

## 8. INSURANCE IN YOUR SUPER

The information in this document forms part of the Product Disclosure Statement (PDS), dated 1 July 2024 for the Active Super Accumulation Scheme. This document is dated 1 July 2024 and is available free of charge at [activesuper.com.au/PDS](https://activesuper.com.au/PDS) or from our Member Care team on 1300 547 873.

### OVERVIEW

Your ability to earn an income is the biggest asset you have. Should you die or become disabled through illness or injury, having adequate insurance cover will help to relieve any unnecessary financial stress.

There are many benefits to having insurance through superannuation, including ease of obtaining cover, lower costs due to group discounts and fewer bills to pay as premiums are deducted directly from your super balance.

### BASIC DEATH AND BASIC TOTAL AND PERMANENT DISABLEMENT (TPD) COVER

Active Super, through our insurer TAL Life Limited<sup>1</sup> ('TAL' or 'Insurer'), provides Basic insurance cover which comprises Basic Death and Basic Total and Permanent Disablement (TPD) cover in a linked combination of units for members of the Active Super Accumulation Scheme who meet the eligibility criteria specified on page 5. The Death cover you receive also includes Terminal Illness cover (refer to page 15 for more information).

### How does Basic insurance cover work?

The amount of Basic insurance cover you receive is tailored to the general needs and risk profile of your age group. Basic Death and Basic TPD cover are a linked combination of units based on your age at your next birthday:

AGE NEXT BIRTHDAY	DEATH UNITS	TPD UNITS
16-25	5	15
26-30	10	10
31-70	15	5

1. TAL Life Limited ABN 70 050 109 450, AFSL 237848

When you move from one age group to another (when you turn either 25 or 30), you will automatically move to the levels of Basic insurance cover applicable to that age group, even if you have previously reduced your Basic Death and/or TPD cover.

You will receive a letter after your birthday to let you know when you have moved to the new age group and your new insurance levels. If your previous insurance cover was lower and you would prefer to retain cover at that level, you will have 60 days to reduce your cover with no additional premiums charged.

### How much am I covered for?

You are provided with 20 units of cover, which you can reduce if you wish. If an insurance claim is accepted, your insurance will reduce by the number of units of cover paid. The table below shows the amount of Basic Death and Basic TPD cover provided, based on your age next birthday and the standard units of cover:

AGE NEXT BIRTHDAY	DEATH UNIT VALUE	TPD UNIT VALUE	DEATH UNITS	TPD UNITS	TOTAL DEATH VALUE	TOTAL TPD VALUE
16	\$23,000	\$23,000	5	15	\$115,000	\$345,000
17	\$23,000	\$23,000	5	15	\$115,000	\$345,000
18	\$23,000	\$23,000	5	15	\$115,000	\$345,000
19	\$23,000	\$23,000	5	15	\$115,000	\$345,000
20	\$23,000	\$23,000	5	15	\$115,000	\$345,000
21	\$23,000	\$23,000	5	15	\$115,000	\$345,000
22	\$23,000	\$23,000	5	15	\$115,000	\$345,000
23	\$23,000	\$23,000	5	15	\$115,000	\$345,000
24	\$23,000	\$23,000	5	15	\$115,000	\$345,000
25	\$23,000	\$23,000	5	15	\$115,000	\$345,000
26	\$23,000	\$23,000	10	10	\$230,000	\$230,000
27	\$23,000	\$23,000	10	10	\$230,000	\$230,000
28	\$23,000	\$23,000	10	10	\$230,000	\$230,000
29	\$23,000	\$23,000	10	10	\$230,000	\$230,000
30	\$23,000	\$23,000	10	10	\$230,000	\$230,000
31	\$23,000	\$23,000	15	5	\$345,000	\$115,000

