

# ANZ SMART CHOICE SUPER AND PENSION

GROUP LIFE POLICY FOR INCOME PROTECTION COVER  
THE TERMS OF THIS DOCUMENT ARE EFFECTIVE FROM 17 MARCH 2018.





## CONTENTS

<b>1. ABOUT THIS POLICY</b>	<b>4</b>	6.8	When we pay a Benefit for Interim Accident Cover	16
1.1 Overview	4	6.9	Return to work program	16
1.2 Understanding the Policy	4	6.10	Recurring Disablement	16
1.3 Duration	5	6.11	Benefit Escalation	16
1.4 Cooling off rights	5	6.12	Multiple Accounts	17
1.5 Variation of Policy	5	6.13	When a Benefit is reduced	17
1.6 Guaranteed Renewable	5	6.14	Repayment of Benefits	18
1.7 Duty of Disclosure	5	6.15	Only one Benefit at a time	18
1.8 Your Obligations	5	<b>7. BENEFIT EXCLUSIONS</b>	<b>19</b>	
<b>2. GENERAL TERMS AND CONDITIONS</b>	<b>6</b>	7.1	War	19
2.1 Becoming an Insured Member	6	7.2	Imprisonment	19
2.2 General Terms and Conditions of Cover	6	7.3	Claims Requirement	19
2.3 Applications for Cover	6	7.4	Exclusion in Decision Note	19
2.4 Variation of Cover	6	7.5	Intentional Self-Inflicted Acts	19
2.5 Transfer of Cover within Smart Choice	7	7.6	No payment where other legislation infringed	19
2.6 Cancellation of Cover	7	<b>8. PREMIUMS</b>	<b>20</b>	
2.7 Termination of Policy	7	8.1	Calculation of Premium due	20
2.8 No reinstatement of Cover	7	8.2	Stamp duty, taxes and expenses	20
<b>3. ELIGIBILITY</b>	<b>8</b>	8.3	When the Premium is due and interest is charged on unpaid Premiums	20
3.1 Choose Your Own Cover	8	8.4	When we can change the Premium	21
3.2 Interim Accident Cover	8	<b>9. CLAIMS</b>	<b>22</b>	
<b>4. PERIOD OF COVER</b>	<b>9</b>	9.1	Written advice of claim	22
4.1 When Choose Your Own Cover commences	9	9.2	Condition of claim payment	22
4.2 When Interim Accident Cover starts and ends	10	9.3	Dispute resolution	23
4.3 When Cover ceases for Insured Members	10	9.4	Claims assessment information	23
4.4 Cessation of Cover where Visa holders depart Australia temporarily	11	<b>10. GENERAL CONDITIONS</b>	<b>24</b>	
<b>5. AMOUNT OF COVER</b>	<b>11</b>	10.1	Records	24
5.1 Choose Your Own Cover Insured Amount	11	10.2	Notices	24
5.2 Interim Accident Cover	11	10.3	Non assignment of Policy	24
<b>6. BENEFITS</b>	<b>12</b>	10.4	No waiver	24
6.1 When Benefits are paid	12	10.5	Privacy Law	24
6.2 When we pay a Total Disability Benefit	13	10.6	Governing Law	24
6.3 The amount we pay for the Total Disability Benefit	13	10.7	Currency	25
6.4 When we pay a Partial Disability Benefit	14	10.8	Statutory Fund	25
6.5 The amount we pay for the Partial Disability Benefit	15	<b>11. DICTIONARY</b>	<b>26</b>	
6.6 When we pay Superannuation Contribution Benefit	15	<b>SCHEDULE 1 — POLICY SCHEDULE FOR COVER UNDER THIS POLICY</b>	<b>31</b>	
6.7 When we pay the Death Benefit	15	<b>SCHEDULE 2 — DUTY OF DISCLOSURE</b>	<b>35</b>	

# 1. ABOUT THIS POLICY

## 1.1 OVERVIEW

- 1.1.1 This Policy sets out the terms upon which we agree to pay you Benefits for income protection cover in respect of Insured Members, and the rights and obligations which you and we must observe.
- 1.1.2 This Policy is issued to you, in your capacity as the trustee of the Fund, on the basis that the Fund is a complying superannuation fund under the *Superannuation Industry (Supervision) Act 1993* (Cth), as amended. If the Fund ceases to be a complying superannuation fund, you must notify us immediately.
- 1.1.3 All Benefits under this Policy are payable to you, or in accordance with your direction.

## 1.2 UNDERSTANDING THE POLICY

- 1.2.1 In this Policy, some phrases and words used have a special meaning. These words and phrases are defined in:
  - (a) clause 11;
  - (b) the Schedules to this Policy;
  - (c) clause 1.2.3;
  - (d) within the body of some clauses; and
  - (e) where applicable, in a Decision Note.
- 1.2.2 To the extent of any inconsistency, the following order of priority applies in respect of Cover for a particular person:
  - (a) the terms of any Decision Note applying to the person's Cover;
  - (b) the terms of the Schedules; and
  - (c) the remaining terms of the Policy.
- 1.2.3 In this Policy, unless the context otherwise indicates:
  - (a) "we", "our" and "us" means OnePath Life Limited ABN 33 009 657 176 whose principal office is at 347 Kent Street, Sydney NSW 2000, and includes any properly appointed delegates;
  - (b) "you" and "your" means OnePath Custodians Pty Limited ABN 12 008 508 496 whose principal office is at 347 Kent Street, Sydney NSW 2000, and includes your properly appointed delegates;
  - (c) the singular includes the plural and vice versa;
  - (d) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning;
  - (e) references to statutes, regulations or rules (or sections or regulations thereof) means and includes such statutes, regulations or rules as amended from time to time or as replaced by such other statute, regulation or rule with substantially the same objects;
  - (f) any reference to a statute includes a reference to any subordinate legislation made under it;
  - (g) any words expressed in the masculine apply equally in the feminine and vice versa;
  - (h) a reference to "\$" or "dollar" is to Australian currency;
  - (i) a reference to a party includes that party's executors, administrators, successors and permitted assigns and, in the case of a trustee, includes a substituted trustee;
  - (j) a reference to a document (including this Policy) is to that document as varied, novated, ratified or replaced from time to time; and
  - (k) a reference to a party, clause or Schedule, is a reference to a party, clause or Schedule, to or of this Policy, and a reference to this Policy includes all Schedules to it.
- 1.2.4 Headings have been included in this Policy for convenience, but the headings are not relevant to the interpretation of this Policy.
- 1.2.5 Should any provision of this Policy be invalid in whole or in part or be required to be limited or read down in order to be valid, the provision shall be severed to the extent of the invalidity but the remainder of the provision shall continue in full force and effect.
- 1.2.6 If we require an amount to be paid on or by a certain day, and that day is not a Business Banking Day, we consider the requirement satisfied if the amount is paid on or by the next Business Banking Day.

### **1.3 DURATION**

- 1.3.1 This Policy commences on the Policy Start Date.
- 1.3.2 This Policy remains in force until the earliest of:
  - (a) the date it is terminated in accordance with clause 2.7; and
  - (b) the date Cover under the Policy has ended for all Insured Members.

### **1.4 COOLING OFF RIGHTS**

- 1.4.1 If an Insured Member has exercised any cooling-off rights against you, any Cover we provided in respect of that Insured Member is automatically cancelled effective from the date the Cover commenced.
- 1.4.2 Where Cover is cancelled in accordance with clause 1.4.1, we will refund any relevant Premium received by us since the Cover Commencement Date after deducting any expenses we reasonably incurred in relation to the Cover.

### **1.5 VARIATION OF POLICY**

- 1.5.1 This Policy may only be varied by a document signed by or on behalf of each party.

### **1.6 GUARANTEED RENEWABLE**

- 1.6.1 Provided you pay Premiums in accordance with the terms of this Policy, we guarantee to continue this Policy until the Policy terminates in accordance with clause 2.7.

### **1.7 DUTY OF DISCLOSURE**

- 1.7.1 You and an Eligible Person must comply with the Duty of Disclosure.

### **1.8 YOUR OBLIGATIONS**

- 1.8.1 Unless we otherwise agree in writing, you must supply us with all Member Information:
  - (a) at least monthly (or less regularly, as agreed);
  - (b) on termination of the Policy; and
  - (c) within 60 days of the date of our request.

## 2. GENERAL TERMS AND CONDITIONS

### 2.1 BECOMING AN INSURED MEMBER

- 2.1.1 Only an Eligible Person for Choose Your Own Cover can become an Insured Member under this Policy.
- 2.1.2 An Eligible Person becomes an Insured Member when he or she meets the requirements of this Policy to obtain the applicable Cover.

### 2.2 GENERAL TERMS AND CONDITIONS OF COVER

- 2.2.1 All of the following terms and conditions apply to Cover provided under this Policy:
  - (a) Cover under this Policy is provided subject to an application for Choose Your Own Cover being accepted by us in writing;
  - (b) the total Insured Amount in respect of an Insured Member cannot exceed the Maximum Benefit Level;
  - (c) Cover is provided as a multiple of \$100.00;
  - (d) the Premium due in respect of an Insured Member must have been paid by the Premium Due Date. Where you have issued, or should have issued but did not for any reason, a notice to the Insured Member of intent to cancel cover as required by clause 8.3.2, cover in respect of the Insured Member will continue for 60 days from the day on which the Premium fell due, immediately after which time it will cease automatically in accordance with clause 4.3.1(c) unless the full Premium due in respect of that Insured Member, is received by you and paid to us within that 60 day period;
  - (e) Cover is only available in respect of Eligible Persons who are Members in the Retail Division of Smart Choice; and
  - (f) an Insured Member's age next birthday is determined as at:
    - (i) the Cover Commencement Date;
    - (ii) each Annual Review Date; and
    - (iii) any day that Cover is varied following a request from the Insured Member.
- 2.2.2 We provide Cover under this Policy subject to certain monetary limits with respect to the amount of Benefit, including but not limited to the Maximum Benefit Level. We may vary these limits subject to providing you with 90 days' written notice of our intention to do so. We will not reduce the monetary limits with respect to the amount of Cover held by an existing Insured Member immediately before any variation.
- 2.2.3 You may make a written request to us to vary any monetary limits set out in clause 2.2.2. If we approve any such request, we must do so in writing and notify you of the effective date of the approval and the increased or decreased level that we have approved.
- 2.2.4 You may ask us to provide Cover for a particular Member on different terms to those in this Policy. We may agree, or refuse your request for any reason. If we agree to special terms, we will issue a Decision Note.

### 2.3 APPLICATIONS FOR COVER

- 2.3.1 With respect to an application for Cover or to vary Cover:
  - (a) we can decline the application for any reason;
  - (b) we can accept the application subject to any conditions, exclusions and/or loadings, as we consider appropriate;
  - (c) the application must be in the form of a Full Personal Health Statement with all supporting documentation to our satisfaction;
  - (d) when we are considering the application, we may request any medical, health, financial and other information which we reasonably require to assess that application; and
  - (e) the application can only be made for an Insured Amount up to the Maximum Benefit Level and in \$100.00 increments.

