

VOLUNTARY INSURANCE

Insurance is all about investing in peace of mind, as it helps to provide financial support in times of illness, injury, disablement or death.

As a member of Active Super you may have received Basic insurance cover automatically. However, this may not be enough to cover you and your family in times of need. For this reason, Active Super provides an opportunity for you to apply for additional voluntary insurance cover at competitive rates. This fact sheet explains the features of Active Super's Voluntary insurance cover, and how you can apply for it.

IMPORTANT

Our Voluntary insurance cover is provided through a group insurance contract with TAL Life Limited (ABN 70 050 109 450, AFSL 237848) (Insurer). The Insurer is a specialist Australian life insurance company and an industry leader in the provision of life insurance arrangements to superannuation funds and administration platforms and is widely acknowledged in the market as a provider of quality products with superior service.

Cover is available at competitive rates and is underwritten by the Insurer on an individual member basis. Cover does not commence until the Insurer notifies you that they have accepted your application for cover, or until you have accepted any conditions the Insurer has placed on the cover you applied for.

Members who have not received contributions for 16 months or more, must have their insurance cancelled unless they 'opt-in'. Furthermore, 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, or declared they are not 'low balance inactive' members, their insurance must be cancelled and their super account transferred to the Commissioner of Taxation.

The Trustee regularly reviews the insurance arrangements to ensure you have access to a market competitive Voluntary insurance cover package. This fact sheet should be read in conjunction with the Active Super Accumulation Scheme Product Disclosure Statement, available at activesuper.com.au/PDS or from our Member Care team on 1300 547 873.

GENERAL INFORMATION

Members can apply for Voluntary cover at any time.

What types of cover are available?

There are three types of voluntary insurance:

1. Lump sum Death only cover
2. Lump sum Death and Total and Permanent Disablement (TPD) cover
3. Salary Continuance Insurance (SCI) cover, available for either a two-year Benefit Period or until age 65 Benefit Period. This cover provides income protection for disablement, regardless of whether it is temporary or permanent.

In addition, Interim Accident Cover is available. Please refer to page 13 for more information on Interim Accident Cover.

Who can apply for cover?

Any member of the Active Super Accumulation Scheme who is an Australian Resident can apply for:

- lump sum Death only cover (if aged between 15 and 70)
- lump sum Death and Total and Permanent Disablement cover (if aged between 15 and 70)
- salary Continuance Insurance cover (if aged between 15 and 64).

How are premiums calculated and paid?

The premium you pay depends on the amount of cover you take, your age, gender, occupational classification and any special conditions that may apply to your cover. Premiums are deducted each month from your account, provided it has a sufficient balance.

What are the occupational classifications?

There are five occupational classifications for calculating premiums:

1. Class 1 Heavy Manual (Unskilled): Any occupation involving manual work that does not require qualifications or any supervisory element, e.g. garden maintenance or road workers.
2. Class 2 Heavy Manual (Skilled): Occupations involving manual work where the person holds trade qualifications or is in a supervisory capacity, e.g. tradesmen, linesmen or roadwork supervisors.
3. Class 3 Light Manual: Those occupations that are predominantly sedentary, but may involve up to 20% of light manual activity, e.g. retail sales or industry sales representative.
4. Class 4 White Collar: Occupations involving no manual work, e.g. clerical, administrative, managerial or some sales.

5. Class 5 Professional: Totally white-collar sedentary occupations where the individuals have tertiary qualifications that apply to their current occupation, or are in executive or managerial positions earning \$100,000 or more per annum. The earning threshold may be reviewed annually in line with salary inflation.

Some members may not be eligible for cover due to risk factors, such as their condition of health or the high risk nature of their occupation. The above classifications are guidelines only and the final determination is at the Insurer's discretion. The Insurer determines your occupational classification from the information you provide on your application for cover.

If you change occupations or believe that your current occupational classification is incorrect, it is your responsibility to contact us immediately. You can let us know about your occupation change by completing the *Application For Occupation Classification Change* form, available at activesuper.com.au/forms or by calling our Member Care team on 1300 547 873.

What happens if you cease employment?

If you cease employment with your local government employer, your account balance will be transferred to the Accumulation Scheme Public Offer division and any Voluntary insurance cover you have taken out will continue, provided you have a sufficient balance in your Active Super account to cover the premiums.

How do I apply for cover?

You apply by completing the *Voluntary Insurance Cover* form which is available at activesuper.com.au/forms or by calling our Member Care team on 1300 547 873. Please note that if your application is incomplete, the processing of your application will be delayed, and may result in your application being declined.

Claiming a benefit

Please immediately advise Active Super of any potential claims, ensuring the claims assessment process can commence with the Insurer. If you incur costs in completing the claim form, they are not recoverable from Active Super.