32	\$23,000	\$23,000	15	5	\$345,000	\$115,000
33	\$23,000	\$23,000	15	5	\$345,000	\$115,000
34	\$23,000	\$23,000	15	5	\$345,000	\$115,000
35	\$23,000	\$23,000	15	5	\$345,000	\$115,000
36	\$23,000	\$23,000	15	5	\$345,000	\$115,000
37	\$21,580	\$21,580	15	5	\$323,700	\$107,900
38	\$21,580	\$21,580	15	5	\$323,700	\$107,900
39	\$21,580	\$21,580	15	5	\$323,700	\$107,900
40	\$20,140	\$20,140	15	5	\$302,100	\$100,700
41	\$18,400	\$18,400	15	5	\$276,000	\$92,000
42	\$15,540	\$15,540	15	5	\$233,100	\$77,700
43	\$12,960	\$12,960	15	5	\$194,400	\$64,800
44	\$10,660	\$10,660	15	5	\$159,900	\$53,300
45	\$8,620	\$8,620	15	5	\$129,300	\$43,100
46	\$7,480	\$7,480	15	5	\$112,200	\$37,400
47	\$6,320	\$6,320	15	5	\$94,800	\$31,600
48	\$5,180	\$5,180	15	5	\$77,700	\$25,900
49	\$4,340	\$4,340	15	5	\$65,100	\$21,700
50	\$4,020	\$4,020	15	5	\$60,300	\$20,100
51	\$3,960	\$3,960	15	5	\$59,400	\$19,800
52	\$3,760	\$3,760	15	5	\$56,400	\$18,800
53	\$3,460	\$3,460	15	5	\$51,900	\$17,300
54	\$3,140	\$3,140	15	5	\$47,100	\$15,700
55	\$2,800	\$2,800	15	5	\$42,000	\$14,000
56	\$2,500	\$2,500	15	5	\$37,500	\$12,500
57	\$2,200	\$2,200	15	5	\$33,000	\$11,000

58	\$1,900	\$1,900	15	5	\$28,500	\$9,500
59	\$1,560	\$1,560	15	5	\$23,400	\$7,800
60	\$1,260	\$1,260	15	5	\$18,900	\$6,300
61	\$1,080	\$1,080	15	5	\$16,200	\$5,400
62	\$940	\$940	15	5	\$14,100	\$4,700
63	\$780	\$780	15	5	\$11,700	\$3,900
64	\$780	\$780	15	5	\$11,700	\$3,900
65	\$640	\$640	15	5	\$9,600	\$3,200
66	\$640	\$640	15	5	\$9,600	\$3,200
67	\$640	\$640	15	5	\$9,600	\$3,200
68	\$640	\$640	15	5	\$9,600	\$3,200
69	\$640	\$640	15	5	\$9,600	\$3,200
70	\$640	\$640	15	5	\$9,600	\$3,200

### How much does Basic insurance cover cost?

The cost of Basic insurance cover depends on your gender and the type of cover, as shown below:

	DEATH PER UNIT PER MONTH <sup>2</sup>	TPD PER UNIT PER MONTH <sup>2</sup>
Male	\$0.914	\$0.475
Female	\$0.704	\$0.592

#### Important notes:

The Basic insurance cover provided to you for the first time on or after 1 July 2022 is subject to a five-year pre-existing condition (PEC) exclusion. The five-year PEC exclusion applies for 12 months and is removed only when you are at work for a period of 60 consecutive days, (provided that the 60<sup>th</sup> day occurs at least 12 months after your Basic insurance cover

<sup>2</sup> An Insurance Administration fee of 1.5% of premiums is included.

**Note:** The monthly premiums are calculated on the last Friday of each month and the actual amount deducted depends upon how many Fridays each month contains. Some months contain four Fridays, while others contain five, so the amount deducted from month to month varies.

commenced) or you successfully apply to have the PEC exclusion removed before the 12 months have elapsed.

If you already held Basic insurance cover at 1 July 2022, a five year pre-existing condition (PEC) exclusion will not normally apply to any additional units of Basic insurance cover provided to you after 1 July 2022 (i.e. when you attain age 25 or age 30 after 1 July 2022). However, if you had previously reduced the number of Basic insurance cover units you held, the five year PEC exclusion applies to the new Basic insurance cover units you receive for a period of 12 months and is removed only when you are at work for a period of 60 consecutive days, (provided that the 60<sup>th</sup> day occurs at least 12 months after the date you were provided additional units of Basic insurance cover) or you successfully apply to have the PEC exclusion removed before the 12 months have elapsed. This means that any newly-provided Basic insurance cover may be subject to different terms to the Basic insurance cover you already hold.

### Eligibility for Basic insurance cover

To be eligible for Basic insurance cover you must be:

- a member of the Active Super Accumulation Scheme;
- an Australian resident;
- older than 15 years of age;
- not older than 70 years of age; and
- a person to whom the Insurer has agreed in writing to insure under the policy.

If you meet the above outlined eligibility criteria, you must also be at least 25 years of age and have a super account balance of at least \$6,000, for you to receive Basic insurance cover automatically.

If you want to receive Basic insurance cover before you become eligible for it automatically, you must elect to opt-in to Basic insurance cover by:

- completing the *Opt-in to insurance cover* form available at [activesuper.com.au/forms](https://activesuper.com.au/forms); or
- logging into Member Online; or
- via the Active Super mobile app.

