12 months before applying for income protection cover, your gross monthly income will be averaged over the period since you last started <u>employment</u> or <u>self-employment</u>.</p> <p><b>Note:</b></p> <p>For the purpose of calculating your monthly income:</p> <ol style="list-style-type: none"> <li>1. your employer's superannuation contributions are not included; and</li> <li>2. if you are <u>self-employed</u>, your share of business expenses are not included.</li> </ol>
Occupation	Means the employment or activity in which you are principally <u>employed</u> or <u>self-employed</u> .
Other Disability Income	<p>Means any income (other than <u>return to employment income</u>) which you may derive during a month for which the monthly disability benefit or partial disability benefit is payable and includes:</p> <ol style="list-style-type: none"> <li>a) any benefit payable under other income protection insurance policies;</li> <li>b) any benefit under any worker's compensation, statutory compensation, pension, social security or similar schemes or other similar State, Federal or Territory legislation; and</li> <li>c) any benefit paid under state or federal legislation such as the Department of Veteran Affairs; and</li> <li>d) any claimed employer funded sick leave entitlements and other income payments.</li> </ol> <p>Any Other Disability Income which is in the form of a lump sum, or is commuted for a lump sum, has a monthly equivalent of one sixtieth (1/60th) of the lump sum over a period of sixty (60) months.</p> <p>If it can be shown that a portion of the lump sum represents compensation for pain and suffering, or the loss of use of a part of the body, the Insurer will not take that portion into account as Other Disability Income.</p>
Partially disabled or partial disablement	Please refer to the definition on page 16.
Pre-disability Income	<p>Your monthly gross income earned from personal exertion from your main <u>occupation</u>, or <u>occupations</u>, averaged over the 12 months immediately prior to becoming <u>totally disabled</u>, aside from bonuses which are to be averaged over the 3 years prior to becoming <u>totally disabled</u>. If you have been <u>employed</u> or <u>self-employed</u> for less than 12 months before becoming <u>totally disabled</u>, your monthly gross income will be averaged over the period since you last started <u>employment</u> or <u>self-employment</u>.</p> <p><b>Note:</b></p> <p>For the purpose of calculating your pre-disability income:</p> <ol style="list-style-type: none"> <li>1. your employer's superannuation contributions are not included; and</li> <li>2. if you are <u>self-employed</u>, your share of business expenses are not included.</li> </ol>
Rehabilitation expenses	The cost of a rehabilitation program (other than a program which would constitute 'health insurance business' under the <i>Private Health Insurance Act 2007 (Cth)</i> ) which a <u>medical practitioner</u> certifies is necessary for your rehabilitation.
Return to employment income (for income protection purposes)	Means the gross income received by you during a month in respect of which a partial disability benefit may be payable, and which is earned as a consequence of your personal exertion (including commissions, bonus and other payments that the Insurer reasonably consider form part of your remuneration package), less all expenses incurred by you in connection with earning that income during that month (if you are <u>self-employed</u> , less your share of business expenses).

Phrase	Meaning
Salary	<p>If you are <u>employed</u> – your annual remuneration received from personal exertion, including base salary, bonuses, fees, regular overtime, commission and fringe benefits, but not including investment income, income received from deferred compensation plans, disability income policies or retirement plans and income not derived from personal exertion. Employer superannuation contributions made for you are also not included.</p> <p>If you are <u>self-employed</u> – the amount earned by the business directly due to your own work, less your share of business expenses for the business, but before the deduction of income tax for the business (or the relevant portion for part of a financial year).</p>
Self-employed	means you are performing activities for remuneration or reward in a business of which you directly or indirectly own all or part.
Superannuation contributions benefit (for income protection purposes)	<p>if you have applied and been accepted for a <u>superannuation contributions benefit</u>, a superannuation contribution equal to:</p> <ul style="list-style-type: none"> <li>■ 10% of your <u>pre-disability income</u> will be paid to your First State Super account while you receive a monthly disability benefit;</li> <li>■ 10% of your <u>pre-disability income</u> will be paid to your First State Super account less any superannuation guarantee contribution made in relation to your <u>return to employment income</u>, while you receive a partial disability benefit.</li> </ul>
Terminal Illness	Please refer to Table 4 on page 6.
Total and Permanent Disablement/Totally and Permanently Disabled	Please refer to Table 4 on page 6.
Totally Disabled or Total Disability (for income protection purposes)	Please refer to the definition on page 15.
Waiting period (for income protection purposes)	Means the continuous period (14, 30, 60 or 90 days, whichever is applicable) commencing from the date a <u>medical practitioner</u> certifies you as <u>totally disabled</u> and for which you have to be <u>totally disabled</u> or <u>partially disabled</u> before the monthly disability benefit or partial disability benefit is payable. If, during the waiting period, you return to <u>gainful employment</u> , the waiting period will still be regarded as continuous if your return to work is for 5 days or less and you again become <u>totally disabled</u> or <u>partially disabled</u> as a result of the same <u>injury</u> or <u>illness</u> . The days for which you were in <u>gainful employment</u> will be added to the waiting period. If you return to <u>gainful employment</u> for more than 5 days, then a new waiting period will commence.





## C. Employer-sponsored members – automatic cover

Please  cross the relevant box:

- I would like to change my automatic death only cover to automatic death and TPD cover
- I would like to increase my automatic death and TPD cover, **OR** automatic death only cover (delete one) as follows:
- I currently have:                       0 units                       1 unit                       2 units
- and I would like to apply for:       1 unit                       2 units                       3 units

If your application for automatic death and TPD cover is not accepted for TPD insurance, you may be offered death only cover by the insurer.