### 2.4 VARIATION OF COVER

- 2.4.1 Subject to clause 2.3, an Insured Member may request a change in the terms contained in a Decision Note, including but not limited to the Insured Amount, the Benefit Period and the Waiting Period at any time, provided Cover has not ended under this Policy.

- 2.4.2 We will:
- (a) reduce the Insured Amount of Cover;
  - (b) reduce the Benefit Period applying to an Insured Member's Cover; and
  - (c) extend the Waiting Period applying to an Insured Member's Cover,
- upon receipt of a request in a form acceptable to us, whether written, online or verbal, without requiring an application or Underwriting, except where we tell you in writing that we require Underwriting in a particular case. Any loadings, exclusions or restrictions that applied to the Insured Member's existing Cover continue to apply to the changed Cover.
- 2.4.3 If we receive a request in accordance with clause 2.4.2, Choose Your Own Cover for the reduced Insured Amount commences in accordance with clause 4.1.
- 2.4.4 For an Insured Member, a further application for Choose Your Own Cover is required in the circumstances listed in clause 3.1.3.

## **2.5 TRANSFER OF COVER WITHIN SMART CHOICE**

- 2.5.1 Cover cannot be transferred between this Policy and the Smart Choice Employer Policy.

## **2.6 CANCELLATION OF COVER**

- 2.6.1 An Insured Member may cancel his or her Cover at any time by giving a request to us in an acceptable form, whether written or verbal.
- 2.6.2 Any Cover cancelled under this clause 2.6 will cease in accordance with clause 4.3.1(i), to be read without the preamble wording to clause 4.3.1.

## **2.7 TERMINATION OF POLICY**

- 2.7.1 You may terminate this Policy:
- (a) at any time by giving us at least 90 days' written notice; or
  - (b) by giving us at least 90 days' written notice, where there is a change in the Effective Control of OnePath Life Limited.
- 2.7.2 We may terminate this Policy in any of the following circumstances:
- (a) on the 61st day after the Premium Due Date, where the Total Premium due under this Policy remains unpaid for 30 days from the Premium Due Date and provided 30 days' written notice is given to you. Alternatively, we may charge interest in accordance with clause 8.3;
  - (b) on or after the 91st day after the date of our request for the information specified in clause 1.8.1 or 8.1.2(e) if you have failed to provide us with the Member Information and/or any other information we reasonably require, provided 60 days' written notice is provided to you;
  - (c) if permitted or required by law; and
  - (d) by giving you at least 90 days' written notice, where there is a change in the Effective Control of OnePath Custodians Pty Limited, provided the termination date occurs after the expiry of 1 year from the Policy Start Date.
- 2.7.3 Termination of this Policy will not:
- (a) reduce the liability for any Premiums due and payable up to the day of termination; or
  - (b) affect the entitlement of an Insured Member to make a claim where the Event Date is prior to the date of termination and whilst Cover for that Insured Member was current.
- 2.7.4 If this Policy is terminated, any over payment of Premium will be refunded to you, and any under payment of Premium is payable to us, as the case may be.
- 2.7.5 If you dispute any Premium due (or part of it) in good faith, you must inform us promptly of the dispute in writing; and pay all undisputed amounts.

## **2.8 NO REINSTATEMENT OF COVER**

- 2.8.1 Cover under this Policy cannot be reinstated. If a Member wishes to obtain Cover at any time after his or her Cover under this Policy has ceased, the Member must apply for Choose Your Own Cover in accordance with clause 3.1.3. We will not provide Cover for the period from the date Cover last ceased and the date Cover commences in accordance with clause 4.1.

## 3. ELIGIBILITY

### 3.1 CHOOSE YOUR OWN COVER

- 3.1.1 A person may apply for Choose Your Own Cover in the circumstances outlined in clause 3.1.3, if, on the Cover Commencement Date, he or she:
- (a) has been admitted to the Retail Division of Smart Choice;
  - (b) is either:
    - (i) an Australian Resident; or
    - (ii) a holder of a Visa;
  - (c) is residing in Australia;
  - (d) is aged at least the Minimum Benefit Entry Age and less than the Maximum Benefit Entry Age; and
  - (e) they are working at least 15 hours each week and not on a Casual Basis.
- 3.1.2 Except in the circumstances set out in clause 2.4.2, we will assess a person's eligibility for Cover upon receipt of an application for Choose Your Own Cover submitted in accordance with clause 2.3.1.
- 3.1.3 In any of the following circumstances, a person must apply for Choose Your Own Cover:
- (a) he or she wishes to apply for Cover;
  - (b) he or she wishes to increase the Insured Amount of his or her Cover;
  - (c) he or she wishes to extend the Benefit Period that applies to their Cover;
  - (d) he or she wishes to reduce the Waiting Period that applies to their Cover;
  - (e) he or she wishes to remove any loadings, restrictions or exclusions that apply to his or her Cover;
  - (f) he or she wishes to apply for Cover where Cover ceased under this Policy for any reason; and
  - (g) any other circumstance where we require that Cover be Underwritten.

### 3.2 INTERIM ACCIDENT COVER

- 3.2.1 Interim Accident Cover is provided with respect to a Member or Insured Member who applies for Choose Your Own Cover.
- 3.2.2 Interim Accident Cover is only available if as at the date of the relevant application for Choose Your Own Cover, the applicant:
- (a) is either:
    - (i) an Australian Resident; or
    - (ii) a holder of a Visa who is permanently residing in Australia;
  - (b) is residing in Australia; and
  - (c) is aged at least the Minimum Benefit Entry Age and less than the Maximum Benefit Entry Age.
- 3.2.3 Subject to clause 3.2.2, Interim Accident Cover commences on the day we receive an application for Choose Your Own Cover which is completed to our satisfaction and signed by the Member applying for Choose Your Own Cover.
- 3.2.4 Interim Accident Cover ceases on the earliest of:
- (a) the day the Cover applied for starts;
  - (b) the day we decline the application;
  - (c) the 22nd day after the relevant Acceptance Date, if we accept the application subject to special terms;
  - (d) the day we are notified that the Eligible Person rejects the relevant special terms. If we accept the application subject to special terms;
  - (e) the day the applicant ceases to be an Eligible Person;
  - (f) the day the application is withdrawn;
  - (g) 90 days after the date Interim Accident Cover commences;
  - (h) the day we cancel Interim Accident Cover as required or permitted by law;



- (i) the date the relevant Member attains the Benefit Expiry Age; and
  - (j) the day this Policy is terminated under clause 2.7.
- 3.2.5 Interim Accident Cover is not provided if the cover applied for in the application would normally be declined or deferred under our Underwriting Rules.
- 3.2.6 Interim Accident Cover is subject to the Benefit exclusions set out in clauses 7.1, 7.2, 7.3, 7.5 and 7.6.

## 4. PERIOD OF COVER

### 4.1 WHEN CHOOSE YOUR OWN COVER COMMENCES

- 4.1.1 If an application for Cover is required, the Cover applied for will not start unless we accept the application in writing.

#### **Reduction in Cover**

- 4.1.2 Where an Insured Member requests to decrease their existing Cover, reduce their Benefit Period or extend their Waiting Period, the change to their Cover starts on the later of:

- (a) the date we receive the Insured Member's request; and
- (b) the date specified in the Insured Member's request,

unless we require Underwriting.

#### **Application to remove a restriction, special condition or exclusion**

- 4.1.3 If we accept an application for Choose Your Own Cover to remove a restriction, special condition, loading or exclusion, the Choose Your Own Cover starts on the Acceptance Date.

#### **Choose Your Own Cover without special terms**

- 4.1.4 Unless clause 4.1.3 applies, if we accept an application for Choose Your Own Cover without any special terms, the Choose Your Own Cover starts on the Acceptance Date as long as the Premium for the new Choose Your Own Cover required to cover the number of days from the Acceptance Date to the Third Premium Due Date, is paid by the Third Premium Due Date.

- 4.1.5 If the Premium is not paid as required under clause 4.1.4, the Choose Your Own Cover will not start. The Member's Cover immediately before the Acceptance Date (if any) continues, including any special terms that applied to that Cover.

- 4.1.6 For the avoidance of doubt, if a person becomes Disabled before the Third Premium Due Date, the new Choose Your Own Cover for the person will start as set out in clause 4.1.4, if you pay us by the Third Premium Due Date, an amount for the Choose Your Own Cover sufficient to cover Premium for the number of days from the day the Choose Your Own Cover is due to start to the Third Premium Due Date.

#### **Choose Your Own Cover accepted with special terms**

- 4.1.7 If we accept an application for Choose Your Own Cover, but subject to special terms, the Cover will not start unless the Member accepts the special terms in writing. We will notify the Member in writing of those special terms and ask the Member, if they accept the special terms, to return their signed acceptance within 21 days of the Acceptance Date.

- 4.1.8 Choose Your Own Cover that is subject to special terms starts on the Acceptance Date as long as we receive:

- (a) the Member's signed acceptance within 21 days of the Acceptance Date; and
- (b) the Premium for the Choose Your Own Cover required to cover the number of days from the Acceptance Date to the Third Premium Due Date, by the Third Premium Due Date.

- 4.1.9 Choose Your Own Cover that we accept only with special terms does not start if one or both of clauses 4.1.8(a) and 4.1.8(b) are not satisfied, including if:

- (a) the Member rejects the special terms;
- (b) we don't receive the Member's signed acceptance of the special terms within 21 days of the Acceptance Date;
- (c) we receive the Member's signed acceptance of the special terms more than 21 days after the Acceptance Date; or
- (d) we don't receive the Premium for the new Choose Your Own Cover, required to cover the number of days from the Acceptance Date to the Third Premium Due Date, by the Third Premium Due Date.

- 4.1.10 If Choose Your Own Cover does not start under clause 4.1.8, the Member's Cover immediately before the Acceptance Date (if any) continues, including any special terms that applied to that Cover.

- 4.1.10A For the avoidance of doubt, if a person becomes Disabled before the Third Premium Due Date, the new Choose Your Own Cover for the person will start as set out in clause 4.1.8, if you pay us by the Third Premium Due Date, an amount for the Choose Your Own Cover sufficient to cover Premium for the number of days from the day the Choose Your Own Cover is due to start to the Third Premium Due Date.
- 4.1.11 If we receive the Member's signed acceptance of the special terms later than 21 days after the Acceptance Date, the Choose Your Own Cover does not start on the Acceptance Date. However, we may agree to start the Choose Your Own Cover on a later date. We may require evidence of health and other information from the Insured Member. If we agree to start the Choose Your Own Cover at a later date, we will notify you of the Choose Your Own Cover start date in writing.
- 4.1.12 If the Choose Your Own Cover is provided subject to a special term, we will set out the special term in a Decision Note for the Member, together with the start date of the Choose Your Own Cover.
- 4.1.13 If Choose Your Own Cover is provided subject to a special term, such as any restriction, exclusion or loading, the entire Insured Amount of Choose Your Own Cover is subject to the special term.

**Choose Your Own Cover replaces existing Cover**

- 4.1.14 When Choose Your Own Cover starts it replaces all Cover which the Insured Member had on the day prior to the commencement date of the Choose Your Own Cover applied for.