However, despite the above you will not be eligible for Basic insurance cover if:

- you have previously been paid a TPD or Terminal Illness benefit from another insurance policy; or
- you have a current or pending claim for a TPD or Terminal Illness benefit from another insurance policy.

### Cancelling or reducing Basic insurance cover

You may cancel your Basic insurance cover or reduce the number of units of cover you have at any time by:

- logging into Member Online or via the Active Super app; and,

- completing a *Reduce or cancel insurance cover* form available at [activesuper.com.au/forms](https://activesuper.com.au/forms); or

If you intend to reduce your Basic insurance cover, please note:

- a) If you are 25 or older, you cannot hold a greater number of units of TPD cover than units of death cover.
- b) If you are under 25, the difference between the number of TPD units you hold versus units of death cover cannot exceed 10 e.g. if you are aged 23 and want to reduce your death cover to one unit (\$23,000) you cannot hold more than eleven units of TPD cover (\$253,000).
- c) If you have previously reduced your Basic insurance cover (death and/or TPD cover) when you reach the ages of 25 or 30, the units provided to you will be restored to the standard level provided for ages 25 and 30. We will send you written notification of the change and provide you with 60 days within which to reduce your cover to its previous levels without you being charged additional premiums.

If you cancel any units of Basic insurance cover within the first 60 days of becoming a member of the Active Super Accumulation Scheme, you will be refunded any premiums deducted from your account for those units.

If you elect to cancel or reduce your Basic insurance cover, or if your cover has been cancelled automatically, you will normally need to have any future application for insurance cover assessed by the Insurer.

### Cessation of Basic Death Cover and Basic TPD Cover

Basic insurance cover ceases on the date:

- the Policy terminates;
- you cease to be a member of the Active Super Accumulation Scheme;
- you reach age 70;
- you die;
- Active Super receives a written request from you to terminate your cover;
- 60 days after the full amount of a premium owing has not been paid; or
- 16 months after your last contribution has been received by Active Super unless you have told us you wish to keep your cover.

## DEFINITIONS

### Total and Permanent Disablement (TPD)

The following definition of TPD applies when disablement occurs on or after 1 July 2022.

If disablement occurred prior to 1 July 2022, the previous TPD definition applies. Please contact our Member Care team on 1300 547 873 for more information.

## Part 1: Education, Training or Experience

means that you:

- a. solely and directly as a result of illness or injury, you have been continuously absent from engaging in or, being unemployed, unable to accept employment in:
  - a) your occupation; and
  - b) any other occupation,for an uninterrupted period of at least six consecutive months immediately following the Date of Disablement;
- b. you are regularly attending and under the ongoing and appropriate care and treatment of a Medical Practitioner with respect to the illness or injury; and
- c. in the Insurer's opinion you are disabled to such an extent as to render you incapable of ever engaging in any occupation for which you;
  - a) at the end of the six consecutive month period; and
  - b) by the time the Insurer forms their opinion, or can be expected following the time the Insurer forms their opinion, or can be expected following the time the Insurer forms their opinion, to become, reasonably suited by education, training or experience.

In forming their opinion, the Insurer will have regard to factors including but not limited to:

- a) any rehabilitation, retraining, re-skilling, work or voluntary work that has been undertaken by the time the Insurer forms their opinion, or could reasonably be expected to be undertaken by you within a reasonable time period; and
- b) all evidence available to the Insurer for the period up to the time the Insurer form their opinion

## Part 2: Everyday Working Activities or suffering from a severe mental health condition or Severe Cognitive Impairment

means, in the Insurer's opinion, that you:

- a. have been under the regular care of a Medical Practitioner for that illness or injury or for the purposes of d.(b) or d.(c) below under the regular care of a Specialist Medical Practitioner;
- b. have exhausted all reasonable treatment options (medical or otherwise) and is not expected to attain any further improvement or recovery from the illness or injury;
- c. due to the illness or injury, you are disabled to such an extent as to render you incapable of ever engaging in any occupation for which you are reasonably suited, having regard to your education, training or experience up to the time the Insurer forms their opinion; and

d. you satisfy either (a), (b) or (c) below:

(a) due to that illness or injury:

- (i) you have been prevented from being able to perform at least three of the Everyday Work Activities without assistance from another adult person, despite the use of appropriate aids, for at least 12 consecutive months; and
- (ii) you are incapable of ever again being able to perform at least three of the Everyday Work Activities without assistance from another adult person, despite the use of appropriate aids;

or

(b) your illness is a mental health condition that:

- (i) has been diagnosed by a Specialist Medical Practitioner using criteria outlined in the DSM;
- (ii) your treating Specialist Medical Practitioner considers you have reached maximum medical improvement; and
- (iii) you have been assessed by a suitably qualified Specialist Medical Practitioner, appointed by the Insurer, under the Psychiatric Impairment Rating Scale as having an impairment of 19% or above;

or

(c) the illness is a Severe Cognitive Impairment and solely because of that illness or injury you:

- (i) have not been Gainfully Employed for at least 12 consecutive months from the Date of Disablement (unless the Insurer agrees otherwise); and
- (ii) you have been assessed by a suitably qualified Specialist Medical Practitioner, appointed by the Insurer, as having reached Severe Cognitive Impairment due to the illness or injury.

### **PART 3: Domestic Duties**

means that you:

a. solely and directly as a result of illness or injury:

- a) you are unable to perform unpaid Domestic Duties; and
- b) have not engaged in any Gainful Employment for a period of six consecutive months immediately following the Date of Disablement;

b. are unable to leave your home without the physical assistance of another person;

c. are regularly attending and under the ongoing and appropriate care and treatment of a Medical Practitioner with respect to the illness or injury; and

d. in the Insurer's opinion, you are disabled to such an extent as to render you incapable of ever engaging in:

- a) those Domestic Duties; or
- b) in any Gainful Employment for which you:
  - (i) after six consecutive months immediately following the Date of



- Disablement; and
- (ii) by the time the Insurer form their opinion, or can be expected following the time the Insurer forms their opinion, to become, reasonably suited by education, training or experience.

In forming their opinion, the Insurer will have regard to factors including but not limited to:

- a) any rehabilitation, retraining, re-skilling, work or voluntary work that has been undertaken by the time the Insurer form their opinion, or could reasonably be expected to be undertaken by you within a reasonable time period; and
- b) all evidence available to the Insurer for the period up to the time the Insurer forms their opinion.

**Important note:**

In the above Part 3: Domestic Duties of the TPD definition, Domestic Duties means the unpaid duties performed by a person and may include (but are not limited to):

- a) purchasing cleaning items;
- b) cleaning the family home;
- c) laundering and ironing clothing items for the household;
- d) purchasing food items and preparing meals for the household; or
- e) undertaking child rearing at the family home.

Persons who are Gainfully Employed, seeking Gainful Employment or are performing unpaid Domestic Duties on less than a full-time basis will not be deemed to be performing Domestic Duties.

**Part 1 or Part 2 of the TPD definition**

If your claim has been notified to the Insurer within five years of your Date of Disablement, your claim can be assessed against Part 1 or Part 2 of the TPD definition if you also:

- at the Date of Disablement, are less than 65 years of age;
- were gainfully employed working 15 hours or more per week immediately prior to your Date of Disablement (averaged over the preceding 12 months) or shorter period as determined by the Insurer;
- are not an Optional Member engaged in a Hazardous Occupation; and
- are a Public Offer Division Member, an Optional Member or a Casual Employee who is not At Work on the day your TPD cover commenced. In this scenario, Part 1 of the TPD definition is not available for the assessment of your claim.

**Part 2 of the TPD definition only**

If your claim has not been notified to the Insurer within five years of your Date of Disablement, you are only eligible for Part 2 of the TPD definition if you:

- at your Date of Disablement are 65 years of age or more; and/or
- are working less than 15 hours per week immediately prior to your Date of Disablement (averaged over the last 12 months) or shorter period as determined by the Insurer; and/or
- have notified Us of your claim more than five years after your Date of Disablement; and/or
- are an Optional Member engaged in a Hazardous Occupation.

### Part 3 of the TPD Definition only

If your claim has been notified to the Insurer within five years of your Date of Disablement, you are eligible for Part 3 of the TPD definition if you also:

- at the Date of Disablement are less than 65 years of age; and
- immediately prior to the Date of Disablement, you were not Gainfully Employed and you were at home performing unpaid Domestic Duties.