## D. Employer-sponsored members – additional cover

Please  cross the relevant box:

- I would like to change my additional death only cover to additional death and TPD cover
- I would like to increase my additional death and TPD cover to either a fixed dollar amount or a number of units as shown below\*, **OR**
- I would like to increase my additional death only cover to either a fixed dollar amount or a number of units as shown below\*
- I would like to nominate the following fixed dollar amount:                      \$
- OR**
- I would like to nominate the following number of units:

\*NOTE: You can only select one of the above two options ie. fixed dollar amount OR number of units

## E. Personal members – death and TPD or death only cover

Please  cross the relevant box:

- I would like to change my death only cover to death and TPD cover
- I would like to apply for/increase my death and TPD cover to either a fixed dollar amount or a number of units as shown below\*, **OR**
- I would like to apply for/increase my death only cover to either a fixed dollar amount or a number of units as shown below\*
- I would like to nominate the following fixed dollar amount:                      \$
- OR**
- I would like to nominate the following number of units:

\*NOTE: You can only select one of the above two options ie. fixed dollar amount OR number of units

## F. All members – income protection cover (you must be employed and working to apply)

See the glossary of insurance terms for the definition of **monthly income**.

**Complete this section if you DO NOT currently have income protection cover (you must also complete Section H)**

- i) I would like to apply for a benefit of                       75%                      **OR**                       50% of my current monthly income
- ii) In addition to the % of monthly income indicated at i), I would like a 10% superannuation contributions benefit paid to my First State Super account                      Yes  No
- iii) I would like a benefit period of                       2 years                       5 years                       to age 65





## H. Personal health statement (cont.)

Question	Dates (from/to)	Name/address of doctor, hospital or clinic	Condition, medications, treatments and time off work	Recovery %

8. Have you ever had, been advised that you had, or received treatment for any of the following:

- a. High blood pressure, raised cholesterol, chest pain, heart attack, rheumatic fever, stroke or circulatory disorder? Yes  No
- b. Bowel, stomach or intestinal problem, gall bladder or liver disease? Yes  No
- c. Epilepsy, stroke, paralysis, multiple sclerosis, fainting attacks? Yes  No
- d. Depression, anxiety, panic attacks, stress, chronic fatigue or any mental or nervous condition? Yes  No
- e. Diabetes, sugar in urine, pancreatic or thyroid problem? Yes  No
- f. Cancer, tumour, melanoma, sunspots, mole or growth of any kind? Yes  No
- g. Disease, injury or disorder of joints, neck, back or bones, gout, arthritis, or a repetitive strain injury or tendonitis? Yes  No
- h. Impairment of sight, hearing or speech? Yes  No
- i. Asthma, bronchitis, any lung complaint? Yes  No
- j. Leukaemia, haemochromatosis, any blood problems? Yes  No
- k. Kidney, bladder problems? Yes  No
- l. Psoriasis, eczema, any skin problems? Yes  No
- m. Any other disability, congenital abnormality, deformity or symptoms of ill health, illness or injury? Yes  No
- n. Has the virus which causes AIDS (the Human Immunodeficiency Virus) ever infected you or are you carrying antibodies to that virus? Yes  No
- o. Have you ever engaged in any activity/ies reasonably accepted to having an increased risk of exposure to the HIV/AIDS virus? Yes  No

### FEMALES ONLY

- p. Have you ever had any gynaecological conditions (eg endometriosis, abnormal pap smear, etc.)? Yes  No
- q. Have you ever had any complications of pregnancy or childbirth? Yes  No
- r. Are you currently pregnant? Yes  No   
 If yes, what is expected delivery date?   -   -
- s. Have you ever had a breast lump (even if you have not seen a doctor about it)? Yes  No

9. Family history

Have any of your immediate family, (living or deceased) suffered from diabetes, heart disease, cancer, kidney disease, high blood pressure, mental problems or breakdown, haemophilia, Huntington's Chorea or any hereditary disease? Yes  No

10. Please give details of your family medical history

Relative	Living relatives		Deceased relatives	
	Current age	Current state of health	Age at death	Cause of death
Mother				
Father				
Sisters				
Brothers				

## H. Personal health statement (cont.)

### 11. General medical questionnaire

Please provide details for all Yes answers in Section 8 a. to s. Please use an additional sheet if required.

Question no.	Q.	Q.	Q.	Q.
<b>Specific condition</b>				
A. Date symptoms first started and description of symptoms?				
B. What was the condition and which part of the body was affected?				
C. What was the medical diagnosis including results of x-rays and investigations?				
D. What was the frequency (daily, weekly, etc) of attacks or symptoms?				
E. What was the severity (mild/moderate/severe) and duration of attacks or symptoms?				
F. How long were you unable to work or perform your normal duties/activities?				
G. If a hospital visit was required, please provide date and duration of your stay				
H. What advice/treatment did you receive?				
I. Are you still receiving treatment? If so, please advise nature and frequency of treatment?				
J. Date treatment/medication ceased.				
K. When did you last suffer from any symptoms?				
L. Degree of recovery (%)				
M. Please supply the name and address of all doctors, hospitals or other practitioners consulted.				

## I. Your duty of disclosure

### *Insurance Contracts Act, 1984*

**Please note that your duty of disclosure continues until cover is accepted.**

Before you enter into a contract of life insurance with an Insurer, you have a duty, under the Insurance Contracts Act 1984, to disclose to the Insurer every matter that you know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms. This duty remains until the Insurer advises you that your application for cover has been accepted.