**Declined Application**

- 4.1.15 If we do not accept an application for Choose Your Own Cover, the existing Cover that the Insured Member had immediately before submitting the application continues on the same terms and conditions and does not cease solely due to the application being declined.

**4.2 WHEN INTERIM ACCIDENT COVER STARTS AND ENDS**

- 4.2.1 Interim Accident Cover starts in accordance with clause 3.2.3.
- 4.2.2 Interim Accident Cover ceases in accordance with clause 3.2.4.

**4.3 WHEN COVER CEASES FOR INSURED MEMBERS**

- 4.3.1 Cover in respect of an Insured Member ceases under this Policy on the earliest of:
- (a) the day this Policy terminates;
  - (b) the date the Insured Member attains the Benefit Expiry Age;
  - (c) the 61st day after any portion of outstanding Premium was first due under clause 8.3.1;
  - (d) the day the Insured Member commences Active Service with the armed forces of any country;
  - (e) the day the Insured Member ceases to be a Member;
  - (f) the day the Insured Member dies;
  - (g) the day the Insured Member retires permanently from the workforce;
  - (h) the day Cover ceases in accordance with clause 4.4;
  - (i) where the Insured Member cancels Cover, the later of:
    - (i) the day we receive an Insured Member's request to cancel the Cover; and
    - (ii) the day specified in the Insured Member's request to cancel the Cover;
  - (j) the day we cancel or avoid the Cover, as permitted or required by law;
  - (k) the day the Insured Member permanently departs Australia;
  - (l) 30 days after the day a Visa holder ceases to hold a valid Visa; and
  - (m) the day their entire balance has been transferred to the Pension Division, TTR Division, MySuper Division or Employer-Investment Choice Division, or another superannuation fund which is not the Fund.

#### **4.4 CESSATION OF COVER WHERE VISA HOLDERS DEPART AUSTRALIA TEMPORARILY**

- 4.4.1 For an Insured Member who is a Visa holder and is travelling or residing overseas temporarily, Cover continues for a period of up to three consecutive months from the day he or she first departs Australia provided he or she continues to hold a Visa and has not permanently departed Australia, during the period that he or she is temporarily residing or travelling overseas.
- 4.4.2 Cover provided under clause 4.4.1 will cease automatically on the expiry of the three consecutive months specified in clause 4.4.1, unless before the expiry of such period:
- (a) we agree in writing to extend the period; or
  - (b) the Insured Member returns to Australia.

## **5. AMOUNT OF COVER**

### **5.1 CHOOSE YOUR OWN COVER INSURED AMOUNT**

- 5.1.1 Subject to clause 2.2.1(a) and provided Cover has not ceased under this Policy in accordance with clause 4.3, we provide the Choose Your Own Insured Amount in respect of an Insured Member who holds Choose Your Own Cover.

### **5.2 INTERIM ACCIDENT COVER**

- 5.2.1 The amount we pay under Interim Accident Cover is as set out in clause 6.8.1(b).

## 6. BENEFITS

### 6.1 WHEN BENEFITS ARE PAID

- 6.1.1 Subject to clause 7 and provided Cover has not ceased in accordance with clause 4.3.1, we will pay you a Benefit if the Insured Member becomes entitled to the Benefit.
- 6.1.2 A Benefit in respect of an Insured Member is payable monthly in arrears.
- 6.1.3 A Benefit in respect of an Insured Member is payable if:
- (a) as at the day immediately before the Event Date, the Insured Member:
    - (i) is Gainfully Working; and
    - (ii) works the Minimum Average Hours; and
  - (b) the Waiting Period has expired; and
  - (c) if the Member's Cover started on or after 17 March 2018, as at the day immediately before the Event Date, the Insured Member is not working on a Casual Basis; and
  - (d) the Insured Member has exhausted any paid leave entitlement in connection with his or her employment, including sick leave, annual leave, long service leave or any other form of paid leave entitlement; and
  - (e) clause 6.2.1(b) or 6.4.1(b), as applicable, is satisfied.
- 6.1.4 Subject to clause 6.1.5, the amount of a Benefit is calculated in accordance with the following principles:
- (a) if, as at the day immediately before the Event Date:
    - (i) an Insured Member who is self-employed is on leave; or
    - (ii) an Insured Member who is not self-employed is on Employer Approved Leave,the amount of Monthly Benefit is calculated based on the Insured Member's Salary immediately before the start date of the leave or Employer Approved Leave, as applicable; and
  - (b) if a Benefit is payable for a part of a month, the amount of that Benefit is calculated on a pro rata basis for the number of days the Insured Member is entitled to the Benefit divided by the total number of days of that month.
- 6.1.5 The amount of any Benefit under this Policy in respect of an Insured Member cannot exceed the Maximum Benefit Level.
- 6.1.6 All of the following applies in relation to application of the Waiting Period:
- (a) a separate Waiting Period applies for each separate illness or injury of the Insured Member which causes Disability for which the Insured Member can claim under this Policy, subject to clause 6.10.1(b);
  - (b) subject to (c) of this clause 6.1.6 below:
    - (i) if an Insured Member returns to work during the Waiting Period on more than one occasion, the Waiting Period recommences;
    - (ii) if an Insured Member returns to work once during the Waiting Period for no more than five consecutive days, the Waiting Period will not recommence but the number of days that they have returned to work will be added to the Waiting Period; and
    - (iii) if an Insured Member returns to work for more than five consecutive days during the Waiting Period, the Waiting Period recommences from the day we determine as the day that the Insured Member is again Totally Disabled, provided Cover has not ceased in accordance with clause 4.3.1 on the day the Waiting Period is to recommence; and
  - (c) if the Insured Member returns to work during the Waiting Period as part of a 'return to work' program or rehabilitation program approved by us in writing, the Waiting Period will not recommence regardless of the number of attempts to return to work.
- 6.1.7 With respect to clauses 6.2.5 and 6.4.5, a Benefit payment may recommence only once during the life of this Policy in respect of an Insured Member, either in accordance with clause 6.2.5 or clause 6.4.5. Where:
- (a) a Total Disability Benefit payment recommences in respect of an Insured Member at any time during the life of the Policy in accordance with clause 6.2.5, clause 6.4.5 no longer applies to that Insured Member under this Policy; and

- (b) a Partial Disability Benefit payment recommences in respect of an Insured Member at any time during the life of the Policy in accordance with clause 6.4.5, clause 6.2.5 no longer applies to that Insured Member under this Policy.

## 6.2 WHEN WE PAY A TOTAL DISABILITY BENEFIT

- 6.2.1 A Total Disability Benefit in respect of an Insured Member is payable if:
  - (a) clause 6.1.3 is satisfied; and
  - (b) the Insured Member is entitled to a Total Disability Benefit in accordance with clause 6.2.2.
- 6.2.2 An Insured Member is entitled to a Total Disability Benefit if he or she:
  - (a) is Totally Disabled for the duration of the Waiting Period and continues to be Totally Disabled immediately after the expiry of the Waiting Period; or
  - (b) has been receiving a Partial Disability Benefit and then becomes Totally Disabled immediately after ceasing to be Partially Disabled due to the same or a related cause.
- 6.2.3 A Total Disability Benefit starts to accrue from the later of:
  - (a) the first day immediately after the expiry of the Waiting Period; and
  - (b) the day that the Insured Member has exhausted any paid benefit in connection with his or her employment, including sick leave, annual leave or any other form of paid leave entitlement, as evidenced by the Insured Member to our satisfaction.
- 6.2.4 A Total Disability Benefit ceases to be payable at the earliest of:
  - (a) the expiry of the Benefit Period;
  - (b) the day the Insured Member attains the Benefit Expiry Age;
  - (c) the day of the Insured Member's death;
  - (d) the day the Insured Member ceases to be Totally Disabled;
  - (e) in the case of an Insured Member who departs Australia while On Claim, the expiry of six consecutive months after the Insured Member departs Australia, where the Insured Member has remained outside Australia for the entire six consecutive months and a Disability Benefit has been paid or is payable for those six months, subject to clause 6.2.5; and
  - (f) the expiry of 30 consecutive days from the day the Insured Member's Visa expires or is cancelled.
- 6.2.5 Subject to clauses 6.1.7 and 6.2.6, where an Insured Member ceases to be entitled to a Total Disability Benefit under clause 6.2.4(e) and the Insured Member returns to reside in Australia after the six consecutive months, we may at our discretion, where requested in writing, recommence payment of a Total Disability Benefit, subject to our assessment of the evidence received by us, provided:
  - (a) Cover had not ceased under clause 4.3 on the date they return to Australia; and
  - (b) we have received satisfactory evidence for assessment of any further payment of a Total Disability Benefit.
- 6.2.6 Any recommencement of a Total Disability Benefit payment in accordance with clause 6.2.5:
  - (a) will occur only once during the life of this Policy in respect of an Insured Member;
  - (b) is subject to our assessment of satisfactory medical and other relevant evidence;
  - (c) will not include payment of a Total Disability Benefit for the period from the day a Total Disability Benefit last ceased to become payable in respect of the Insured Member to the day immediately before they become entitled to recommencement of a Total Disability Benefit payment ("**Total Disability Non-payment Period**"); and
  - (d) will be subject to any remaining Benefit Period applicable for the relevant injury or illness after taking into account all Benefit payments made to the Insured Member in respect of the relevant injury or illness. The Total Disability Non-payment Period will not reduce the Benefit Period.

## 6.3 THE AMOUNT WE PAY FOR THE TOTAL DISABILITY BENEFIT

- 6.3.1 Where a Total Disability Benefit is payable under this Policy, we pay the Monthly Benefit for the Total Disability Benefit.