## OTHER IMPORTANT DEFINITIONS

TERM	DEFINITION
<b>DSM</b>	means the latest edition of the Diagnostic and Statistical Manual of Mental Disorders issued by the American Medical Association.  If the Diagnostic and Statistical Manual of Mental Disorders is no longer used or published the Insurer will use another diagnostic tool similar to it for the determination of the psychiatric illness, as determined by the Royal Australian and New Zealand College of Psychiatrists.
<b>Psychiatric Impairment Rating Scale</b>	means the scale for assessing the whole-person impairment of a psychiatric disorder as applied by a Specialist Medical Practitioner who has undergone appropriate training in this assessment method. If the psychiatric impairment rating scale is no longer used or published, the Insurer will use another scale similar to it for the determination as determined by the relevant medical body.
<b>Psychiatrist</b>	means a Medical Practitioner who is legally qualified as a practicing psychiatrist and registered with the Australian Health Practitioner Regulation Agency (AHPRA).
<b>Severe Cognitive Impairment</b>	means permanent severe cognitive impairment with a deterioration or loss of intellectual capacity that results in a requirement for a full-time permanent caregiver.

**Specialist  
Medical  
Practitioner**

means a Medical Practitioner who is a specialist as determined by the relevant medical registration boards and registered with the Australian Health Practitioner Regulation Agency (AHPRA) and is currently practicing in a specialist area related to the illness or injury that the claim is for.

## EXCLUSIONS

The following members do not have Part 1 of the TPD definition available to them if they were not At Work on the day cover commenced.

- **Members of the Public Offer Division:**

Individuals not employed by a participating local government employer, who completed an application form to join the Active Super Accumulation Scheme. This includes holders of spouse accounts and members retained.

- **Optional Members of the Employer Sponsored Division:**

Those members who are employees of a participating local government employer, but for whom their employer is not making SG contributions to Active Super. Existing Optional Members were originally provided with Basic insurance cover effective 30 April 2013. Optional members who have joined the Active Super Accumulation Scheme since 30 April 2013 have been provided with cover from their employment commencement date.

- **Casual employees:**

Members whose employment is designated as casual under the relevant industrial award or agreement, where there is no entitlement to annual leave or sick leave and no guarantee of continual employment.

### Hazardous occupation limitation

For members working in a hazardous occupation, TPD cover will be restricted to Part 2 of the TPD definition.

'Hazardous occupation' includes unskilled workers, those involved in hazardous or very heavy manual work and/or presenting particular underwriting difficulties.

It may include:

- very heavy manual work; or
- any other work considered hazardous by the Insurer (e.g. professional divers, interstate truck drivers, linesmen working at heights of over ten metres).

If you are unsure as to whether or not your occupation would be considered hazardous by the Insurer, please contact Member Care on 1300 547 873.

## Gainfully Employed/Gainful Employment

Gainfully employed means employed or self-employed for gain or reward, or in the expectation of 'gain or reward' in any business trade, profession, vocation, calling, occupation or employment, where gain or reward includes remuneration such as salary, wages, business income, bonuses, commissions, fees or gratuities, in return for personal exertion.

### At Work

#### Part 1

Part 1 of the At Work definition applies to:

'At Work' means:

- 1) For a person who is:
  - a) employed with an employer or engaged as a contractor by an employer, the person is actively performing or capable of actively performing all of the duties and work hours of his or her usual occupation with his or her employer free from any limitation due to illness or injury for at least 30 hours per week. A person who is on employer-approved leave for reasons other than illness or injury, who would otherwise be capable of performing their usual occupation will be considered as having met the requirements of this definition; or
  - b) unemployed or self-employed, the person is actively performing or capable of actively performing all of the duties and work hours (subject to a minimum of 30 hours per week) of his or her usual occupation free from any limitation due to illness or injury; or
  - c) engaged exclusively in unpaid domestic duties, the person is actively performing or capable of performing all of their full-time unpaid Domestic Duties free from any limitation due to illness or injury; and
- 2) the person is not entitled to or receiving income support benefits relating to illness or injury, from any source including but not limited to workers compensation benefits, statutory transport accident benefits and disability income benefits.

**Note:** If you are a Public Offer Division Member, an Optional Member or a Casual Employee, and you are not At Work on the date your cover commences, you will not be eligible for Part 1 of the Total and Permanent Disablement definition.

### Five-year Pre-existing Condition Exclusion means:

The Insurer will not pay a claim that directly or indirectly relates to an illness, injury or a symptom:

- a) in respect of which you:

- i. were aware, or a reasonable person in your position should have been aware;
  - ii. you should have sought advice or treatment (conventional or alternative) from a Medical Practitioner or other allied health professional (in circumstances where a reasonable person in their position would have sought such advice or treatment); or
  - iii. you have had a medical consultation or been prescribed medication or therapy; and
- b) which existed at any time in the five years immediately prior to the commencement date of your insurance cover under the Policy.