You have the same duty to disclose those matters to the Insurer before you vary or reinstate a contract of life insurance. Your duty, however, does not require disclosure of a matter:

- that diminishes the risk to be undertaken by the Insurer;
- that is common knowledge;
- that your insurer knows or, in the ordinary course of business, ought to know; or
- as to which compliance with your duty is waived by the Insurer.

### **Non-disclosure**

If you fail to comply with your duty of disclosure and the Insurer would not have entered into the contract on any terms if the failure had not occurred, the Insurer may avoid the contract within 3 years of entering into it. If your non-disclosure is fraudulent, the Insurer may avoid the contract at any time.

An Insurer who is entitled to avoid a contract of life insurance may, within 3 years of entering into it, elect not to avoid it but to reduce the sum that you have been insured for in accordance with a formula that takes into account that the premium that would have been payable if you had disclosed all relevant matters to the Insurer.

### **Your privacy with TOWER Australia Limited ABN 70 050 109 450 AFSL 237848 ('TOWER' and the 'Insurer')**

If you make a claim under this policy the Insurer may conduct investigations to assess the value and validity of the claim. This may involve the use of investigation agents, legal advisors and the collection of personal data that TOWER believes is relevant. TOWER complies with the Privacy Act 1988 and the principles laid out on their privacy policies, which are readily available on request.

### **Your privacy as a member of First State Super**

The information you provide in this form is collected by and held for First State Super by the fund administrator, Pillar Administration, in accordance with the National Privacy Principles of the Privacy Act. Such information is usually disclosed to third parties, including the Insurer or medical consultant who may be involved with the assessment of this application, and is held by Pillar Administration and the Insurer. For more information about privacy, contact Customer Service on 1300 650 873 or visit [www.firststatesuper.com.au](http://www.firststatesuper.com.au) to view the privacy plan.

## J. Declaration

I declare that:

- I have read and understand my duty of disclosure and that this duty applies until formal notification of acceptance.
- The answers to the questions are true, and I have not deliberately withheld any information material to the proposed insurance.
- I agree to be bound by the terms and conditions attached to this cover as set out in the Insurance Policy Document between First State Super and the Insurer.
- I consent to the collection, use and disclosure of personal information by the relevant Insurer and their service providers in order to assess my application and any claim under this policy.
- I have read and understood the above privacy statements and agree to the collection, use and disclosure of personal information as described in those statements.
- I consent to the relevant Insurer, that being TOWER, seeking medical information from any doctor who at any time I have consulted prior to the date hereof. A photocopy of this authority is as valid as the original to the extent that all professional confidence and privilege is waived.
- I understand that cover under any policy accepted does not begin until acceptance by the Insurer of which I will be notified in writing.
- I have read the insurance section of the current First State Super Member Booklet relevant to my Division, including (for employer-sponsored, Police Blue Ribbon and Ambulance Officers' Super members) the *Member Booklet Supplement: Insurance*.

### **Medical authority**

I agree that any Medical Practitioner or any other person who has been or may hereafter be consulted by me whether named by me or not, will be hereby authorized and directed by me to divulge to TOWER Australia Limited or any legal tribunal all medical or surgical information he/she may have acquired with regard to myself. A copy of this authorization shall be considered as effective and valid as the original.

**Full name of member**

**Signature**

**Date (DD-MM-YYYY)**

  -   -

## K. Explanatory notes

Refer to the current First State Super Member Booklet for your membership category for more information on insurance cover.

- All pages (1–8) of this form must be returned for the application to be valid.
- All cover is provided by TOWER Australia Limited.
- You can apply for an unlimited amount of death cover, and up to \$5 million TPD/terminal illness cover.
- All applications for cover are subject to acceptance by the Insurer, and require evidence of good health. Cover may be accepted, offered with exclusions or declined.

NOTE: There are a number of other forms, in addition to this form, that allow you to take actions and submit instructions about your insurance. These forms are available from Customer Service on 1300 650 873 or the First State Super website [www.firststatesuper.com.au](http://www.firststatesuper.com.au).

FSS 016 Application to reduce or cancel insurance cover

FSS 031 Insured members change of employment advice

FSS 042 Start up bonus cover for new employer-sponsored members

FSS 043 Application to change insurance category rating

FSS 046 Application to transfer insurance

### Employer-sponsored members – automatic cover

If you are an employer-sponsored member you must hold at least one unit of employer-rated automatic cover in order to apply for cover to be rated according to your occupation. Any additional cover accepted by the insurer on top of your existing automatic cover will be rated at the more favourable of your employer's rating or occupation rating, unless you have applied and been accepted to be occupationally rated.

Automatic cover is provided as units of cover. It cannot be fixed unless you have applied and been accepted by the Insurer to be occupationally rated. The insured amounts are determined by your age and your employer's rating as applicable at the time of death or total and permanent disablement. You must re-apply if you have previously opted out of or varied your level of automatic cover.

- To apply for this cover, complete sections A, B, C, H and J.

### Employer-sponsored members – additional cover

This cover provides you with additional insurance in the event of death or TPD. You can nominate a fixed dollar amount or a number of units. Your total cover (which includes the automatic cover amount) is subject to a maximum of \$5 million for TPD/terminal illness. There is no limit on the amount of additional death cover you can apply for.

- To apply for this cover, complete sections A, B, D, H and J.