## 6.4 WHEN WE PAY A PARTIAL DISABILITY BENEFIT

- 6.4.1 A Partial Disability Benefit in respect of an Insured Member is payable if:
- (a) clause 6.1.3 is satisfied; and
  - (b) the Insured Member is entitled to a Partial Disability Benefit in accordance with clause 6.4.2.
- 6.4.2 An Insured Member is entitled to a Partial Disability Benefit for the period that he or she is Partially Disabled, provided he or she:
- (a) has been Totally Disabled for at least 7 days out of 12 consecutive days during the Waiting Period and is Totally Disabled or Partially Disabled for the remainder of the Waiting Period; or
  - (b) either:
    - (i) Partially Disabled immediately after the end of the Waiting Period; or
    - (ii) Totally Disabled immediately after the end of the Waiting Period, and then Partially Disabled immediately after ceasing to be Totally Disabled, due to the same or related cause.
- 6.4.3 A Partial Disability Benefit starts to accrue from the later of:
- (a) the day immediately after the expiry of the Waiting Period;
  - (b) the day that the Insured Member has exhausted any paid leave entitlement in connection with his or her employment, including sick leave, annual leave, long service leave or any other form of paid leave entitlement, as evidenced by the Insured Member to our satisfaction; and
  - (c) the day immediately after the Insured Member is no longer entitled to a Total Disability Benefit, where applicable, and provided this does not occur after the expiry of the Benefit Period and the Insured Member has not attained the Benefit Expiry Age.
- 6.4.4 A Partial Disability Benefit ceases to be payable on the earliest of:
- (a) the first day immediately after the expiry of the Benefit Period (including any period for which the Total Disability Benefit was paid for the same or related cause of claim);
  - (b) the day the Insured Member attains the Benefit Expiry Age;
  - (c) the day of the Insured Member's death;
  - (d) the day the Insured Member ceases to be Partially Disabled;
  - (e) the day the Insured Member is earning, or is in our opinion capable of earning, in respect of the relevant month a Salary equal to or greater than his or her Pre-Disability Salary;
  - (f) in the case of an Insured Member who departs Australia while On Claim, the expiry of six consecutive months after the Insured Member departs Australia, where the Insured Member has remained outside Australia for the entire six consecutive months and a Disability Benefit has been paid or is payable for those six months, subject to clause 6.4.5; and
  - (g) the expiry of 30 consecutive days from the date the Insured Member's Visa expires or is cancelled.
- 6.4.5 Subject to clauses 6.1.7 and 6.4.6, where an Insured Member ceases to be entitled to a Partial Disability Benefit under clause 6.4.4(f) and the Insured Member returns to reside in Australia after the six consecutive months, we may at our discretion, where requested in writing, recommence payment of a Partial Disability Benefit, subject to our assessment of the evidence received by us, provided:
- (a) Cover had not ceased under clause 4.3 on the date they return to Australia; and
  - (b) we have received satisfactory evidence for assessment of any further payment of a Partial Disability Benefit.
- 6.4.6 Any recommencement of a Partial Disability Benefit payment in accordance with clause 6.4.5:
- (a) will occur only once during the life of this Policy in respect of an Insured Member;
  - (b) is subject to our assessment of satisfactory medical and other relevant evidence;
  - (c) will not include payment of a Partial Disability Benefit for the period from the day a Partial Disability Benefit last ceased to become payable in respect of the Insured Member to the day immediately before they become entitled to recommencement of a Partial Disability Benefit payment ("**Partial Disability Non-payment Period**"); and
  - (d) will be subject to any remaining Benefit Period applicable for the relevant injury or illness after taking into account all Benefit payments made to the Insured Member in respect of the relevant injury or illness. The Partial Disability Non-payment Period will not reduce the Benefit Period.

## 6.5 THE AMOUNT WE PAY FOR THE PARTIAL DISABILITY BENEFIT

6.5.1 If a Partial Disability Benefit is payable, the Partial Disability Benefit is calculated as follows:

$$\frac{A - B}{A} \times C$$

A

where, with respect to the month that the Partial Disability Benefit is payable:

- (a) "A" means the Insured Member's Pre-Disability Salary;
- (b) "B" means the greater of:
  - (i) the portion of Salary that the Insured Member is earning in respect of that month (we may request further evidence to verify this amount); and
  - (ii) the monthly income which in our opinion the Insured Member is capable of earning, during the month that the Insured Member becomes entitled to a Partial Disability Benefit;
- (c) "C" means the Monthly Benefit which would be payable if the person was suffering Total Disability;
- (d) with respect to "B", the amount of monthly income set out in (b)(ii) will be calculated by us based on:
  - (i) medical evidence, which will include the opinion of a Medical Practitioner including the Insured Member's treating Medical Practitioner;
  - (ii) a monthly amount, which in our opinion, the Insured Member, or a reasonable person in the position of the Insured Member, could reasonably be expected to earn; and
  - (iii) any other information which we reasonably consider relevant;
- (e) "B" must be less than the amount of "A". If "B" is negative in a month, we will treat "B" as zero; and
- (f) where "A" would result in a Benefit greater than the Maximum Benefit Level, "A" is limited to the amount of Salary which would result in the Benefit equal to the Maximum Benefit Level.

## 6.6 WHEN WE PAY SUPERANNUATION CONTRIBUTION BENEFIT

6.6.1 We pay you a Superannuation Contribution Benefit in respect of an Insured Member subject to clauses 6.6.2 to 6.6.7.

6.6.2 A Superannuation Contribution Benefit in respect of an Insured Member is payable:

- (a) if it is specified in a Decision Note in respect of the Insured Member; and
- (b) during the period that a Total Disability Benefit or Partial Disability Benefit is payable under this Policy.

6.6.3 Where a Superannuation Contribution Benefit becomes payable due to:

- (a) a Total Disability Benefit becoming payable, the amount of Superannuation Contribution Benefit is the amount as specified in Schedule 1;
- (b) a Partial Disability Benefit becoming payable, the amount of Superannuation Contribution Benefit is the amount of Superannuation Contribution Benefit as specified in Schedule 1, reduced on a pro rata basis proportionate to the amount of Partial Disability Benefit payable during the relevant month.

6.6.4 The Superannuation Contribution Benefit:

- (a) is paid directly to you monthly in arrears; and
- (b) is subject to the Maximum Benefit Level.

6.6.5 Where a Total Disability Benefit or Partial Disability Benefit is payable for a part of a month, the amount of the Superannuation Contribution Benefit we pay is calculated on a pro rata basis for the number of days the Insured Member is entitled to the Benefit divided by the total number of days of that month.

6.6.6 No Superannuation Contribution Benefit is payable during the Waiting Period.

6.6.7 Payment of a Superannuation Contribution Benefit will end on the date a Total Disability Benefit or Partial Disability Benefit is no longer payable with respect to the Insured Member.

## 6.7 WHEN WE PAY THE DEATH BENEFIT

6.7.1 If an Insured Member dies whilst he or she is receiving a Benefit under this Policy, we will pay the Death Benefit, calculated in accordance with clause 6.7.2, for a period of one month from the date of his or her death.

6.7.2 The amount of the Death Benefit is:

- (a) equal to the amount of the Benefit which was payable in respect of the Insured Member during the month immediately prior to his or her death; and
- (b) exclusive of any arrears payments which may have been paid.

## **6.8 WHEN WE PAY A BENEFIT FOR INTERIM ACCIDENT COVER**

6.8.1 We will pay you a Benefit in respect of an Eligible Person who has Interim Accident Cover, only once during the life of this Policy in respect of the person, and subject to:

- (a) the Benefit becoming payable under this Policy if:
  - (i) the Eligible Person's Total Disability arises solely due to an injury from an Accident;
  - (ii) the Accident occurs during the period of Interim Accident Cover as set out in clauses 3.2.3 and 3.2.4; and
  - (iii) the Event Date is before the expiry of 30 days from the day that the Accident occurred; and
- (b) the amount of the Benefit is the lesser of:
  - (i) the Insured Amount applied for in an application for Choose Your Own Cover;
  - (ii) the difference between the amount applied for and any existing Cover;
  - (iii) 75% of the persons' Pre-Disability Salary;
  - (iv) the Maximum Benefit Level;
  - (v) the amount which we would have accepted for the application, if we would have accepted the application; and
  - (vi) nil, if we would have declined the application.

6.8.2 We will pay you the Benefit under Interim Accident Cover for the lesser of:

- (a) the period of Total Disability; and
- (b) 6 months.

## **6.9 RETURN TO WORK PROGRAM**

6.9.1 Where we receive notice of an injury or illness which may give rise to a claim for a Total Disability Benefit or a Partial Disability Benefit, or where requested in respect of an Insured Member who is entitled to or in receipt of a Benefit, we can pay all or part of the expenses incurred in relation to a return to work program for an Insured Member, subject to:

- (a) obtaining our written approval prior to incurring any expenses in relation to the return to work program;
- (b) any payment being made directly by us to the relevant service provider; and
- (c) us deducting any expenses for which the Insured Member is entitled to be reimbursed from another source.

## **6.10 RECURRING DISABLEMENT**

6.10.1 Provided an Insured Member's Cover has not ceased, if an Insured Member suffers a Recurring Disablement:

- (a) we will treat the subsequent period of Total Disability or Partial Disability as a continuation of the earlier claim;
- (b) the Insured Member will not be subject to the Waiting Period in respect of the Recurring Disablement; and
- (c) the Benefit Period will be the remaining Benefit Period of the earlier claim.

## **6.11 BENEFIT ESCALATION**

6.11.1 Subject to clause 6.1.5, if an Insured Member has been in receipt of a Total Disability Benefit or Partial Disability Benefit for 12 consecutive months, after the expiry of the 12 consecutive month period, the Insured Member's Monthly Benefit will increase by the lesser of:

- (a) the applicable CPI; and
- (b) the Escalation Factor.

6.11.2 Benefit Escalation applies in respect of an Insured Member if:

- (a) an applicable Decision Note states that the Insured Member is entitled to Benefit Escalation; and



- (b) 'to age 65' Benefit Period applies in respect of the Insured Member, as specified in the latest Decision Note; and
- (c) their Cover has not ceased under this Policy as at the expiry of the 12 month period specified under clause 6.11.1 and at each subsequent anniversary.

## 6.12 MULTIPLE ACCOUNTS

- 6.12.1 If for any reason, on the day that an Insured Member becomes entitled to a Benefit, he or she has more than one Cover in one or more Account(s), we will:
- (a) pay you a Benefit with respect to only one of the Insured Member's Cover(s), being the one with the highest Insured Amount (if the Insured Amount is different) subject to the Maximum Benefit Level;
  - (b) cancel all other Cover and Account(s) in respect of that Insured Member, effective from the day the Insured Member becomes entitled to the Benefit; and
  - (c) refund you the amount of the Premium with respect to the Cover cancelled under clause 6.12.1(b) after deducting any outstanding Premiums and/or any other payments owing to us as at the day the Benefit became payable in respect of that Insured Member, including but not limited to any amount of government charges paid or payable by us.
- 6.12.2 Where an Account was set up incorrectly for an Insured Member which results in more than one Account in respect of that Insured Member, we will cancel the Cover under that Account and refund any Premium paid with respect to such Cover, after deducting the expenses reasonably incurred by us in relation to such Cover or the setting up of such Account, including but not limited to any amount of government charges paid or payable by us.

## 6.13 WHEN A BENEFIT IS REDUCED

- 6.13.1 The Total Disability or Partial Disability Benefit payable in respect of an Insured Member is reduced by the following other payments, entitlements or benefits (including settlement or commutation amounts) received by the Insured Member, or by you or any other person or a third party in respect of the Insured Member:
- (a) by way of workers' compensation;
  - (b) in respect of loss of income, whether as a result of the relevant disability or not, and whether under legislation or otherwise;
  - (c) any benefit under any statutory accident compensation scheme or other similar State, Federal or Territory legislation;
  - (d) any benefit under any other disability, injury or sickness insurance policy issued by us or another insurer (except for lump sum benefits received for total and permanent disablement, trauma or terminal illness type cover under such an insurance policy);
  - (e) any payment, which is made in respect of the Insured Member in relation to his or her reduced income-earning capacity arising from illness or injury, whether directly to the Insured Member or otherwise.

If we reduce the Total Disability or Partial Disability Benefit under this clause 6.13.1, and a Superannuation Contribution Benefit is payable, we will reduce the Superannuation Contribution Benefit in the same proportion as we reduced the Total Disability Benefit or Partial Disability Benefit.