The Insurer can ask you to attend an examination by a Medical Practitioner, another relevant professional of its choosing, or provide further medical evidence as often as it reasonably requires in order to substantiate the commencement or continuation of a disability or disablement. The Insurer can also ask you to have a blood test or similar test to determine your health status. You will be liable for any fees arising from non-attendance, but otherwise the Insurer will meet the costs of any medical assessment requested.

What Waiting Periods are involved when claiming a benefit?

The Waiting Period when claiming a SCI benefit, is the continuous period where you are not working due to a disability and you cannot receive a benefit until it is satisfied.

The Waiting Period is a continuous period of either 30, 60 or 90 days commencing on the first day of Total Disability depending on your cover.

What role does the Insurer play?

Active Super provides voluntary insurance cover via a group insurance policy taken out with the Insurer.

As such, the Insurer assesses an application and decides whether to accept or decline the application. The Insurer may decline to accept your application unconditionally, or they may accept it subject to specified restrictions or premium loadings.

The premiums deducted from your member account for Voluntary insurance cover are paid to the Insurer each month.

The Insurer also assesses all claims for benefits, but all benefits are paid to Active Super in the event the Insurer determines a benefit is payable, and Active Super then arranges for payment to you.

Check your insurance details are correct

It is important that you ensure your account balance can cover your premiums each month or your insurance will lapse. Active Super does not accept responsibility or liability for ensuring your insurance cover does not lapse if you do not maintain sufficient funds to pay premiums.

It is important to check your Active Super member statements to ensure your desired level of insurance cover is recorded. In some instances, you may receive a level of cover that is less than what you applied for due to the Insurer's assessment of your particular circumstances. Contact us immediately if you believe your level of cover is different from what you expected.

Active Super and the Insurer rely on being kept informed of your situation to ensure that you are still eligible for cover. If you cease to be eligible and you have not notified Active Super, you may still receive an Active Super member statement showing a level of cover that you do not have.

DEATH ONLY COVER

Who can apply?

Any member of the Active Super Accumulation Scheme who is an Australian Resident aged between 15 and 70 is eligible to apply for Voluntary Death only cover.

What cover is available?

You can nominate any amount of cover in \$1,000 multiples. The minimum Death only cover is \$50,000 and there is no maximum Death only cover amount.

What is the cost?

The cost of Death only cover depends on your age, gender, occupational classification, premium loadings that may apply and the amount of cover selected by you and approved by the Insurer. Premiums are calculated each month and adjusted when you have a birthday or change your level of insurance cover.

The cost of insurance cover is determined by first calculating the Base Premium. The Base Premium is calculated by multiplying the amount of cover (as multiples of \$1,000) by the Premium Rate for your age (set out in the Base Premium rates table on page 23).

Once the Base Premium has been calculated, it is multiplied by the Rating Factor (see the table on the next page) which will give you your Annual Premium. To calculate the monthly premium, simply divide the annual premium by 12.

Generally, the three steps to calculating your monthly premium is shown below:

1. **Base Premium** = (Amount of Voluntary cover / \$1,000) x Premium Rate (based on your gender)
2. **Annual Premium** = Base Premium x Occupation Rating Factor
3. **Monthly Premium** = Annual Premium / 12

To assist you with your calculations, an insurance calculator is available at activesuper.com.au

The Insurer may adjust the premiums after assessing your application for cover.

Rating Factors (Voluntary Death only cover)

OCCUPATION CATEGORY	5	4	3	2	1
Rating Factor	0.90	1.00	1.00	1.25	1.50

When is a Death benefit payable?

A benefit is payable if you die or become Terminally Ill while insured for Death only Cover.

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 Death insurance 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 the 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.

When does Death cover cease?

Death cover ceases when the earliest of the following occurs:

- you reach age 71;
- the Insurer pays a Death or a Terminal Illness benefit for you under this Policy or a Total and Permanent Disablement benefit is paid which is equal to or higher than your Death cover;
- sixty (60) days after the premium due still remains unpaid;
- you request to cancel your Death insurance cover – this will take effect on the date nominated by you or the date we receive the notification – whichever is the later date;
- your account has been inactive for 16 months and you have not opted-in to keep your insurance cover;
- you cease to be a member of Active Super;
- in the event of your death; or
- the policy is terminated by Active Super or the policy is cancelled by the Insurer (appropriate notice of this change would be given).