### Personal members – death and TPD or death only cover

ALL cover is rated according to your occupation. You may nominate units of cover or a fixed dollar amount. Note that the requirement to hold a minimum of one unit of Basic cover does not apply to personal members.

- To apply for this cover, complete sections A, B, E, H and J.

### All members - income protection cover

This cover provides you with a monthly income benefit (not a lump sum) for 2 years, 5 years or to age 65. If you are absent from work as a result of an illness or injury. Payment does not start until your nominated waiting period has expired. You may apply to be covered for a sum insured of 75% or 50% of your income.

- To apply for this cover, complete sections A, B, F, H and J.

### Basic Plus insurance category

If you are eligible, you can apply to have both new and existing cover rated at the Basic Plus insurance category.

- To apply for the Basic Plus insurance category on your existing cover, complete sections A, B, G and J.

**Note: Depending on the answers provided in this application and the amount of cover you have applied for, the Insurer may require further information regarding your health, lifestyle, pastimes and personal information.**



**Return the completed form to First State Super PO Box 1229 WOLLONGONG NSW 2500**

If you have any enquiries please call Customer Service on **1300 650 873** between 8:30 am and 5:30 pm AEST from Monday to Friday for the cost of a local call (unless calling from a mobile or pay phone).



## D. Reduction of income protection cover

Please  cross the relevant box

(See the Glossary on page 23 of the *Member Booklet Supplement - Insurance* for the definition of monthly income)

Please reduce my percentage of monthly income insured as a monthly benefit from 75% to 50%

Please reduce my additional superannuation contribution benefit of 10% to nil

Please increase the waiting period for my income protection cover as follows:

From  14 days  30 days  60 days

To  30 days  60 days  90 days

Please reduce my benefit period as follows:

From  5 years  to age 65  to age 65

To  2 years  5 years  2 years

Please reduce my nominated monthly income to the following level: \$

**\*NOTE:** If you wish to **increase** your nominated monthly income or reduce your waiting period for income protection cover then you must complete the *Application for insurance* form. This form requests additional information that the Insurer must review before your increased benefits can be approved.

## E. Change from units to fixed dollar OR fixed dollar to units

Complete this section if you wish to change your existing death and TPD or death only cover (**except** automatic cover) from units to fixed dollar or fixed dollar to units. Please  cross the relevant box:

I wish to switch my cover from extra units to fixed cover

OR

I wish to switch my cover from fixed cover to extra units (rounded to the nearest number of units)

## F. Declaration

I understand:

- that any amendments I have requested will affect my level of cover/s and monthly premiums
- that by cancelling my insurance, the cover will cease and premiums will no longer be deducted for that cover
- that if I wish to reapply, my acceptance for cover will be subject to me providing evidence of good health and subject to acceptance by the insurer.

Signature

Date (DD-MM-YYYY)

-   -

## G. Privacy notice

The information you provide in this form is collected by and held for First State Super by the fund administrator, Pillar Administration, in accordance with the National Privacy Principles of the *Commonwealth Privacy Act*. For further information about privacy, contact Customer Service on 1300 650 873 or visit [www.firststatesuper.com.au](http://www.firststatesuper.com.au) to view the Privacy Plan.



**Return the completed form to** First State Super PO Box 1229 WOLLONGONG NSW 2500

If you have any enquiries please call Customer Service on **1300 650 873** between 8:30 am and 5:30 pm AEST from Monday to Friday for the cost of a local call (unless calling from a mobile or pay phone).



## B. Occupation statement

7. What duties do you perform at work? Please be as specific as possible as this information is used to assign an occupational rating. If your occupational rating is more favourable than your employer rating your cover, if accepted, will be rated according to the most favourable classification.


## C. Start up bonus cover (up to 3 units)

### Eligibility

You are eligible to apply for the start up bonus cover if:

- You have automatic cover and have not reduced it;
- We receive the first SG contribution made for you by your First State Super participating employer within 6 months after you started work with that employer;
- We receive your application within 180 days after we receive the first SG contribution; and
- You can answer 'No' to the following question:

Are you, at the date of this application, due to injury, accident or illness off work or restricted from being capable of performing your identifiable work duties for at least 15 hours per week, even though your actual employment can be on a full-time, part-time or casual basis?

Yes  No

If you answered 'Yes,' you will **not** be eligible for the 3 units of start up bonus death and TPD or death only cover using this form. You must complete the full personal statement on the *Application for insurance* form available from the First State Super website or Customer Service.

### Applying for start up bonus cover

You can only apply for start up bonus units of death and TPD cover if your 3 units of automatic cover are for death and TPD cover. Similarly, you can only apply for start up bonus units of death only cover if your 3 units of automatic cover are for death only cover.

I wish to apply for  1 unit  2 units  3 units of start up bonus **death and TPD** cover; or  
I wish to apply for  1 unit  2 units  3 units of start up bonus **death only** cover.

## D. Additional start up bonus cover

### Eligibility

At the same time that you apply for the start up bonus cover units, you may also apply for **additional** start up bonus cover for death and TPD or death only cover, subject to your total cover (including the 3 automatic and 3 start up bonus units of cover) not exceeding 10 times your salary or \$1,000,000, whichever is lower.