- 6.13.2 When seeking to reduce any Benefit under this clause, we will apportion any other payment, entitlement or benefit in clause 6.13.1 to the period to which the payment related.
- 6.13.3 Investment income is not considered other payments or benefits outlined in clause 6.13.1.
- 6.13.4 If we arrange for an Insured Member to be medically examined and we incur a non-attendance fee by no fault of ours, we may reduce any Benefit payable under this Policy by the amount of non-attendance fee payable or paid by us.
- 6.13.5 With respect to a settlement or commutation payment, we will reduce a Benefit by the amount attributable to the Insured Member's past and future economic loss, in accordance with the following:
- (a) we require evidence as to the amount attributable to the Insured Member's past and future economic loss;
  - (b) if we have not received sufficient evidence, we may request further information or evidence;
  - (c) if we do not receive the requested evidence within 30 days of our written request, we will offset an amount which we determine as the amount attributable to the Insured Member's past and future economic loss; and
  - (d) where there is a dispute as to the amount of deduction made to the Benefit set out in this clause 6.13.5, we will adjust the amount of Benefit reduction and arrange payment of any refund only after the resolution of the dispute which you and we agree in writing.

- 6.13.6 With respect to any amount listed in clauses 6.13.1 and 6.13.5, which is payable as a lump sum for which all or part of which cannot be allocated to specific months, we will convert the relevant portion of the payment to an equivalent monthly amount by dividing the total amount of lump sum payment by the lesser of:
- (a) the number of months in the Benefit Period; and
  - (b) 60.
- 6.13.7 If on the day that a Benefit is payable in respect of an Insured Member, there are insufficient funds in the relevant Account to pay for the Premium owing to us as at that date, we may deduct the Premium owing to us from the Benefit payable in respect of that Insured Member, subject to Cover not already having ceased under clause 4.3.1(c). If the Cover for an Insured Member has ceased under clause 4.3, this clause does not operate to entitle you to a Benefit in respect of the Member after the day cover ceased.

#### **6.14 REPAYMENT OF BENEFITS**

- 6.14.1 Any Benefit paid by us must be repaid back to us to the extent that the Benefit, or part of the Benefit, was not payable under the terms of this Policy. To the extent that:
- (a) a Benefit, or part of the Benefit, remains in the Fund (if applicable), you must repay the amount of the Benefit remaining in the Fund to us; and
  - (b) a Benefit, or part of the Benefit, has been paid out of the Fund, you must use reasonable endeavours to assist us to recover that amount,
- to the extent permitted by law.

#### **6.15 ONLY ONE BENEFIT AT A TIME**

- 6.15.1 We will only pay one Benefit for an Insured Member at a time under this Policy. However any benefit payable under clause 6.6 will be paid in addition to the Total Disability Benefit or Partial Disability Benefit being paid.

## **7. BENEFIT EXCLUSIONS**

### **7.1 WAR**

- 7.1.1 We will not pay a Benefit if the event giving rise to the claim is caused directly or indirectly, wholly or partially by a War involving Australia, New Zealand or the Insured Member's country of residence.

### **7.2 IMPRISONMENT**

- 7.2.1 We will not pay a Benefit, including a Benefit under Interim Accident Cover, if the Insured Member is or was Imprisoned as at the Event Date or the date on which a Benefit would otherwise be payable.
- 7.2.2 A Benefit is not payable in respect of any period of Imprisonment. When the Insured Member's Imprisonment ends, provided Cover has not otherwise ceased under this Policy, we will recommence the Benefit payment after the Imprisonment has ended, provided we receive satisfactory evidence of the end of the Imprisonment and entitlement to the continued Benefit payments, subject to any remaining Benefit Period of the earlier claim.

### **7.3 CLAIMS REQUIREMENT**

- 7.3.1 We will not pay a Benefit if you do not, or the Insured Member does not, satisfy any of the requirements under clause 9.

### **7.4 EXCLUSION IN DECISION NOTE**

- 7.4.1 A Benefit is not payable with respect to any restriction or exclusion specified in an applicable Decision Note issued by us in respect of the relevant Insured Member.

### **7.5 INTENTIONAL SELF-INFLICTED ACTS**

- 7.5.1 A Benefit is not payable under this Policy if the cause of claim arises directly or indirectly, wholly or partially as a result of the Insured Member's Intentional Self-Inflicted Act(s).

### **7.6 NO PAYMENT WHERE OTHER LEGISLATION INFRINGED**

- 7.6.1 We will not make a payment under this Policy if the payment would cause us to infringe the *Health Insurance Act 1975* (Cth), *National Health Act 1953* (Cth) or *Private Health Insurance Act 2007* (Cth) or any succeeding legislation in connection with health insurance.

## 8. PREMIUMS

### 8.1 CALCULATION OF PREMIUM DUE

- 8.1.1 You must pay us the Premiums in accordance with this clause 8.
- 8.1.2 Premiums are calculated using the Premium Rates on an annual basis as at the Cover Commencement Date and on each Annual Review Date, subject to:
- (a) any applicable rating factors and/or Premium loadings;
  - (b) where a Premium is payable for less than a whole month, the Premium must be calculated on a pro rata basis by reference to the number of days that Cover has been in force during the month;
  - (c) we will verify the Premiums paid at least annually and within 30 days from the day we receive all required information from you, including but not limited to the Member Information;
  - (d) you must provide us with the Member Information and any other information which we reasonably request in order to verify the Premium paid;
  - (e) if you do not provide us with the Member Information and/or any other information requested by us (in accordance with clause 8.1.2(d)) within 90 days from the day of our request, we may:
    - (i) estimate and notify you of any additional Premium and any extended period for provision of the information we require to calculate the Premium, where the additional Premium is due within 30 days of the day we notify you of this in writing; or
    - (ii) terminate this Policy in accordance with clause 2.7; and
  - (f) for Choose Your Own Cover, the Insured Member's Premium is calculated based on the Premium Rates, the Insured Member's Monthly Benefit, gender, Waiting Period, Benefit Period, age next birthday, occupational category and underwriting loadings (where applicable).
- 8.1.3 We will waive the Premium payable in respect of an Insured Member during the period that he or she is entitled to a Benefit.

### 8.2 STAMP DUTY, TAXES AND EXPENSES

- 8.2.1 The Premium Rates do not include the following amounts as at the Policy Start Date, and you must pay the following in addition to the Premium:
- (a) any new, or increase in a, Federal, State or Territory government tax levy, charge, impost, fee, deduction, goods and services tax or withholding tax, which is assessed, levied, imposed or collected in relation to this Policy except for stamp duty which is included in the Premium Rates, subject to clause 8.4.4(d);
  - (b) any new expenses we incur in administering any function required of us by a Federal, State or Territory government under any legislation in relation to this Policy, or pursuant to goods and services tax where applicable.
- 8.2.2 When we pay a Benefit under this Policy, you are responsible for remitting any tax payable in connection with payment of the Benefit to you.

### 8.3 WHEN THE PREMIUM IS DUE AND INTEREST IS CHARGED ON UNPAID PREMIUMS

- 8.3.1 The Premium is calculated daily and payable to us monthly in advance on the first Business Banking Day of each month following the Cover Commencement Date or on such other basis we agree, in writing, with you.
- 8.3.2 If the Premium is not paid in respect of an Insured Member by the Premium Due Date, you must give the Insured Member at least 30 days' written notice that Cover will be cancelled on the 61st day after the Premium Due Date.
- 8.3.3 We may charge interest on any amount due to us which is outstanding for more than 30 days after the Premium Due Date. Interest will be charged at an annual rate equivalent to the aggregate of 2.5% per annum and the 90 Day Bank Bill Rate on the first Business Banking Day of each month. Interest will accrue daily and will be calculated on the basis of the actual number of days elapsed until the outstanding amount is received by us.
- 8.3.4 If the Premium has been paid to us in respect of a Member for any period during which that Member is not covered as an Insured Member, the over-paid Premium will be deducted from the next Premium due.
- 8.3.5 If any portion of Premium in respect of an Insured Member is not paid by the day it is due, we will cancel Cover for the Insured Member in accordance with clause 4.3.1(c).

## 8.4 WHEN WE CAN CHANGE THE PREMIUM

- 8.4.1 Subject to clause 8.4.4, the Premium Rates are guaranteed for the Premium Guarantee Period.
- 8.4.2 We will not change the Premium Rates during the Premium Guarantee Period, except in the circumstances set out in clause 8.4.4.
- 8.4.3 Subject to clause 8.4.4, if we change the Premium Rates we will:
- (a) provide you with at least 120 days' notice; and
  - (b) apply the new Premium Rates from the earlier of:
    - (i) the next Annual Review Date; and
    - (ii) the expiry of the Premium Guarantee Period,except where any Policy variation occurs during a year which triggers a change in the Premium Rates. In such case, the new Premium Rates will apply with immediate effect.
- 8.4.4 We may change the Premium Rates in the following situations, subject to the specified notice period:
- (a) Australia, New Zealand or the Insured Member's country of residence is involved in War, whether declared or not, and we provide you written notice of such a change, in which case we will give you immediate written notice and the effective date of such a change would be 60 days from the date of our written notice to you;
  - (b) a change to the Premium Rate is required in respect of Cover provided for any or all Insured Members due to any change to past, current or future Government charges relating to the Policy, in which case we will give you immediate written notice and any change would be effective from the effective date of the change in Government charges even if that change precedes any written notice we provide to you;
  - (c) any new or increase in a Federal, State or Territory government tax, levy, charge, impost, fee, deduction, goods and services tax or withholding, which is assessed, levied, imposed or collected in relation to this Policy and includes any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of any of the above;
  - (d) any change in the basis on which a stamp duty amount is calculated or where there is a change to a stamp duty rate which occurs after the Cover Commencement Date;
  - (e) any new expenses we incur in administering any function required of us by a Federal, State or Territory government under any legislation in relation to this Policy, or pursuant to the goods and services tax;
  - (f) you undertake any restructure of the current Fund arrangements, including a merger, takeover or other such event;
  - (g) if we determine at any time that there is, or will be, an increase in the expected claims cost by 5% due to a change in the risk for which we have priced, including but not limited to:
    - (i) a change in occupation profile, gender profile or age profile; and
    - (ii) an arrangement to be in place to rectify a breach of the Policy terms or regulatory requirements; and
  - (h) following the expiration of 12 months from the Policy Start Date, if in the opinion of our Appointed Actuary (acting in good faith and despite our best endeavours), we are unable to secure reinsurance in respect of this Policy for the duration of the Premium Guarantee Period:
    - (i) due to the incumbent reinsurer for this Policy no longer wishing to provide reinsurance terms; or
    - (ii) due to the incumbent reinsurer for this Policy proposing to provide reinsurance terms at an increased premium of 10% or more.
- 8.4.5 If we change the Premium Rates, the revised Premium Rates will apply to the total Insured Amount with respect to the Cover provided under this Policy.
- 8.4.6 If an Insured Member's age or gender is mis-stated then we reserve the right to adjust the Premium and/or the Benefit based on the correct age or gender, as applicable, or cancel the Cover where permitted by law.