Exclusions

No Death or a Terminal Illness benefit is payable:

- for a death claim arising directly or indirectly from suicide within the first 12 months of the commencement of your cover;
- for any event in respect of which the Insurer has placed an individual exclusion or restriction on your Death insurance cover;

- where death or Terminal Illness is directly or indirectly caused by service in the armed forces of any national or international organisation other than the Australian Armed Forces Reserve;
- for a claim arising directly or indirectly from an illegal or criminal act committed by you; or
- for a Terminal Illness claim arising from an intentional self-inflicted act or intentional self-inflicted injury or attempted suicide irrespective of whether you were sane or not.

DEATH AND TOTAL & PERMANENT DISABLEMENT (TPD) COVER

Who can apply?

Any member of the Active Super Accumulation Scheme who is an Australian Resident aged between 15 and 70 is eligible to apply for Death and TPD cover.

What cover is available?

You can nominate any amount of cover in \$1,000 multiples. The minimum cover is \$50,000. Note that the maximum cover levels are as follows:

- Death cover = no maximum
- Death & TPD cover = No maximum for Death cover and \$3,000,000 for TPD cover

What is the cost?

The cost of Death and TPD cover depends on your age, gender, occupational classification, premium loadings that may apply and the amount of cover selected by you and approved by the Insurer. Premiums are calculated each month and adjusted when you have a birthday and/or change your level of cover.

The cost of insurance cover is determined by first calculating the Base Premium. The Base Premium is calculated by multiplying the amount of cover (as multiples of \$1,000) by the Premium Rate for your age (set out in the Base Premium rates table on page 23).

Once the Base Premium has been calculated, this is multiplied by the Rating Factor (see the table on the next page) which will give you your Annual Premium. To calculate the monthly premium, simply divide the annual premium by 12.

A summary of the three steps to calculating your monthly premium is shown below:

1. **Base Premium** = (Amount of cover / \$1,000) x Premium Rate (based on your Waiting Period)
2. **Annual Premium** = Base Premium x Rating Factor
3. **Monthly Premium** = Annual Premium / 12

To assist you with your calculations, an insurance calculator is available at activesuper.com.au

The Insurer may adjust the cost after assessing your application for cover.

Rating Factors (Death and TPD cover)

OCCUPATION CATEGORY	5	4	3	2	1
Rating Factor	0.90	1.00	1.25	1.60	2.00

When is a benefit payable?

A death benefit is payable if you die or become Terminally Ill while insured for Death and TPD cover. *The following definition of TPD applies when disablement occurs after 1 July 2022. If the date of disablement is prior to this date, another definition applies. Please contact Member Services on 1300 547 873 for more information.*

A TPD benefit is payable if you satisfy one of the following parts of the TPD definition:

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:
 - i) your occupation; and
 - ii) 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:
 - i) at the end of the six consecutive month period; and
 - ii) by 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:
 - (1) 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
 - (2) 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:

- i) you are unable to perform unpaid Domestic Duties; and
 - ii) 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:
- i) those Domestic Duties; or
 - ii) in any Gainful Employment for which you:
 - (1) after six consecutive months immediately following the Date of Disablement; and
 - (2) by the time the Insurer form their opinion or can be expected following the time the Insurer form 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:

- i) 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;
- ii) 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.

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

WHEN DOES EACH TPD DEFINITION APPLY?

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, you are eligible for 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 and were working 15 hours or more per week immediately prior to their Date of Disablement (averaged over the last 12 months) or earlier as determined by the Insurer;
- are not an Optional Member engaged in a Hazardous Occupation; and
- are not a Public Offer Division Member, an Optional Member or a Casual Employee who was not At Work on the day TPD cover commenced.

Part 2 of the TPD definition only

Your claim will be assessed under Part 2 of the TPD definition (TPD definition Part 1 is not available to you) if:

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

Part 3 of the TPD Definition 3 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, were not Gainfully Employed and was at home performing unpaid Domestic Duties.

OTHER IMPORTANT DEFINITIONS

DSM	<p>means the latest edition of the Diagnostic and Statistical Manual of Mental Disorders issued by the American Medical Association (APA).</p> <p>If the Diagnostic and Statistical Manual of Mental Disorders is no longer used or published, we 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.</p>
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Psychiatric Impairment Rating Scale	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, we will use another scale similar to it for the determination as determined by the relevant medical body.
Psychiatrist	means a Medical Practitioner who is legally qualified as a practicing psychiatrist and registered with the Australian Health Practitioner Regulation Agency (AHPRA).
Severe Cognitive Impairment	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.

GAINFULLY EMPLOYED/ GAINFUL EMPLOYMENT

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.

Note

Where gain or reward includes remuneration such as salary, wages, business income, bonuses, commissions, fees or gratuities, in return for personal exertion.

When does Death and TPD cover cease?