The eligibility conditions for start up bonus cover (up to 3 units) (see **Section C**) also apply to additional start up bonus cover. In addition, you must also be able to answer 'No' to the following questions:

- a) Have you had death or TPD type cover from any fund (including First State Super) or insurer declined or excluded in the past or made a claim for any such benefit (whether successful or not). Yes  No
- b) Have you been diagnosed with an illness that reduces your life expectancy to less than 12 months? Yes  No

So if you answered 'Yes' to the question in Section C, or 'Yes' to either of the questions in this section, you will not be eligible to apply for additional start up bonus cover for death and TPD or death only cover using **this form**. You must complete the full personal statement on the *Application for insurance* form available from the First State Super website or Customer Service.

### Applying for additional start up bonus cover

You can only apply for additional units of start up bonus **death and TPD** cover if your 3 units of automatic cover are for death and TPD cover. Similarly, you can only apply for additional units of start up bonus death only cover if your 3 units of automatic cover are for **death only** cover.

My current annual salary\* is \$           \* Salary includes packaged items but not bonuses/commissions.

The following is to confirm the 10 times salary figure:

- If 10 times your salary is less than the total of 6 units of cover, you cannot apply for any additional start up bonus cover.
- If 10 times your salary is greater than the total of 6 units of cover, but less than \$1,000,000, you can apply for the difference between 10 times your salary and 6 units of cover.
- If 10 times your salary is greater than \$1,000,000, you can apply for the difference between \$1,000,000 and 6 units of cover.

Please  cross one box only:

I wish to apply for additional units of death and TPD cover OR

I wish to apply for additional units of death only cover.

I would like the following dollar level of cover, which I know is subject to the maximum limits described above.

Amount of cover \$

## D. Additional start up bonus cover (cont.)

\*Salary means:

If you are **employed** – your annual remuneration received from personal exertion, including base salary, bonuses, fees, regular overtime, commission and fringe benefits, but not including investment income, income received from deferred compensation plans, disability income policies or retirement plans and income not derived from personal exertion. Employer superannuation contributions made for you are also not included.

If you are **self-employed** – the amount earned by the business directly due to your own work, less your share of business expenses for the business, but before the deduction of income tax for the business (or the relevant portion for part of a financial year).

## E. Start up bonus cover (income protection)

### Eligibility

You are eligible to apply for the start up bonus cover (income protection) if you can answer 'No' to the following question:

Are you, at the date of this application, due to injury, accident or illness off work or restricted from being capable of performing your identifiable work duties for at least 15 hours per week, even though your actual employment can be on a full-time, part-time or casual basis?

Yes  No

If you answered 'Yes,' you will not be eligible for start up bonus cover (income protection).

### Applying for start up bonus cover (income protection)

The monthly benefit limit for income protection cover varies depending on your employer category/occupation category.

If you are unsure of your employer category/occupation category, please check your Member Booklet or call Customer Service on 1300 650 873. The monthly benefit limits for each employer category/occupation category are as follows:

Employer category		Maximum start-up bonus cover per month
Public sector	Private sector	
Basic Plus*	Basic Plus*	\$10,000
Education & Public Service	White Collar	\$6,000
Government Trading Enterprise	Light Manual	\$6,000
Emergency Services	Manual	\$5,000
	Heavy Manual	\$3,000

\* if applied for and accepted

You can apply for a sum insured of either 50% or 75% of your salary\* plus an additional 10% for superannuation contributions up to the **monthly benefit limit** (see table). You must also select the **waiting period** that will apply before any benefit is payable. The waiting period you choose will affect the cost of your income protection insurance.

1. My current monthly income<sup>1</sup> is \$

<sup>1</sup> Monthly income means your gross monthly income earned from personal exertion from your main occupation, or occupations, averaged over the 12 months immediately prior to applying for income protection cover, aside from bonuses which are to be averaged over the 3 years prior to applying for income protection cover. If you have been employed or self-employed for less than 12 months before applying for income protection cover, your gross monthly income will be averaged over the period since you last started employment or self-employment.

#### Note:

For the purpose of calculating your monthly income:

- your employer's superannuation contributions are not included; and
- if you are self-employed, your share of business expenses are not included.

2. I would like to apply for a monthly benefit equal to the following percentage of my income:

50%  75%  plus 10% of super contributions

If the percentage of income you have chosen to cover is above the monthly benefit limits, you will receive a monthly benefit equal to but not over the relevant limit. If you wish to apply for more cover, you must complete an *Application for insurance* form.

3. I would like a benefit period of:  2 years  5 years  to age 65

4. I would like a waiting period of:  14 days<sup>2</sup>  30 days  60 days  90 days

<sup>2</sup> Only available for a 2 year benefit period

5. If you have selected a benefit period of 5 years or to age 65, you also need to be able to answer 'No' to the following question:

Have you ever had, been told you had, received advice or treatment for any of the following?

- Any circulatory disorder (e.g. high blood pressure) Yes  No
- Hepatitis or any liver disease or blood disorder Yes  No
- Paralysis or multiple sclerosis Yes  No
- Any mental or nervous condition Yes  No
- Diabetes or sugar in urine Yes  No
- Any form of Cancer, including skin cancer and leukaemia Yes  No
- Impairment of sight, hearing or speech Yes  No
- Have you ever had a test for HIV/AIDS that had a positive result or do you/have you engaged in any activity reasonably accepted as having an increased risk of exposure to the virus? Yes  No

## E. Start up bonus cover (income protection) cont.

### You will be advised of the outcome of your application.

In the event of a claim, your disability monthly benefit will be the lowest of:

- 50% or 75% as you selected multiplied by your prior monthly income (plus 10% superannuation contributions benefit paid to your account if applied for and accepted)
- the sum insured you have applied for in your application
- the monthly benefit limit.