## 9. CLAIMS

### 9.1 WRITTEN ADVICE OF CLAIM

- 9.1.1 You must advise us in writing of any claim as soon as it is reasonably possible for you to do so.
- 9.1.2 You must make reasonable efforts to request each Insured Member to notify you of any potential claim as soon as it is reasonably possible and within 30 days from the Event Date.
- 9.1.3 We will make reasonable efforts to provide the Insured Member with claims forms we require. The provision of claim forms by us to you or the Insured Member, by you to the Insured Member, or any representative, does not constitute an admission of liability in respect of any claim lodged.

### 9.2 CONDITION OF CLAIM PAYMENT

- 9.2.1 Payment of a claim is conditional upon all of the following conditions being met to our satisfaction:
- (a) you providing us with all relevant information relating to each claim or potential claim in accordance with this clause 9;
  - (b) you providing us with all relevant evidence for the claim in respect of the relevant Insured Member who made the claim, to our satisfaction and in a form which is acceptable to us, including but not limited to the following:
    - (i) evidence that the Insured Member is eligible in accordance with clause 3.1 and you and the Insured Member satisfy all our requirements for Cover under this Policy;
    - (ii) the Insured Member's entitlement to claim the applicable Benefit; and
    - (iii) the Insured Member's age and/or gender;
  - (c) you and/or the Insured Member establishing entitlement (at the Insured Member's expense unless stated otherwise) by:
    - (i) providing us with an original or certified copy of proof of identity (to our satisfaction) including but not limited to a certified copy of driver's licence, passport or birth certificate, and evidence of change of name where applicable, and all other documentation we require;
    - (ii) providing us with medical reports from treating Medical Practitioners;
    - (iii) when reasonably required by us being examined by one or more Medical Practitioners or allied health professionals we nominate, at our expense;
    - (iv) providing us with pathology, blood tests, x-ray or other appropriate evidence (at our expense where we request further testing);
    - (v) providing financial information which we may reasonably require;
    - (vi) providing ongoing claim documentation including but not limited to claim forms where reasonably requested by us; and
    - (vii) providing us with any authority to obtain any further information we reasonably require;
  - (d) when reasonably required by us (and at our expense), for the assessment of Total Disability or Partial Disability in respect of an Insured Member, the Insured Member must:
    - (i) undertake a vocational assessment and/or employability assessment;
    - (ii) be interviewed by us or our nominated representative (with the Insured Member being entitled to have personal or professional representation during such interview); and
    - (iii) provide authority for us to undertake an audit of his or her financial circumstances;
  - (e) where an Insured Member submits a claim whilst he or she is overseas, we may require the Insured Member to return to Australia at his or her own expense for assessment of his or her claim (including being assessed by one or more Medical Practitioners) before we progress the assessment of the claim any further; and
  - (f) where we have made a decision in respect of liability for a Benefit in respect of an Insured Member or a Member where we dispute that the Member is an Insured Member, and you wish to dispute that decision:
    - (i) you will bear your own costs in gathering and obtaining proof to dispute our decision; and
    - (ii) in the event that the information you supply us causes us to vary the decision previously communicated in respect of a particular Member or Insured Member:
      - A. we will refund to you the reasonable costs of the information obtained by you which causes us to vary our decision; and
      - B. any refund we make will exclude any payment for salaries or wages paid to your employees or employees of representatives appointed by you to obtain that information on your behalf.

### **9.3 DISPUTE RESOLUTION**

9.3.1 In the event of a dispute between you and us, the terms of the Retirement Portfolio Service Service Level Deed between you and us, as amended from time to time, will apply.

### **9.4 CLAIMS ASSESSMENT INFORMATION**

9.4.1 We will provide you with a copy of any part of the claims assessment information that you ask us to provide, as soon as reasonably possible, unless the information is subject to legal professional privilege in our favour or we have a legal obligation to not disclose that information to you.

9.4.2 The claims assessment information we provide to you must at all times remain confidential to you, and any representative or service provider you appoint to assist with the assessment of claims, unless:

- (a) we agree with you in writing otherwise;
- (b) you have a legal obligation under legislation to disclose that information; or
- (c) you provide this information to the claimant.

## 10. GENERAL CONDITIONS

### 10.1 RECORDS

- 10.1.1 You must take reasonable steps to maintain accurate records of all relevant information relating to this Policy including but not limited to the Member Information (where applicable) and Claims Information.
- 10.1.2 You must notify us within a reasonable time of any change to Member Information which may require a change to the terms and conditions of this Policy.
- 10.1.3 You must provide, or procure your agents to provide, us or our nominated representative, access to inspect, audit and take copies of the Member Information (where applicable), Claims Information or other information or records relevant to this Policy. We will conduct such an audit only during normal office hours and only after we have given you reasonable notice.

### 10.2 NOTICES

- 10.2.1 Each communication (including each notice, consent, approval, request and demand) under or in connection with this Policy:
- (a) must be in writing;
  - (b) must be addressed to the address last notified by the person receiving the communication to the other party from time to time;
  - (c) must be signed by the party making it or (on that party's behalf) by the solicitor for, or any attorney, director, secretary or authorised agent of, that party;
  - (d) must be delivered by hand, posted by prepaid post or emailed to the address, or sent by fax to the number, of the addressee, in accordance with clause 10.2.1(b); and
  - (e) is taken to be received by the addressee:
    - (i) in the case of prepaid post sent to an address in the same country, on the sixth Business Banking Day after the date of posting;
    - (ii) in the case of prepaid post sent to an address in another country, on the day determined using the published Australia Post estimated delivery time for the relevant country;
    - (iii) in the case of fax, at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the fax machine from which it was sent;
    - (iv) in the case of delivery by hand, on delivery; and
    - (v) in the case of email, unless the party sending the email knows or reasonably ought to suspect that the email and the attached communication were not delivered to the addressee's domain, 24 hours after the email was sent,
- but if the communication is taken to be received on a day that is not a working day or after 5.00 pm, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally, in the place to which the communication is posted, sent or delivered).

### 10.3 NON ASSIGNMENT OF POLICY

- 10.3.1 You may not assign this Policy without our written agreement.

### 10.4 NO WAIVER

- 10.4.1 A waiver of any legal right in relation to this Policy must be in writing, and will be only to the extent as specified in the written notification.
- 10.4.2 Any failure or delay in exercising any legal right in relation to this Policy does not operate as a waiver of such right.

### 10.5 PRIVACY LAW

- 10.5.1 We and you agree to abide by the Privacy Law.

### 10.6 GOVERNING LAW

- 10.6.1 This Policy is governed by the law that applies in New South Wales. The parties irrevocably submit to the non-exclusive jurisdiction of the courts of New South Wales.



## **10.7 CURRENCY**

10.7.1 All payments to, or from, us are to be made in Australian currency.

## **10.8 STATUTORY FUND**

10.8.1 This Policy is issued from the statutory fund stated in Schedule 1, but does not give you any rights of ownership of the assets of that fund.

10.8.2 This Policy does not participate in any surplus arising in any of our statutory funds.

10.8.3 This Policy does not acquire a cash surrender value.

## 11. DICTIONARY

11.1.1 The following words or expressions have the meanings set out below where they appear in this Policy, unless the context otherwise indicates:

**"90 Day Bank Bill Rate"** on a day is the rate published by the Australian Financial Review in respect of that day as the 90 day bank bill swap reference rate (average bid). If the Australian Financial Review does not publish such a rate or ceases to publish such a rate, the 90 day bank bill rate is the rate determined by us, acting in good faith, to be approximately equivalent to that rate.

**"Acceptance Date"** means the "effective date" set out in the relevant Decision Note we issue when we accept an application under this Policy.

**"Accident"** means a fortuitous, external event which, in our opinion, was unexpected and unintended causing Disability.

### **Exclusions – events that are not accidents**

The following situations are not accidents, and any claims arising from these situations are excluded:

(a) any one or more of the following was a contributing cause of injury:

- (i) illness;
- (ii) disease;
- (iii) allergy; and/or
- (iv) any gradual onset of a physical or mental infirmity;

(b) the injury was the result of an intentional act or omission of the person;

(c) the person was injured as a result of an activity in respect of which he or she assumed the risk or courted disaster, irrespective of whether he or she intended injury.

**"Account"** means an account in Smart Choice in respect of an Insured Member.

**"Active Service"** refers to an Insured Member's occupation or involvement as part of a military force (including but not limited to the army, the navy and the air force). Reserve duty is excluded, except in the case where an Insured Member is subject to a call out order under the *Defence Act 1903* (Cth).

**"Annual Review Date"** has the meaning given to it in Schedule 1.

**"Australian Resident"** means an Australian citizen, or a New Zealand citizen or an 'Australian permanent resident' within the meaning of the *Migration Act 1958* (Cth) and *Migration Regulations 1994* (Cth).

**"Benefit"** means the amount payable in respect of an Insured Member under this Policy with respect to his or her Cover.

**"Benefit Escalation"** means the automatic increase in the Monthly Benefit in respect of an Insured Member in accordance with clause 6.11.

**"Benefit Expiry Age"** has the meaning contained in Schedule 1.

**"Benefit Period"** means the maximum period that a Benefit can be paid for Total Disability or Partial Disability under this Policy, which cannot exceed past the Benefit Expiry Age. Schedule 1 sets out the available Benefit Periods. The Benefit Period applying to a Member's Cover is set out in the relevant Decision Note.

**"Business Banking Day"** means a day (not Saturday or Sunday) that Australia and New Zealand Banking Group Limited (ANZ) is open for business in New South Wales.

**"Casual Basis"** means working on a temporary, as required, basis and receiving a loading on their hourly rate of pay in lieu of, or as advance payment for, various employment entitlements which include paid annual leave and paid personal leave.

**"Choose Your Own Cover"** means Cover with an Insured Amount which we agree to provide in accordance with clauses 3.1, 4.1 and 5.1.

**"Choose Your Own Insured Amount"** means the Insured Amount we agree to provide with respect to a Choose Your Own Cover, which will be specified in a Decision Note.

**"Claims Information"** means all relevant information relating to this Policy including but not limited to each claim under this Policy.

**"Cover"** means income protection insurance cover which we provide in respect of an Insured Member under this Policy. Where the context indicates, "Cover" also means the Insured Amount of the relevant Cover.

**"Cover Commencement Date"** means, in relation to an Insured Member, the date that a particular Cover in respect of the Insured Member commences under this Policy.

“CPI” means the consumer price index (all groups and all capital cities) published by the Australian Bureau of Statistics. If no such Consumer Price Index is published, the CPI will be a figure determined by us in our discretion.

“Death Benefit” means the amount of Benefit provided in accordance with clause 6.7.

“Decision Note” means a document we issue which contains specific terms and conditions which apply to an Insured Member’s Cover, including but not limited to the following:

- (a) the Insured Member’s Monthly Benefit, Waiting Period and Benefit Period;
- (b) the date that Cover, or an increase or decrease in Cover, starts under this Policy; and
- (c) special conditions, Premium loadings and/or specific exclusions applying to the Insured Amount.

“Disability” and “Disabled” means in relation to an Insured Member, Total Disability or Partial Disability, or Totally Disabled or Partially Disabled, as the context requires.

“Duty of Disclosure” means the duty of disclosure under the *Insurance Contracts Act 1984* (Cth), as amended from time to time. The duty of disclosure as at 17 March 2018 is specified in Schedule 2 of this Policy.