Cover ceases when the earliest of the following occurs:

- you reach age 71;
- the Insurer pays a Death or a Terminal Illness benefit for you under this Policy or a Total and Permanent Disablement benefit is paid which is equal to or higher than your Death cover;
- sixty (60) days after the premium due still remains unpaid;
- you request to cancel your Death and TPD insurance cover – this will take effect on the date nominated by you or the date we receive the notification – whichever is the later date;
- your account has been inactive for 16 months and you have not opted-in to keep your Death and TPD insurance cover;

- you cease to be a member of Active Super;
- in the event of your death; or
- the policy is terminated by Active Super or the policy is cancelled by the Insurer (appropriate notice of this change would be given).

Exclusions

No benefit is payable:

- for a death or TPD claim arising directly or indirectly from by suicide within the first 12 months of the commencement of your insurance cover;
- for a claim for Terminal Illness or TPD as a result of an intentional self-inflicted act or intentional self-inflicted injury or attempted suicide by you irrespective of whether you were sane or not;
- for any event in which the Insurer has placed an individual exclusion on your insurance cover;
- where death, Terminal Illness or Total and Permanent Disablement is directly or indirectly caused by service in the armed forces of any national or international organisation other than the Australian Armed Forces Reserve; or
- for a claim arising directly or indirectly from an illegal or criminal act committed by you.

INTERIM ACCIDENT COVER FOR DEATH ONLY AND DEATH & TPD COVER

What cover is available?

Interim Accident Cover is provided for up to 90 days while your application for Death only or Death and TPD Voluntary cover is being assessed.

If you die or become Totally and Permanently Disabled when insured for TPD cover as result of an Accident, the Insurer will pay the benefit for Interim Accident Cover.

Please note, Accident means an unforeseen violent, external and visible event that occurs accidentally during the period of Interim Accidental cover.

Cover commences on the date the Insurer receives your fully completed *Voluntary insurance cover application form* which includes the personal statement.

When does Interim Accident cover cease?

Interim Accident Cover ceases when the earliest of the following occurs:

- the Insurer accepts or declines your application for cover;
- your application for cover is withdrawn;
- Active Super receives your completed and signed acceptance of any additional terms which apply to an offer of cover;

- you cease to be eligible to apply for the cover, i.e. you cease to be a member of Active Super or you reach age 71;
- ninety (90) days after the Insurer receives your fully completed *Voluntary insurance cover application form* which includes the personal statement;
- you are no longer eligible for cover; or
- the policy is terminated by Active Super or the policy is cancelled by the Insurer (appropriate notice of this change would be given).

What is the amount of Interim Accident cover?

The amount of Interim Accident Cover is the lesser of:

- the amount of cover that you have applied for, less any existing cover; and
- \$750,000.

SALARY CONTINUANCE INSURANCE (SCI) COVER

Who can apply?

Any member of the Active Super Accumulation Scheme who is aged between 15 and 64, is employed on either a permanent full-time or part-time basis and is an Australian Resident can apply for SCI cover.

What cover is available?

SCI cover provides partial income replacement following the expiry of either the 30, 60 or 90 day Waiting Period. There are two types of Benefit Periods for your insurance cover to choose from:

- short-term: The benefit is payable for a maximum period of two years for any related illness or injury; or
- long-term: The benefit is payable for a maximum period to age 65 for an illness or injury.

A Total Disability benefit is payable if you are totally disabled for the length of the Waiting Period that applies to your cover. The Total Disability benefit provides a benefit of the lesser of:

- the amount of cover approved by the Insurer;
- eighty five percent (85%) of your Declared Earned Income prior to the disability occurring (which includes a Superannuation Contributions Benefit of 10% of your Declared Earned Income), subject to a maximum annual benefit \$300,000.

What is Declared Earned Income?

Declared Earned Income is the lesser of:

- your earnings most recently agreed by the Insurer and Active Super in writing; or

- the amount calculated in accordance with the Earned Income definition (as shown on the next page).

What is Earned Income?

If you are a permanent employee working more than 15 hours per week, Earned Income is your normal annual salary or wage agreed with your employer immediately before the commencement of Total Disability, plus:

- a. any actual commissions paid by your employer in the 12 month period immediately before the commencement of Total Disability; and
- b. any other regular payments that could be considered as part of your remuneration package paid by your employer in the 12 month period immediately prior to the commencement of Total Disability, which combined with paragraph (a) above, the Insurer will consider as part of your remuneration package; expressed as a monthly amount.

or

If you are self-employed, Earned Income is the monthly income generated by you from your personal exertion, calculated by averaging your net income per year for the two years immediately preceding commencement of Total Disability.