## I. Your duty of disclosure

### *Insurance Contracts Act, 1984*

#### Please note that your duty of disclosure continues until cover is accepted.

Before you enter into a contract of life insurance with an Insurer, you have a duty, under the Insurance Contracts Act 1984, to disclose to the Insurer every matter that you know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms. This duty remains until the Insurer advises you that your application for cover has been accepted.

You have the same duty to disclose those matters to the Insurer before you vary or reinstate a contract of life insurance. Your duty, however, does not require disclosure of a matter:

- that diminishes the risk to be undertaken by the Insurer;
- that is common knowledge;
- that your insurer knows or, in the ordinary course of business, ought to know; or
- as to which compliance with your duty is waived by the Insurer.

#### Non-disclosure

If you fail to comply with your duty of disclosure and the Insurer would not have entered into the contract on any terms if the failure had not occurred, the Insurer may avoid the contract within 3 years of entering into it. If your non-disclosure is fraudulent, the Insurer may avoid the contract at any time.

An Insurer who is entitled to avoid a contract of life insurance may, within 3 years of entering into it, elect not to avoid it but to reduce the sum that you have been insured for in accordance with a formula that takes into account that the premium that would have been payable if you had disclosed all relevant matters to the Insurer.

#### Your privacy with TOWER Australia Limited ABN 70 050 109 450 AFSL 237848 ('TOWER' and the 'Insurer')

If you make a claim under this policy the Insurer may conduct investigations to assess the value and validity of the claim. This may involve the use of investigation agents, legal advisors and the collection of personal data that TOWER believes is relevant. TOWER complies with the Privacy Act 1988 and the principles laid out on their privacy policies, which are readily available on request.

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## J. Declaration

I declare that:

- I have read and understand my duty of disclosure and that this duty applies until formal notification of acceptance.
- The answers to the questions are true, and I have not deliberately withheld any information material to the proposed insurance.
- I agree to be bound by the terms and conditions attached to this cover as set out in the Insurance Policy Document between First State Super and the Insurer.
- I consent to the collection, use and disclosure of personal information by the relevant Insurer and their service providers in order to assess my application and any claim under this policy.
- I have read and understood the above privacy statements and agree to the collection, use and disclosure of personal information as described in those statements.
- I consent to the relevant Insurer, that being TOWER, seeking medical information from any doctor who at any time I have consulted prior to the date hereof. A photocopy of this authority is as valid as the original to the extent that all professional confidence and privilege is waived.
- I understand that cover under any policy accepted does not begin until acceptance by the Insurer of which I will be notified in writing.
- I have read the insurance section of the current First State Super Member Booklet relevant to my Division, including (for employer-sponsored, Police Blue Ribbon and Ambulance Officers' Super members) the *Member Booklet Supplement: Insurance*.

Full name of member

Signature

Date (DD-MM-YYYY)

 -  - 

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## B. Employment/occupation details

Please complete the following questions if you wish to apply for an **improved insurance rating**. You must be able to answer 'no' to each of the following questions or you will not be eligible for an improved occupational rating.

1. Are you at the date of this application, due to injury, accident or illness, off work or restricted from being capable of performing your full and normal duties on a full-time basis (for at least 15 hours per week) even though your actual employment can be on a full-time, part-time or casual basis? Yes  No
2. Have you been diagnosed with a sickness that reduces your life expectancy to less than 12 months? Yes  No
3. Have you ever made, or are you entitled to make, a claim for an injury or sickness (lasting more than four weeks) through workers' compensation, sickness benefit, invalid pension or any insurance policy providing total and permanent disablement cover, accident or sickness cover? Yes  No

If you answered 'yes' to any of these questions, you are not eligible to change your insurance rating, nor can you apply for the Basic Plus insurance category.

### Occupation details

Name of your employer or government department you work for?

Occupation

Major duties (eg. building, paperwork, travel)

Nature of duties (eg. office-based, manual, heavy manual)

  
  

## C. Basic Plus insurance category

Please answer the following questions if you wish to apply to be rated for the **Basic Plus** insurance category. You can only apply for the Basic Plus rating category if you have answered 'no' to each question in Section B.

You must be able to answer 'yes' to each of the following questions to be eligible for the Basic Plus category. If you are accepted for this category, it will apply to all your insurance cover.

1. Are the duties of your occupation limited to professional, managerial, administrative, clerical, secretarial or similar white collar-type tasks which are of a sedentary nature and do not involve manual work and are undertaken entirely within an office environment (excluding travel time from one office environment to another)? Yes  No
2. Are you earning in excess of \$80,000 (including superannuation guarantee contributions) per annum from this occupation? Yes  No
3. Do you hold a tertiary qualification relevant to your current occupation OR are you a member of a professional institute or registered member of a government body OR are you engaged as a senior member of your employer's management/executive team? Yes  No

## D. Your duty of disclosure

### *Insurance Contracts Act, 1984*

**Please note that your duty of disclosure continues until cover is accepted.**

Before you enter into a contract of life insurance with an Insurer, you have a duty, under the Insurance Contracts Act 1984, to disclose to the Insurer every matter that you know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms. This duty remains until the Insurer advises you that your application for cover has been accepted.

You have the same duty to disclose those matters to the Insurer before you vary or reinstate a contract of life insurance. Your duty, however, does not require disclosure of a matter:

- that diminishes the risk to be undertaken by the Insurer;
- that is common knowledge;
- that your insurer knows or, in the ordinary course of business, ought to know; or
- as to which compliance with your duty is waived by the Insurer.