### **Medical Practitioner**

Medical Practitioner means:

- a) a Medical Practitioner legally qualified and registered to practice in Australia; or
- b) if the claimed condition is a psychological condition diagnosed in accordance with the latest edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM), the definition of a Medical Practitioner means a person who is legally qualified and registered as a practising psychiatrist by the relevant medical registration boards and/or the Specialist Recognition Advisory Committee co-ordinated through the Australian Health Insurance Commission; but shall not include chiropractors, physiotherapists, psychologists or alternative health providers.

The Medical Practitioner cannot be you, your spouse, relative, business associate or partner, a fellow security holder in the same company/trust (ignoring publicly listed companies), employer or employee.

## **TERMS AND CONDITIONS**

### **Cover while on employer-approved leave**

Subject to the general exclusions noted below, if you are employed you will continue to be covered during a period of employer-approved leave subject to the Policy terms and conditions. In the event that you suffer TPD during the first 12 months of leave, the occupation followed before the leave was taken will be considered as your occupation for the purposes of the definition of TPD. However, after the initial 12 months' leave the definition of TPD will be limited to either Part 2 or Part 3 of the TPD definition. Please refer to page 7.

### **Worldwide cover**

You will be covered worldwide 24 hours a day, seven days a week, subject to the terms and conditions of the Policy.

## General exclusions

A benefit will not be paid where your death, Terminal Illness or TPD is directly or indirectly caused by service in the armed forces of any national or international organisation other than the Australian Armed Forces Reserve.

No benefit is payable for a death claim arising directly or indirectly from suicide within the first 12 months of the commencement, recommencement, or reinstatement of your cover.

No benefit is payable for a death claim arising directly or indirectly from suicide for the increased component of Basic Death cover when moving age groups (at age 25 and 30) for the first 12 months.

An ongoing exclusion applies to a TPD claim arising from intentional self-harm or attempted suicide irrespective of whether you were sane or not.

A benefit will not be payable if a claim arises directly or indirectly from an illness or injury resulting from an illegal or criminal act committed by you.

## HOW DO I CLAIM A TPD BENEFIT?

In order to claim for a TPD benefit you need to complete an *Application for Total and Permanent Disablement Benefit* form available from our Member Care team on 1300 547 873.

The Insurer will then assess your application based on whether you meet the relevant part of the TPD definition as outlined in this fact sheet. You should lodge any application for TPD as soon as possible to ensure that the claim assessment process can commence with the Insurer.

## What happens to my remaining insurance if I make a claim?

If you are paid a TPD benefit, and your total Death cover was greater than your TPD cover, your remaining total Death cover is the difference between your Death and TPD cover. However, to maintain your Death cover, there needs to be money in your super account to pay for premiums after the TPD benefit is paid.

If the value of your TPD is greater than or equal to the value of your Death cover, there is no remaining Death cover and you will cease to be an Insured person under the Policy.

## TERMINAL ILLNESS BENEFIT

If you are an Insured Person with death cover in force and you become Terminally Ill the Insurer will pay you the sum insured that applies to your cover up to a maximum of \$2,500,000.

Terminal Illness and Terminally Ill means:

- a) two Medical Practitioners have separately certified in writing, that an Insured Person suffers from an illness, or has incurred an Injury, that is likely to result in the death of the Insured Person within a period ('the certification period') that ends not more than 24 months after the date of the certification;
- b) at least one of the registered Medical Practitioners is a Specialist Medical Practitioner practicing in an area related to the illness or injury suffered by the Insured Person;
- c) the illness and certification referred to in paragraph (a) occurs while the member continues to have cover under this Policy;
- d) for each of the certificates, the certification period has not ended; and
- e) The Insurer is satisfied, on medical or other evidence, that despite reasonable medical treatment, the illness or injury will lead to the Insured Person's death within 24 months of the date of the certifications.

If the amount paid to you as a result of Terminal Illness is equal to your Whole Sum Insured, that is the total of Basic Cover, Additional Basic Cover and Voluntary cover, then your insurance cover will cease under the Policy. However, if the amount paid is less than your Whole Sum Insured, then cover will continue in force for the remaining balance of your insurance cover subject to the conditions of the Policy.

## VOLUNTARY INSURANCE COVER

If you would like insurance cover in addition to or instead of your Basic insurance cover, the Active Super Accumulation Scheme offers Voluntary insurance cover which is underwritten by the Insurer on competitive rates and terms.