“Effective Control” of an entity means a person or persons (acting jointly):

- (a) control the composition of the board of directors of the entity;
- (b) are in a position to cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the entity; or
- (c) hold more than one-half of the issued share capital of the entity excluding any part of that issued share capital which carries no right to participate beyond a specified amount in the distribution of either profits or capital.

“Eligible Person” means:

- (a) in respect of Choose Your Own Cover, a person who meets the requirements in clause 3.1.1; and
- (b) in respect of Interim Accident Cover, a person who meets the requirements in clause 3.2.2.

“Employer Approved Leave” means leave that has been approved by an employer of the relevant Insured Member prior to the commencement of that leave.

“Employer-Investment Choice Division” means the Employer-Investment Choice Division of Smart Choice.

“Endorsement” means a document duly executed by an authorised representative of us containing any variation to this Policy which has been agreed between you and us.

“Escalation Factor” means the percentage stated in Schedule 1, or as otherwise stated in a Decision Note where applicable, for the purpose of calculating the increase in Benefit in accordance with clause 6.11.

“Event Date” means the later of:

- (a) the date that a Medical Practitioner certifies, and we agree, as the date that the Insured Member has no capacity to perform one or more duties of his or her usual occupation necessary to produce income, which cannot be before the date of the Medical Consultation with a Medical Practitioner; and
- (b) the date the Insured Member stops working in his or her usual occupation.

“Full Personal Health Statement” means an application form issued by us for the purposes of Underwriting applications for Cover.

“Full-time” means a person is working at least 30 hours per week.

“Fund” means the Retirement Portfolio Service constituted under a trust deed dated 1 September 1992, as amended from time to time, or any successor fund as that term is defined in the *Superannuation Industry (Supervision) Act 1993* (Cth).

“Gainful Employment” means any occupation or work for reward or financial benefit, whether Full-time or Part-time or whether on a permanent or temporary basis. “Gainfully Employed” has a corresponding meaning.

“Gainfully Working” means a person is:

- (a) engaged in Gainful Employment;
- (b) engaged in Gainful Employment and on paid Employer Approved Leave;
- (c) engaged in Gainful Employment and on unpaid Employer Approved Leave for a period up to 12 consecutive months; or
- (d) engaged in self-employment in an occupation or work for reward or financial benefit, whether Full-time or Part-time or whether on a permanent or temporary basis.

**"Imprisoned" or "Imprisonment"** means being incarcerated in an Australian correctional services facility or equivalent institution in another country.

**"Insured Amount"** means the Monthly Benefit which we provide as stated in the Decision Note, subject to clause 6.12.2.

**"Insured Member"** means a Member in respect of whom we have agreed to provide Cover. A person becomes an Insured Member on the date that Cover in respect of the person commences under this Policy.

**"Intentional Self-Inflicted Acts"** means an intentional or deliberate self-inflicted act, including but not limited to attempted suicide and suicide.

**"Interim Accident Cover"** means Cover provided in accordance with clause 3.2.

**"Maximum Benefit Entry Age"** has the meaning contained in Schedule 1.

**"Maximum Benefit Level"** has the meaning contained in Schedule 1.

**"Medical Consultation"** means any activity undertaken for the detection, treatment or management by a Medical Practitioner or allied health provider of an illness, injury, medical condition or related symptom, including but not limited to the application of prescribed drugs or therapy (whether conventional or alternative).

**"Medical Practitioner"** means unless otherwise agreed by us:

- (a) a person who is legally and medically qualified and properly registered in Australia, and practising as a medical practitioner; or
  - (b) where the cause of claim is mental health related, a person who is legally and medically qualified and properly registered in Australia as a practising psychiatrist;
- and
- (c) a person who is not related, or connected by personal relationship, to the relevant Insured Member or the Insured Member's business partner, associate, employer or employee.

**"Member"** means a person who is admitted to, and has not ceased to be a member of, the Retail Division of Smart Choice.

**"Member Information"** means the information in respect of an Insured Member including but not limited to the following:

- (a) name;
- (b) date of birth;
- (c) gender;
- (d) occupation classification;
- (e) cover type;
- (f) State or Territory of residence (if applicable);
- (g) date the Member first became eligible for Cover;
- (h) Premium paid for income protection Cover;
- (i) basis of Cover;
- (j) smoking status and smoking factor; and
- (k) amount of income protection Cover.

**"Minimum Average Hours"** means 15 hours per week averaged over either of the following periods:

- (a) where the person is not absent from work on the day immediately before the Event Date, the six consecutive months immediately prior to the Event Date including any period that the person was not working or Gainfully Working; or
- (b) where the person is on paid or unpaid Employer Approved Leave on the day immediately before the Event Date, the six consecutive months immediately prior to the start date of the paid or unpaid Employer Approved Leave, including the period that the person was not working or Gainfully Working where the person has worked for less than six months in the period immediately prior to the start date of the Employer Approved Leave.

**"Minimum Benefit Entry Age"** has the meaning contained in Schedule 1.

**"Monthly Benefit"** means the amount of the Total Disability Benefit which is the lesser of:

- (a) 75% of, or a percentage (where specified in a Decision Note) of, the Insured Member's Salary divided by 12, where the 'Insured Member's Salary' is the lesser of:
  - (i) the Salary which was used to calculate the Insured Amount stated in the Decision Note; and

- (ii) the Salary as at the Event Date advised to us at the time of claim; and
  - (b) the Maximum Benefit Level,
- plus the Superannuation Contribution Benefit (if applicable in respect of the relevant Insured Member).

**"MySuper Division"** means the MySuper Division of Smart Choice.

**"On Claim"** means you are entitled to receive a Benefit with respect to an Insured Member.

**"Part-time"** means a person is working less than 30 hours per week.

**"Partial Disability"** or **"Partially Disabled"** means, in our opinion based on the satisfactory evidence available to us at the relevant time that, solely because of injury or illness, the Insured Member:

- (a) is under the regular care of a Medical Practitioner, and is following that Medical Practitioner's advice; and
- (b) is not capable of performing all of the duties of their usual occupation, but:
  - (i) is working in an occupation that is not his or her usual occupation, and is not earning a monthly income that is equal to or more than his or her Pre-Disability Salary; or
  - (ii) is capable of working (or is working) in his or her usual occupation in reduced capacity and/or reduced hours, and is not capable of earning (or is not earning) a monthly Salary that is equal to or more than his or her Pre-Disability Salary.

**"Partial Disability Benefit"** means a Benefit which becomes payable under this Policy if an Insured Member becomes Partially Disabled, which cannot exceed the Maximum Benefit Level.

**"Pension Division"** means the Pension Division of Smart Choice.

**"Policy"** means this Policy with policy number 6102321, which contains terms and conditions of Cover which we agree to provide under the Retail Division, including the terms and conditions contained in any one or more of the following, as applicable:

- (a) the Schedules;
- (b) any Endorsement;
- (c) any other written documentation containing specific terms and conditions of this Policy which apply to a particular Insured Member, including but not limited to a Decision Note.

**"Policy Start Date"** has the meaning contained in Schedule 1.

**"Pre-Disability Salary"** means the lesser of:

- (a) the amount of the Salary referable to the Insured Member's Cover at the Cover Commencement Date divided by 12, or where there has been a change in the Insured Member's Cover since the Cover Commencement Date, the amount of Salary at the date of the most recent variation divided by 12; or
- (b) the amount of Salary at the Event Date divided by 12.

**"Premium"** means the cost of Cover in respect of an Insured Member.

**"Premium Due Date"** means the day Premium is due under clause 8.3.

**"Premium Guarantee Period"** has the meaning set out in Schedule 1, or means any other time period the parties otherwise agree in writing.

**"Premium Rates"** are the rates with respect to Cover, which are agreed between you and us from time to time, and contained in Schedule 1.

**"Privacy Law"** means the *Privacy Act 1988* (Cth), as amended from time to time.

**"Recurring Disablement"** of an Insured Member means the Insured Member:

- (a) after being in receipt of a Benefit:
  - (i) returns to work, is Gainfully Working and performing his or her normal duties and usual hours of work prior to receipt of the Benefit, whether Full-time or Part-time; or
  - (ii) is, in our opinion, capable of returning to work and performing his or her normal duties and usual hours of work prior to receipt of the Benefit, whether Full-time or Part-time; and
- (b) suffers Total Disability or Partial Disability due to the same or related illness or injury which was the cause of the earlier claim, within six months of the date the Benefit was last payable.

**"Retail Division"** means the Retail Division of Smart Choice.

**"Salary"** means:

- (a) where the Insured Member is Gainfully Employed, the annual remuneration components paid for an Insured Member by his or her employer, for the Insured Member's personal exertion including base payment (salary or

wages) excluding mandatory superannuation contributions, bonuses, commissions, temporary additions to base payments and unearned income such as investment or interest earnings, unless otherwise specified in the latest Decision Note; or

- (b) where the Insured Member directly or indirectly owns, or has an interest in, all or part of a business from which he or she earns his or her usual income, the total amount earned by the business over the financial year as a direct result of the Insured Member's personal exertion or activities through his or her usual occupation, less his or her share of business expenses before the deduction of income tax, or the relevant proportion for part of a financial year.

**"Schedules"** means the schedules to this Policy as amended from time to time.

**"Smart Choice"** means the ANZ Smart Choice Super and Pension Section of the Fund.

**"Smart Choice Employer Policy"** means the group income protection insurance policy for ANZ Smart Choice Super – Employer issued by us to you with policy number 6102172.

**"Superannuation Contribution Benefit"** means a Benefit which is provided in accordance with clause 6.6.

**"Third Premium Due Date"**, in respect of an Insured Member, means the third Premium Due Date after the relevant Cover for the Insured Member starts, or is due to start, under clause 4.

**"Total Disability", "Total Disablement" and "Totally Disabled"** means, based on the evidence available to us at the relevant time, we have determined that, solely because of injury or illness, the Insured Member:

- (a) is not capable of performing one or more duties of his or her usual occupation which in our opinion is/are necessary to produce the Salary;
- (b) is not working, whether paid or unpaid; and
- (c) is under the regular treatment, and following the advice, of a Medical Practitioner.

**"Total Disability Benefit"** means a Benefit which becomes payable under this Policy if an Insured Member becomes Totally Disabled, which cannot exceed the Maximum Benefit Level.

**"Total Premium"** means the total amount of Premium payable to us under the Policy in respect of all Insured Members for the period of Cover provided.

**"TTR Division"** means the Transition to Retirement Division of Smart Choice.

**"Underwriting" or "Underwritten"** means assessment of an applicant's eligibility for Cover.

**"Underwriting Rules"** means the rules that we apply for Underwriting, including, but not limited to, any documented OnePath underwriting rules or guidelines, any reinsurer underwriting rules or guidelines, any compliance documentation or documented underwriting philosophy or statement, or any applicable guidance note issued by the Financial Services Council with which we must comply. We may vary these guidelines at our sole discretion, from time to time.