### Non-disclosure

If you fail to comply with your duty of disclosure and the Insurer would not have entered into the contract on any terms if the failure had not occurred, the Insurer may avoid the contract within 3 years of entering into it. If your non-disclosure is fraudulent, the Insurer may avoid the contract at any time.

An Insurer who is entitled to avoid a contract of life insurance may, within 3 years of entering into it, elect not to avoid it but to reduce the sum that you have been insured for in accordance with a formula that takes into account that the premium that would have been payable if you had disclosed all relevant matters to the Insurer.

### Your privacy with TOWER Australia Limited ABN 70 050 109 450 AFSL 237848 ('TOWER' and the 'Insurer')

If you make a claim under this policy the Insurer may conduct investigations to assess the value and validity of the claim. This may involve the use of investigation agents, legal advisors and the collection of personal data that TOWER believes is relevant. TOWER complies with the Privacy Act 1988 and the principles laid out on their privacy policies, which are readily available on request.

### Your privacy as a member of First State Super

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Full name of member

Signature

Date (DD-MM-YYYY)

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# Application to transfer insurance

You should use this form if you are an employer-sponsored member and you wish to transfer insurance cover from another life policy to First State Super. You can transfer a maximum of \$10,000,000 in death cover, \$5,000,000 in total and permanent (TPD) cover, and \$40,000 per month in income protection cover.

Life policy means a "life policy" as defined under the Life Insurance Act 1995 (Cth) which:

- a) provided death cover or death, total and permanent disablement or income protection cover for a member in another superannuation or with an insurer, and
- b) was in force on the day before the member's cover commenced in First State Super.

Please complete the relevant sections and return the completed form to First State Super, together with evidence of the level cover held in your other life policy (e.g. your last annual benefit statement or renewal notice) to provide proof of your existing level of cover. Any cover accepted will start from the date you are advised in writing of acceptance by the Insurer.

## A. Your personal details

Member number	Title (Mr Mrs Ms Miss Dr)	Male	Female	Birth date	(DD-MM-YYYY)
<input type="text"/>	<input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/> - <input type="text"/> - <input type="text"/>	
Family name					
<input type="text"/>					
Given name/s					
<input type="text"/>					
Postal address					
<input type="text"/>					
Suburb				State	
<input type="text"/>				<input type="text"/>	
Daytime contact telephone number				Mobile number	
<input type="text"/>				<input type="text"/>	
Can the insurer contact you directly to clarify or gather information relation to this application?					
Yes <input type="checkbox"/> No <input type="checkbox"/>					
Email address					
<input type="text"/>					

## B. Transfer eligibility

If you answer 'yes' to any of the following four questions, you will **not** be eligible to transfer your cover.

1. Are you, at the date of this application, due to injury, accident or illness, off work or restricted from being capable of performing your identifiable work duties for at least 15 hours per week, even though your actual employment can be on a full-time, part-time or casual basis? Yes  No
2. Have you been diagnosed with a sickness that reduces your life expectancy to less than 12 months? Yes  No
3. Have you ever been declined death, total and permanent disablement type benefit or income protection cover. Yes  No
4. Have you ever made, are you entitled to make, or are you in the process of making a claim for any injury or sickness (lasting more than four weeks) through worker's compensation, sickness benefit, invalid pension or any insurance policy providing total and permanent disablement type benefit, accident or sickness cover? Yes  No

## C. Occupation statement

1. Are you employed? Yes  No
2. Are you employed as a casual worker? Yes  No
3. Are you in paid employment for more than 15 hours per week? Yes  No

4. What is your occupation?

5. Name of employer or government department you work for

6. Annual salary (includes packaged items but not bonuses/commissions)

\$

OFFICE USE ONLY – Employer Code

7. What duties do you perform at work? Please be as specific as possible as this information is used to assign an occupational rating. If your occupational rating is more favourable than your employer rating your cover, if accepted, will be rated according to the most favourable classification.

## D. Cover details

1. Please indicate (by ticking the box below) whether the following statements are **true and correct**:

- a) I will cancel my existing insurance cover under my former life policy;
- b) I will not be transferring the cover under my former life policy to any other division or section of the former arrangement or to any other life policy, other than First State Super; and
- c) I will not elect a continuation option, or subsequently reinstate cover within the former provider or any other division or associated insurer of superannuation fund of the former provider.

I confirm that all three statements are true and correct and agree to abide by these requirements.

Yes  No

If 'yes', and if your cover is transferred, you will be awarded the same dollar level of cover, including any exclusions, that applied in the other life policy.

If 'no', you will not be eligible to transfer your insurance cover to First State Super and you should not proceed with this application. However, if you are eligible for automatic acceptance, you will receive the default level of automatic cover that applies to all new employer-sponsored members. You can apply for additional cover using the Application for insurance form available from Customer Service or the First State Super website.

2. My level and type of **lump sum insurance cover** in my former life policy is as follows:

Death only cover \$

Death and TPD cover \$

**Note:** If you currently hold death only cover, then you can only transfer to death only cover. If you currently hold death and TPD cover you can choose to transfer to death only cover or death and TPD cover.

I would like my transferred cover to be in the form of:  Unitised cover  Fixed cover

**Note:** Unitised cover will have a fixed premium but a reducing level of cover each birthday. Units will be rounded to the nearer of the whole unit value of the transferred amount. Fixed cover will have a fixed sum insured but increasing premiums each birthday.