It is important to note that from 1 July 2019, the Federal Government introduced new legislation under the 'Protecting Your Super' package. This legislation applies to both Basic insurance cover and Voluntary insurance cover and states that members who have not received contributions for 16 months or more will have their insurance cancelled unless they opt-in for cover. In addition, if a member's balance is under \$6,000 and they have not received a contribution for 16 months, made or changed a binding beneficiary, changed their insurance arrangements within the 16 months, their insurance must be cancelled and their super account transferred to the Australian Tax Office (ATO) unless they opt-in to maintain their insurance cover.

There are three types of Voluntary insurance cover offered which are briefly described below. For more information, please refer to the *Voluntary Insurance* fact sheet, available at [activesuper.com.au/factsheets](http://activesuper.com.au/factsheets) or from our Member Care team on 1300 547 873.

## VOLUNTARY COVER OFFERED

### 1. Lump Sum Death cover

You may apply for any amount of cover in \$1,000 multiples, with a minimum amount of cover of \$50,000. The maximum amount of death cover you can have from this benefit is unlimited.

The Terminal Illness benefit also applies to you if you have death cover.

### 2. Lump Sum Death and TPD cover

You may apply for any amount of cover in \$1,000 multiples, with a minimum amount of cover of \$50,000 and a maximum of \$3,000,000 (where the maximum takes into account your current Basic insurance coverage).

### 3. Salary Continuance Insurance (SCI) cover

You may apply for any amount of cover in \$100 per month multiples, with a minimum amount of cover of \$1,000 per month and a maximum of \$25,000 per month.

In the event of a claim, the highest level of SCI benefit that you can receive if you are disabled (regardless of how much cover you have) is 85% of your monthly salary (75% paid as income and 10% as a Superannuation Contribution Benefit).

The benefit is available for either a two-year period, or until age 65. You can nominate the Waiting Period as either 30, 60 or 90 days.

### SCI Exclusions

A benefit is not payable under the Policy if your Total Disability or Partial Disability results directly or indirectly from:

- an intentional self-inflicted act or intentional self-inflicted injury;
- uncomplicated pregnancy or childbirth;
- war, or acts of war, whether declared or not;
- an illness or injury resulting from an illegal or criminal act committed by you; or
- any event or individual exclusion the Insurer has applied to the cover.

### Interim Accident Cover

When you apply for Voluntary insurance cover, Interim Accident Cover is provided for up to 90 days while your application for cover is being assessed. Cover commences on the date the Insurer receives your fully completed Personal Statement. For full details on Interim Accident Cover, please refer to the *Voluntary Insurance* fact sheet available at [activesuper.com.au/factsheets](http://activesuper.com.au/factsheets) or from Member Care on 1300 547 873.

### What are the costs of Voluntary insurance cover?

The cost depends on the amount of cover you have, your age, gender, the type of job you have and any loadings to your premium which may be applied by the Insurer. Premiums are deducted monthly from your account.



The premium rates and method of calculation are contained in the *Voluntary Insurance* fact sheet, available at [activesuper.com.au/factsheets](http://activesuper.com.au/factsheets) or from Member Care on 1300 547 873.

You can also use our insurance calculator at [activesuper.com.au/insurance](http://activesuper.com.au/insurance) to work out the premiums that may be payable for your cover.

## LIFE EVENTS COVER

You have the opportunity to increase your existing cover with limited health questions when specific events occur in your life that would generally increase your need for insurance. These events are:

- a) you take out a new mortgage on your principal place of residence
- b) you adopt or become a parent of a child
- c) you get married or commence a de facto relationship
- d) you divorce or terminate a de facto relationship
- e) you suffer the death of your spouse (including de facto spouse)
- f) your child attends primary or secondary school for the first time, or
- g) you become eligible for carer allowance payable by Centrelink.

To be eligible to increase your existing cover for a Life Event the following must be satisfied:

- the Insurer must receive your completed *Application for Life Event Cover* form within 60 days of the Life Event occurring;
- you have answered each of the health questions in the application form to the Insurer's satisfaction;
- you are less than age 60 at the time of application;
- you have not applied for an increase in your existing cover for a Life Event in the previous 12 months;
- the Insurer receives proof, satisfactory to them as described in the *Application for Life Event Cover* Form, that the Life Event has taken place and of the date it took place; and
- any other condition as agreed by us and the Insurer in writing from time to time.