For the purposes of this definition 'net income' means your gross income from personal exertion less all expenses incurred by you in earning that income, but does not include:

- investment income;
- profit distributions; and
- similar payments.

or

If you are not either permanent employee working more than 15 hours per week or self-employed, your Earned Income is the amount equal to the average in the last 12 months immediately before the commencement of Total Disability of the following:

- a. the wages or salary paid to you by your Employer;
- b. any commission paid by your Employer to you; and
- c. all other regular payments or Benefits provided to you by your Employer, which when combined with (a) and (b) above, the Insurer would reasonably consider as part of your remuneration package.

When should you review your level of cover?

As the maximum benefit is 75% of Earned Income (plus up to 10% for Superannuation Contribution Benefit), which will be determined at the time of disability, you may wish to review your level of cover when your Earned Income changes (e.g. if you have a salary increase you may wish to increase your cover). However, if your salary decreases (e.g. you move from full-time to part-time work of 24 hours per week) you

may be paying for more cover than you will be entitled to claim in the event of Total Disability.

Benefit Offsets

Total Disability and Partial Disability benefits are subject to Benefit Offsets. Benefits are reduced by all amounts (that arise because of the illness or injury that caused the Total or Partial Disability) payable from the following sources:

- benefits under other salary continuance policies;
- workers compensation, Statutory compensation, pension, social security or similar schemes or other similar State, Federal or Territory legislation;
- state or federal legislation such as the Department of Veteran Affairs;
- employer funded sick leave entitlements and other income payments;
- any other Disability Income paid in the form of a lump sum or is commuted for a lump sum, which is not compensation for pain or suffering.

What is the cost?

The cost of SCI depends on the type of cover (two years or to age 65), your age, gender, occupational classification, premium loadings that may apply and the amount of insurance cover selected by you and approved by the Insurer. The premiums are calculated each month and adjusted when you have a birthday or change your level of insurance cover.

The cost of insurance cover is determined by first calculating the Base Premium. The Base Premium is calculated by multiplying the amount of cover (as multiples of \$1,000) by the Premium Rate for your age (set out in the table on page 24) then multiplying this by the Rating Factor.

Once the Base Premium has been calculated, it is multiplied by the Waiting Period Factor which will give you your annual premium. To calculate the monthly premium, simply divide the annual premium by 12.

A summary of the three steps to calculating your monthly premium is shown below:

1. **Base Premium** = (Amount of cover per month/\$1,000) x Rating Factor x Premium Rate
2. **Annual Premium** = Base Premium x Waiting Period Factor
3. **Monthly Premium** = Annual Premium / 12.

To assist you with your calculations, an insurance quote calculator is available at activesuper.com.au

The Insurer may adjust the premiums after assessing your application for cover.

Rating Factors

OCCUPATION CATEGORY	5	4	3	2	1
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Rating Factor	0.80	1.00	1.50	1.75	2.50
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Waiting Period Factors

30 DAY	60 DAY	90 DAY
2.50	1.75	1.0

When is a benefit payable?

A benefit is payable if the Insured Person suffers Total Disability or Partial Disability, which has been caused solely as a result of an illness or injury.

The Insurer will not begin to pay any Benefit until the completion of the Waiting Period.

The Waiting Period will commence on the first day you are deemed to be Totally Disabled and continue for a minimum of 14 days followed by a period of Total Disability or Partial Disability extending to the end of the Waiting Period.

The length of the Waiting Period for you can be either 30 days, 60 days or 90 days.

WHAT DOES TOTAL DISABILITY MEAN?

Own Occupation

Total Disability and Totally Disabled means that in the Insurer’s opinion while you were insured for SCI cover, as a direct result of an illness or injury:

- you are unable to perform at least one important income producing duty of his or her regular occupation;
- are not working in any capacity, whether or not for reward; and
- are under the regular care and following the advice of a Medical Practitioner and, in the Insurer’s reasonable opinion, you are complying with the advice and treatment given by that Medical Practitioner.

The Own Occupation definition applies if you are working 15 hours or more per week (averaged over the 26 week period prior to the date of disablement or such shorter period if employed less than 26 weeks immediately prior to the Date of Disablement).

Similar Occupation

Total Disability and Totally Disabled means that in the Insurer’s opinion while you were for SCI cover, as a direct result of an illness or injury:

- you are unable to perform the important income producing duties of any occupation for which he or she is suited by education, training or experience;
- are not working in any capacity, whether or not for reward; and

- c. are under the regular care and following the advice of a Medical Practitioner and, in the Insurer's reasonable opinion, you are complying with the advice and treatment given by that Medical Practitioner.

The Similar Occupation definition applies where at the time of disablement, you were working less than 15 hours per week (averaged over the 26 week period prior to the date of disablement or such shorter period if employed less than 26 weeks immediately prior to the Date of Disablement).