3. Only complete this section if you hold **income protection cover** that you wish to transfer.

a) My level of income protection cover under my former life policy is \$  monthly benefit.

b) Does this monthly benefit include a 10% superannuation contribution benefit payable to your former life policy? Yes  No

c) My waiting period under my former life policy is  14<sup>1</sup>  30  60  90 days

<sup>1</sup> Only available for a two-year benefit period

d) My benefit period under my former life policy is  2 year  5 year  to age 65

## D. Cover details (cont.)

e) Is any of your existing cover subject to any premium loading, exclusions or restrictions?

Yes  No

If **yes**, please provide details below and forward a copy of the advice given to you from the previous insurer or fund advising you of the acceptance of your cover.


**Note:** If your application to transfer income protection cover is accepted by the Insurer any existing income protection insurance cover in First State Super will be cancelled.

## E. Your duty of disclosure

### *Insurance Contracts Act, 1984*

**Please note that your duty of disclosure continues until cover is accepted.**

Before you enter into a contract of life insurance with an Insurer, you have a duty, under the Insurance Contracts Act 1984, to disclose to the Insurer every matter that you know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms. This duty remains until the Insurer advises you that your application for cover has been accepted.

You have the same duty to disclose those matters to the Insurer before you vary or reinstate a contract of life insurance. Your duty, however, does not require disclosure of a matter:

- that diminishes the risk to be undertaken by the Insurer;
- that is common knowledge;
- that your insurer knows or, in the ordinary course of business, ought to know; or
- as to which compliance with your duty is waived by the Insurer.

### **Non-disclosure**

If you fail to comply with your duty of disclosure and the Insurer would not have entered into the contract on any terms if the failure had not occurred, the Insurer may avoid the contract within 3 years of entering into it. If your non-disclosure is fraudulent, the Insurer may avoid the contract at any time.

An Insurer who is entitled to avoid a contract of life insurance may, within 3 years of entering into it, elect not to avoid it but to reduce the sum that you have been insured for in accordance with a formula that takes into account that the premium that would have been payable if you had disclosed all relevant matters to the Insurer.

### **Your privacy with TOWER Australia Limited ABN 70 050 109 450 AFSL 237848 ('TOWER' and the 'Insurer')**

If you make a claim under this policy the Insurer may conduct investigations to assess the value and validity of the claim. This may involve the use of investigation agents, legal advisors and the collection of personal data that TOWER believes is relevant. TOWER complies with the Privacy Act 1988 and the principles laid out on their privacy policies, which are readily available on request.

### **Your privacy as a member of First State Super**

The information you provide in this form is collected by and held for First State Super by the fund administrator, Pillar Administration, in accordance with the National Privacy Principles of the Privacy Act. Such information is usually disclosed to third parties, including the Insurer or medical consultant who may be involved with the assessment of this application, and is held by Pillar Administration and the Insurer. For more information about privacy, contact Customer Service on 1300 650 873 or visit [www.firststatesuper.com.au](http://www.firststatesuper.com.au) to view the privacy plan.

## G. Declaration

I acknowledge that:

- I have read and understood this *Member Booklet Supplement - Insurance* and that if I do not fully complete, sign and date this application, I will not be eligible to transfer my existing cover to First State Super; and
- If the insurer accepts my application, my cover will be subject to the terms and conditions of First State Super insurance arrangements; and
- My replacement cover will not commence until the insurer accepts my application.
- First State Super and the insurer may undertake appropriate enquiry and investigation to verify the answers I have provided; and
- First State Super and the insurer may investigate whether any restrictions that may have applied within the terms of the policy document were applicable to the type of and/or level of cover stated on the last available statement for the previous life policy; and
- I agree to provide First State Super or the insurer with access to the health evidence I provided to any former provider and their insurer in application for the cover and any non-disclosure to a previous provider or insurer may be acted upon by First State Super or their insurer; and
- Should it become apparent to First State Super or the insurer that I have not undertaken the requirements that I confirmed in **Section B**, then any insured benefit that may be payable to me or my estate from First State Super may be reduced by the insured amount paid or payable from my former life policy; an associated Section or Division of the former life policy; or other fund; or any policy issued under any option that I exercised, as a consequence of my failure to abide by these conditions. This reduction in benefit will, however, be limited to the extent that my benefit from First State Super is no less than I would have been eligible to receive under the terms of the policy between First State Super and the insurer had I not applied for a transfer of cover.

Full name of member

Signature

Date (DD-MM-YYYY)

  -   -    

**Return the completed form to** First State Super PO Box 1229 WOLLONGONG NSW 2500

If you have any enquiries please call Customer Service on **1300 650 873** between 8:30 am and 5:30 pm AEST from Monday to Friday for the cost of a local call (unless calling from a mobile or pay phone).





## Contact information

Web: [www.firststatesuper.com.au](http://www.firststatesuper.com.au)

Phone: 1300 650 873

Email: [enquiries@firststatesuper.com.au](mailto:enquiries@firststatesuper.com.au)

This document is of a general nature and does not take into account your specific objectives, financial situation or needs. Before making a decision about First State Super, consider your financial requirements and read the Product Disclosure Statement for the First State Super product you currently hold or are considering. The PDS is available from [www.firststatesuper.com.au](http://www.firststatesuper.com.au) or by calling 1300 650 873. This document is issued by FSS Trustee Corporation (the Trustee) ABN 11 118 202 672 AFSL 293340 the trustee of the First State Superannuation Scheme ABN 53 226 460 365 (First State Super; the Fund). This document is dated 1 April 2011.