## Details of Life Events Death and TPD:

### Type and amount of cover

- When you are currently only insured for Death cover, you will only be eligible to apply to increase your existing Death cover, and where you are currently insured for Death & TPD cover, you will be eligible to apply to increase your existing Death & TPD cover.
- The maximum amount of additional Death and/or TPD cover that you will be eligible for due to a Life Event is the lesser of:
  - \$200,000; or
  - 100% of your existing cover.

- Your Whole Sum Insured under the Policy including any increase for Life Event Cover cannot exceed the Maximum Cover Limit.
- Any increased cover provided for a Life Event will be treated as Voluntary Cover.
- You can only apply to increase your existing cover for a Life Event once every 12 months.

### Details of Life Events Salary Continuance

#### Amount of Cover

When you are currently insured for Salary Continuance cover, you are eligible to apply to increase your existing Salary Continuance cover.

The maximum amount of additional Salary Continuance cover you will be eligible for due to a Life Event is the lesser of:

- 25% of your existing cover; or
- \$2,500 per month.

Your total cover under the Policy including any increase for Life Event Cover cannot exceed the lesser of:

- \$25,000 per month; or
- 85% of Earned Income where a Superannuation Contribution Benefit is payable, otherwise 75% of Earned Income.

#### Terms of Life Event Cover

- Any additional cover provided due to Life Event Cover is subject to the following terms:
  - the premium for Life Event Cover is payable from the date the Insurer provides written acceptance; and
  - the Life Event Cover will be subject to the same loadings, exclusions, restrictions and limitations that apply to your existing cover under the Policy immediately prior to the date your Life Event cover commences until such time as they expire according to their terms or when the Insurer agrees in writing to remove them.

You can apply for Life Events Cover via the *Application for Life Events cover* form available at [activesuper.com.au/forms](https://activesuper.com.au/forms)

## YOUR DUTY TO TAKE REASONABLE CARE

### About Voluntary insurance cover application

When you apply for insurance cover via our Voluntary insurance cover offering, the Insurer conducts a process called underwriting. It's how the Insurer decides whether they can provide you insurance cover, and if so on what terms and at what cost.

The Insurer will ask questions they need to know the answers to. These will be about your personal circumstances, such as your health and medical history, occupation, income, lifestyle, pastimes, and current and past insurance. The information you give

to the Insurer in response to their questions is essential to allow them to make a decision in respect to your application for insurance cover.

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

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

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

### **If you do not meet your duty**

If you do not meet your legal duty, this can have serious impacts on your insurance. Your cover could be avoided (treated as if it never existed), or its terms may be changed. This may also result in a claim being declined or a benefit being reduced.

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

### **What can the Insurer do if the duty is not met?**

If the person who answers the Insurer's questions does not take reasonable care not to make a misrepresentation, there are different remedies that may be available to the Insurer. These are set out in the *Insurance Contracts Act 1984 (Cth)*. These are intended to put the Insurer in the position they would have been in if the duty had been met.

For example, the Insurer may:

- avoid the cover (treat it as if it never existed);
- vary the amount of the cover; or
- vary the terms of the cover.

Whether the Insurer can exercise one of these remedies depends on a number of factors, including:

- whether the person who answered the Insurer's questions took reasonable care not to make a misrepresentation. This depends on all of the relevant circumstances. This includes how clear and specific our questions were and how clear the information the Insurer provided on the duty was.
- what the Insurer would have done if the duty had been met – for example, whether the Insurer would have offered cover, and if so, on what terms
- whether the misrepresentation was fraudulent; and
- in some cases, how long it has been since the cover started.

Before the Insurer exercises any of these remedies, they will explain their reasons, how to respond and provide further information, and what you can do if you disagree.

## Guidance for answering Insurer's questions

You are responsible for the information provided to the Insurer. When answering their questions, please:

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

## Changes before your cover starts

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

## If you need help

It's important that you understand this information and the questions the Insurer asks. Ask us or your adviser for help if you have difficulty understanding the process of buying insurance or answering the Insurer's questions.

If you're having difficulty due to a disability, understanding English or for any other reason, we're here to help and can provide additional support for anyone who might need it. If you want, you can have a support person you trust with you.

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The Insurer is TAL Life Limited (ABN 70 050 109 450, AFSL 237848) ("Insurer"). The information in this fact sheet is a summary of the main features of the Insurance Policy terms and does not replace the Insurance Policy. The insurance cover provided is subject to the terms and conditions contained in the Insurance Policy issued by the Insurer. The terms and conditions of the policies prevail over any inconsistent information in this fact sheet. You should ask for a copy of the actual Insurance Policy documents if you require complete details of the Insurance Policy terms and conditions.

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