WHAT DOES PARTIAL DISABILITY MEAN?

Partial Disability means that immediately following a period of at least 14 consecutive calendar days of Total Disability, and as a direct result of the same illness or injury that caused Total Disability, you:

- cannot work your pre-disability working hours or you are unable to perform at least one important income producing duty of your regular occupation, or you do not have the capacity to work at the same level you were working at prior to commencement of Total Disability;
- suffer a reduction in your Earned Income; and
- are under the regular care and following the advice of a Medical Practitioner and, in the Insurer's reasonable opinion, you are complying with the advice and treatment given by that Medical Practitioner in relation to the cause of the Partial Disability. All work undertaken by you must be approved by the Insurer and your Medical Practitioner.

When does the benefit payment cease?

Your benefit payments will cease when the earliest of the following occurs:

- the Total Disability or Partial Disability ceases;
- on the completion of the Benefit Period that applies to your cover (2 years or to age 65);
- you reach age 65; and
- your death.

When does cover cease?

Cover ceases when the earliest of the following occurs:

- you reach age 65;
- your death;
- sixty (60) days after the premium due still remains unpaid;
- you request to cancel your cover – this will take effect on the date nominated by you or the date we receive the notification – whichever is the later date;

- your account has been inactive for 16 months and you have not opted-in to keep your insurance;
- you cease to be a member of Active Super;
- you commence unpaid leave without employer approval;
- after 12 months of employer – approved leave, unless otherwise agreed by the Insurer in writing before the expiry of the 12 month period; or
- the policy is terminated by Active Super or the policy is cancelled by the Insurer (appropriate notice of this change would be given).

What happens if the disability recurs?

If you suffer a recurrence of either a Total Disability or a Partial Disability within six months of payments ceasing, then the relevant Waiting Period is waived, and the successive periods of benefit payments are regarded as a single continuous period. The recurrence must be due to the same or a related illness or injury.

Are rehabilitation costs covered?

If you are suffering from a Total Disability or Partial Disability the Insurer may, if it is reasonably considered that the program is likely to assist in your rehabilitation, the Insurer will pay for the cost of Approved Rehabilitation in addition to the benefits otherwise payable.

You should note that if total benefits due to you under the policy exceed what you would have earned had you not been disabled, the excess is required to be preserved in Active Super under the superannuation preservation rules.

Are premiums payable while I am receiving a SCI benefit?

No premiums for SCI cover are required while a benefit is being paid.

Indexation increases

If you have long-term SCI cover and a benefit has been paid continuously for 12 months, the Insurer will, from the first payment of the benefit after each anniversary date, increase the benefit by the lesser of:

- the increase of the CPI for that period; or
- five percent (5%).

If benefit payments cease, the benefit will revert to the original sum insured.

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 by you;
- uncomplicated pregnancy or childbirth;
- war, or acts of war, whether declared or not;

- any event or individual exclusion the Insurer has applied to your cover; or
- an illegal or criminal act committed by you.

INTERIM ACCIDENT COVER FOR SCI

When you apply for Voluntary insurance, you will be covered for Interim Accident Cover from the date the Insurer receives a fully completed *Voluntary insurance cover application* form which includes the Personal Statement.

Accident means an unforeseen violent, external and visible event that occurs during the period of Interim Accident Cover.

Interim Accident Cover will provide you with cover in the event of an Accident while your application is being assessed. The amount payable is shown below.

What amount is payable?

The amount of Interim Accident Cover is the lesser of:

- the amount of monthly cover that you have applied for, less the amount of the monthly benefit for which the cover is otherwise in force under the policy for the member; or
- \$15,000 per month.

When does Interim Accident cover cease?

Accident cover ceases when the earliest of the following occurs:

- the Insurer accepts or declines your application for cover;
- your application for cover statement is withdrawn;
- Active Super receives a member's completed and signed acceptance of all terms which apply to an offer of cover;
- you cease to be eligible to apply for the cover, i.e. you cease to be a member of Active Super or you reach age 65;
- ninety (90) days after Interim Accident Cover commenced;
- death; or
- the policy is terminated by Active Super or cancelled by the Insurer (appropriate notice of this change would be given).

LIFE EVENTS INCREASE IN COVER

You have the opportunity to apply 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 relationship);
- 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 for the following must be satisfied:

- the Insurer must receive your completed application for Life Event Cover 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 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 & Total and Permanent Disablement cover, you will be eligible to apply to increase your existing death & Total and Permanent Disablement cover.
- The maximum amount of additional death and/or Total and Permanent Disablement cover that you will be eligible for due to a Life Event is the lesser of:
 - \$200,000; and
 - 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 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 cover that We will provide due to a Life Event is the lesser of:

- 25% of the Insured Person's existing cover; and
- \$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; and
- 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 ed 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 *Life Events application* form available at activesuper.com.au.

WHAT CAN I DO IF I HAVE A PROBLEM OR DISAGREE WITH A DECISION MADE BY THE INSURER?

If you disagree with a decision made by the Insurer, or if you have any problems with the service you receive, it is recommended that you first contact our Member Care team on 1300 547 873, or in writing to:

Active Super
PO Box N835
Grosvenor Place NSW 1220

If you are not satisfied with the response provided, you may make a formal complaint. Written complaints should be addressed to:

Complaints Resolution Manager
Active Super
PO Box H290
Australia Square NSW 1215

You may also lodge a complaint online, via the 'Contact us' section of the website.

By law, we are required to have in place arrangements internal dispute resolution (IDR) arrangements to properly consider and deal with standard complaints within 30

days of receipt. Superannuation trustee complaints are to be resolved with 45 days, and complaints about a proposed death benefit distribution are to be resolved within 90 days after the expiry of the 28-day period for objecting. The Complaints Resolution Manager (who maintains a register of all complaints and actions) will ensure that your complaint is considered and provide you with a response as soon as possible. If a complaint is particularly complex, or circumstances beyond our control are causing complaint management delays, we will issue you with a delay notification before the standard timeframe expires.

Once we resolve your complaint, we will provide you with an IDR response which will outline the final outcome of the complaint, your right to take the complaint to AFCA, and the contact details for AFCA. Where Active Super rejects or partially rejects a complaint, we will provide reasons for the decision, including identifying and addressing the issues raised in the complaint.

If you are not satisfied with the response, or we fail to respond to you within the relevant timeframe, you have the option of referring your complaint to the Australian Financial Complaints Authority.

Australian Financial Complaints Authority

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au

Telephone: 1800 931 678 (free call)

Email: info@afca.org.au

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

AFCA can only consider matters which impact on a member personally and not in respect to the overall management of Active Super.

The staff at AFCA will attempt to settle the matter by conciliation, which involves assisting you and Active Super to come to a mutual agreement. If no agreement is reached by conciliation, AFCA will determine the matter.

YOUR DUTY OF DISCLOSURE

The duty to take reasonable care

When you apply for insurance, you are treated as if you are applying for cover under an individual consumer insurance contract. A person who applies for cover under a consumer insurance contract has 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. Under the Insurance Contracts Act 1984 (Cth) there are a number of different remedies that may be available to the Insurer. They are intended to put the Insurer in the position it 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 reasonable care was taken not to make a misrepresentation. This depends on all of the relevant circumstances.
- what the Insurer would have done if the duty had been met – for example, whether it 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 any of these remedies are exercised, the Insurer will explain the reasons for its decision, how to respond and provide further information, and what you can do if you disagree.

Guidance for answering the questions in this form

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

- think carefully about each question before you answer. If you are unsure of the meaning of any question, please ask us before you respond.
- answer every question.
- answer truthfully, accurately, and completely. If you are unsure about whether you should include information, please include it.

Review your application carefully before it is submitted. If someone else helped prepare your application (for example, your adviser), please check every answer (and if necessary, make any corrections) before the application is submitted.

DEATH ONLY AND DEATH & TPD BASE PREMIUM RATES¹

AGE NEXT BIRTHDAY	DEATH		DEATH + TPD		AGE NEXT BIRTHDAY	DEATH		DEATH + TPD	
	Male	Female	Male	Female		Male	Female	Male	Female
16	0.622	0.304	0.694	0.343	44	1.128	0.804	2.092	1.892
17	0.713	0.304	0.817	0.343	45	1.247	0.874	2.309	2.023
18	0.785	0.304	0.911	0.357	46	1.354	0.960	2.513	2.232
19	0.827	0.280	0.978	0.346	47	1.486	1.055	2.984	2.508
20	0.838	0.280	1.022	0.330	48	1.618	1.138	3.238	2.752
21	0.838	0.280	1.035	0.340	49	1.761	1.235	3.590	3.029
22	0.827	0.280	1.035	0.324	50	1.917	1.343	3.895	3.446
23	0.796	0.280	1.011	0.338	51	2.075	1.439	4.315	3.789
24	0.766	0.264	0.990	0.333	52	2.242	1.546	4.771	4.156
25	0.733	0.264	0.956	0.330	53	2.434	1.655	5.226	4.396
26	0.693	0.240	0.911	0.316	54	2.625	1.761	5.728	4.912
27	0.652	0.228	0.875	0.309	55	2.829	1.882	6.409	5.276
28	0.609	0.228	0.842	0.330	56	3.045	2.002	6.918	5.689
29	0.578	0.215	0.807	0.337	57	3.285	2.122	7.442	6.142
30	0.549	0.215	0.774	0.357	58	3.536	2.252	8.228	6.645
31	0.526	0.228	0.763	0.391	59	3.800	2.387	9.687	7.352
32	0.505	0.240	0.738	0.443	60	4.100	2.518	10.600	8.432
33	0.575	0.251	0.811	0.501	61	4.424	2.661	11.492	9.333
34	0.575	0.276	0.842	0.568	62	4.771	2.807	12.278	11.148
35	0.586	0.299	0.877	0.638	63	5.156	2.948	13.500	12.460
36	0.611	0.336	0.944	0.721	64	5.576	3.117	14.795	13.305
37	0.636	0.371	1.018	0.813	65	6.041	3.285	16.445	14.163

¹ The Death Only and Death & TPD Base Premium rates are per \$1,000 sum insured and are based on the Insured Person's age next birthday. An Insurance Administration Fee of 1.5% of premiums is included. The rates are net of any other fees, taxes or allowances. No commission is retained by Active Super.

38	0.670	0.419	1.094	0.928
39	0.732	0.467	1.237	1.056
40	0.791	0.528	1.384	1.198
41	0.862	0.586	1.574	1.354
42	0.947	0.647	1.747	1.520
43	1.030	0.720	1.922	1.695

66 ²	5.958	3.174	12.627	9.574
67 ²	6.365	3.324	14.008	10.819
68 ²	6.771	3.476	16.069	12.231
69 ²	7.178	3.627	18.132	13.824
70 ²	7.585	3.777	20.059	15.629
71 ²	8.285	4.250	23.088	17.667

SALARY CONTINUANCE INSURANCE RATES³

AGE NEXT BIRTHDAY	90 DAY WAIT TWO-YEAR BENEFIT		90 DAY WAIT TO AGE 65 BENEFIT		AGE NEXT BIRTHDAY	90 DAY WAIT TWO-YEAR BENEFIT		90 DAY WAIT TO AGE 65 BENEFIT	
	Male	Female	Male	Female		Male	Female	Male	Female
16	11.08	12.24	25.81	32.16	41	17.83	32.55	52.27	111.61
17	11.20	12.56	26.45	33.01	42	19.59	35.88	57.35	122.84
18	11.51	12.75	27.30	34.06	43	21.36	39.39	63.26	135.63
19	11.71	12.96	27.83	34.92	44	23.22	43.54	69.82	150.34
20	11.71	13.28	28.46	35.96	45	25.81	48.01	77.55	166.32
21	11.92	13.38	28.89	36.71	46	28.31	52.77	86.01	183.56
22	11.31	13.58	27.93	37.98	47	31.42	58.27	95.96	202.60
23	10.79	13.79	26.87	38.83	48	35.35	64.49	107.06	223.24
24	10.47	13.79	26.34	39.77	49	39.39	71.03	119.45	244.71
25	10.16	14.01	25.39	40.73	50	44.07	78.28	133.20	267.78
26	9.64	14.30	24.65	42.00	51	49.35	86.05	148.64	291.78
27	9.55	15.04	24.65	45.18	52	55.36	94.25	165.68	315.81
28	9.55	15.76	24.65	47.82	53	62.01	102.95	183.78	339.61

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² For members over age 65, only TPD definition 3 (Everyday Working Activities) applies.

³ The Salary Continuance Base Premium rates per \$1,000 monthly benefit and are based on the Insured Person's age next birthday. Rates are inclusive of an Insurance Administration Fee of 1.5% of premiums and 5% stamp duty. No commission is retained by Active Super.

29	9.64	16.49	25.19	50.35	54	69.68	112.29	203.45	363.61
30	9.74	17.00	25.92	52.89	55	78.28	122.24	224.82	386.16
31	10.16	17.63	26.87	55.34	56	87.92	132.91	246.82	407.52
32	10.37	18.15	27.93	58.08	57	98.50	143.70	269.14	425.62
33	10.68	18.98	28.89	60.84	58	110.21	155.20	291.37	440.11
34	11.08	19.71	30.26	64.11	59	123.38	167.03	313.06	449.85
35	11.40	20.63	32.16	67.92	60	138.00	179.36	332.30	453.65
36	12.24	21.87	34.18	72.37	61	154.18	192.32	347.96	449.21
37	12.75	23.22	36.50	77.76	62	171.90	205.40	357.58	435.87
38	13.79	24.99	39.77	84.43	63	192.54	219.91	355.68	407.84
39	14.93	27.06	43.38	91.74	64	174.29	189.32	307.77	334.32
40	16.38	29.66	47.29	101.14	65	87.60	82.74	154.78	146.00

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