**"Visa"** means a current and valid visa permitting residency (excluding a Visa allowing permanent residency in Australia) or employment in Australia and issued in accordance with the *Migration Act 1958* (Cth) or any amending or replacing act, including but not limited to sub class 457 working visa or sub class 457 working visa (with an 8107 condition).

**"Waiting Period"** means the number of consecutive days applicable to the Insured Member's Cover, for which an Insured Member must be Totally Disabled or Partially Disabled, as the case may be, before the Total Disability Benefit or Partial Disability Benefit becomes payable, as specified in clauses 6.2.2 and 6.4.2. The relevant Waiting Period starts on the later of:

- (a) the date that a Medical Practitioner certifies as the date of Total Disability;
- (b) the date the Insured Member ceases work solely because of the illness or injury which is the primary cause of the Total Disability or Partial Disability claim;
- (c) the date we determine, based on the evidence available to us, as the date the Insured Member became Totally Disabled.

The available Waiting Periods are set out in Schedule 1. The Waiting Period applying to a Member's Cover is set out in the relevant Decision Note.

**"War"** includes, but is not limited to:

- (a) declared war, and armed aggression by one or more countries resisted by any country, combination of countries or international organisations; or
- (b) participation in an action to defend a country or region from civil disturbance or insurrection, or in an effort to maintain peace.

## SCHEDULE 1 – POLICY SCHEDULE FOR COVER UNDER THIS POLICY

Policy Number:	6102321
Policy Owner:	OnePath Custodians Pty Limited ABN 12 008 508 496, AFSL 238346
Policy Start Date:	11 November 2013
Annual Review Date:	1 July each year
Benefit Expiry Age:	65 years old
Minimum Benefit Entry Age:	15 years old
Maximum Benefit Entry Age:	65 years old
Maximum Benefit Level:	\$30,000 per month
Amount of Superannuation Contribution Benefit	<p>If a Member elects to apply for a Superannuation Contribution Benefit in their application for insurance cover, the amount of the Superannuation Contribution Benefit is X% of their Pre-Disability Salary, where X% is the “charge percentage” specified in the <i>Superannuation Guarantee (Administration) Act 1992</i> that applies on the date the Superannuation Contribution Benefit is payable.</p> <p>On 17 March 2018, the charge percentage is 9.5%.</p>
Available Benefit Periods:	<p>2 years* or To age 65</p> <p>*But not beyond the Benefit Expiry Age</p>
Available Waiting Periods:	30 days, 60 days, or 90 days
Premium Guarantee Period	Two years starting on 17 March 2018
Escalation Factor:	5%
Statutory Fund:	Statutory Fund No. 3

### Annual Premium Rates for Choose Your Own Cover

Annual Premium Rates per \$100 of Monthly Benefit – based on 2 Year Benefit Period, White Collar Occupation category, and including stamp duty

Age Next Birthday	2 Year Benefit Period											
	Non-Smoker						Smoker					
	30 Day Waiting Period		60 Day Waiting Period		90 Day Waiting Period		30 Day Waiting Period		60 Day Waiting Period		90 Day Waiting Period	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
16	8.90	11.78	8.09	10.73	5.63	7.08	11.57	15.32	10.51	13.94	7.32	9.20
17	8.90	11.78	8.09	10.73	5.63	7.08	11.57	15.32	10.51	13.94	7.32	9.20
18	8.90	11.78	8.09	10.73	5.63	7.08	11.57	15.32	10.51	13.94	7.32	9.20
19	8.90	11.78	8.09	10.73	5.63	7.08	11.57	15.32	10.51	13.94	7.32	9.20
20	8.90	11.78	8.09	10.73	5.63	7.08	11.57	15.32	10.51	13.94	7.32	9.20
21	8.98	12.05	8.17	10.99	5.67	7.23	11.67	15.67	10.62	14.28	7.37	9.40
22	9.03	12.24	8.22	11.13	5.66	7.36	11.73	15.92	10.69	14.47	7.35	9.56
23	9.07	12.33	8.30	11.25	5.68	7.39	11.80	16.03	10.79	14.63	7.38	9.61
24	9.10	12.44	8.32	11.36	5.63	7.46	11.83	16.17	10.81	14.77	7.32	9.70
25	9.15	12.46	8.33	11.33	5.59	7.48	11.90	16.20	10.82	14.73	7.27	9.72
26	9.15	12.46	8.34	11.38	5.54	7.48	11.90	16.20	10.85	14.79	7.20	9.72
27	9.26	12.61	8.45	11.51	5.56	7.57	12.03	16.39	10.99	14.97	7.23	9.84

**Annual Premium Rates for Choose Your Own Cover**

Annual Premium Rates per \$100 of Monthly Benefit – based on 2 Year Benefit Period,  
White Collar Occupation category, and including stamp duty

Age Next Birthday	2 Year Benefit Period											
	Non-Smoker						Smoker					
	30 Day Waiting Period		60 Day Waiting Period		90 Day Waiting Period		30 Day Waiting Period		60 Day Waiting Period		90 Day Waiting Period	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
28	9.29	12.85	8.48	11.76	5.57	7.70	12.07	16.70	11.02	15.29	7.24	10.01
29	9.22	12.88	8.42	11.78	5.53	7.73	11.98	16.74	10.95	15.32	7.19	10.05
30	9.19	12.87	8.40	11.79	5.52	7.73	11.95	16.73	10.92	15.33	7.18	10.05
31	9.45	13.02	8.67	11.96	5.68	7.82	12.28	16.93	11.27	15.54	7.38	10.16
32	9.54	13.25	8.73	12.11	5.71	7.95	12.40	17.23	11.35	15.74	7.43	10.34
33	9.50	13.28	8.69	12.17	5.70	7.98	12.35	17.27	11.30	15.82	7.42	10.37
34	10.08	13.74	9.23	12.58	6.05	8.25	13.11	17.86	12.00	16.35	7.86	10.72
35	10.08	13.62	9.23	12.46	6.05	8.17	13.11	17.70	12.00	16.20	7.86	10.62
36	10.58	14.10	9.68	12.92	6.35	8.45	13.76	18.33	12.58	16.79	8.25	10.99
37	10.78	14.47	9.87	13.26	6.47	8.68	14.02	18.81	12.83	17.24	8.41	11.29
38	11.20	15.06	10.25	13.79	6.72	9.04	14.56	19.57	13.32	17.93	8.74	11.75
39	11.71	15.74	10.71	14.39	7.02	9.45	15.22	20.46	13.92	18.71	9.13	12.28
40	12.17	16.08	11.13	14.68	7.30	9.64	15.82	20.90	14.47	19.09	9.49	12.53
41	12.97	17.23	11.88	15.77	7.79	10.34	16.87	22.40	15.44	20.50	10.12	13.45
42	13.88	18.43	12.70	16.83	8.33	11.05	18.04	23.96	16.50	21.88	10.82	14.37
43	14.70	19.70	13.41	17.95	8.83	11.81	19.11	25.60	17.43	23.33	11.47	15.36
44	15.47	20.91	14.08	19.02	9.29	12.55	20.11	27.18	18.30	24.73	12.07	16.32
45	16.37	21.76	14.89	19.80	9.82	13.06	21.28	28.29	19.36	25.74	12.77	16.98
46	17.46	23.65	15.85	21.50	10.48	14.20	22.70	30.75	20.61	27.95	13.62	18.46
47	18.33	25.59	16.65	23.21	11.00	15.36	23.83	33.27	21.65	30.17	14.31	19.96
48	19.29	27.51	17.50	24.95	11.57	16.51	25.08	35.77	22.75	32.43	15.04	21.46
49	20.31	30.64	18.42	27.80	12.19	18.39	26.40	39.84	23.94	36.14	15.84	23.91
50	22.99	32.53	20.82	29.42	13.79	19.52	29.89	42.28	27.06	38.25	17.93	25.38
51	24.91	36.67	22.51	33.11	14.94	22.01	32.38	47.68	29.26	43.04	19.42	28.61
52	27.07	40.27	24.43	36.39	16.24	24.16	35.19	52.36	31.76	47.30	21.11	31.41
53	29.40	44.29	26.53	39.95	17.83	26.74	38.23	57.58	34.49	51.93	23.18	34.77
54	31.80	48.46	28.66	43.69	19.73	30.32	41.33	62.99	37.26	56.80	25.65	39.41
55	34.60	52.32	31.21	47.19	21.94	33.44	44.98	68.01	40.57	61.35	28.53	43.47
56	37.02	55.11	33.36	49.68	24.06	35.61	48.13	71.64	43.37	64.58	31.27	46.29
57	39.75	58.12	35.86	52.43	26.40	37.83	51.67	75.55	46.61	68.16	34.32	49.17
58	43.03	61.17	38.82	55.20	29.13	39.91	55.94	79.52	50.46	71.76	37.86	51.88



Annual Premium Rates for Choose Your Own Cover												
Annual Premium Rates per \$100 of Monthly Benefit – based on 2 Year Benefit Period, White Collar Occupation category, and including stamp duty												
Age Next Birthday	2 Year Benefit Period											
	Non-Smoker						Smoker					
	30 Day Waiting Period		60 Day Waiting Period		90 Day Waiting Period		30 Day Waiting Period		60 Day Waiting Period		90 Day Waiting Period	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
59	46.64	64.78	42.16	58.52	32.17	43.09	60.63	84.22	54.80	76.08	41.82	56.01
60	50.74	68.77	45.91	62.25	35.55	47.14	65.96	89.40	59.69	80.92	46.22	61.28
61	55.75	73.75	50.55	66.87	39.55	51.54	72.47	95.88	65.71	86.92	51.42	67.00
62	61.63	79.60	56.05	72.39	44.16	56.19	80.12	103.48	72.87	94.10	57.41	73.04
63	65.93	86.36	58.75	74.42	45.07	57.88	85.71	112.27	76.38	96.75	58.59	75.24
64	60.84	76.60	52.58	57.56	35.93	38.76	79.10	99.58	68.35	74.83	46.71	50.38
65	20.07	22.81	17.33	18.99	11.87	12.85	26.09	29.65	22.53	24.68	15.43	16.70

Annual Premium Rates per \$100 of Monthly Benefit – based on "To Age 65" Benefit Period, based on White Collar Occupation category and including stamp duty												
Age Next Birthday	To Age 65 Benefit Period											
	Non-Smoker						Smoker					
	30 Day Waiting Period		60 Day Waiting Period		90 Day Waiting Period		30 Day Waiting Period		60 Day Waiting Period		90 Day Waiting Period	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
16	11.03	17.75	10.16	16.37	7.10	8.50	14.34	23.07	13.21	21.28	9.23	11.05
17	11.03	17.75	10.16	16.37	7.10	8.50	14.34	23.07	13.21	21.28	9.23	11.05
18	11.03	17.75	10.16	16.37	7.10	8.50	14.34	23.07	13.21	21.28	9.23	11.05
19	11.03	17.75	10.16	16.37	7.10	8.50	14.34	23.07	13.21	21.28	9.23	11.05
20	11.03	17.75	10.16	16.37	7.10	8.50	14.34	23.07	13.21	21.28	9.23	11.05
21	11.21	17.81	10.32	16.42	7.15	8.57	14.57	23.16	13.42	21.35	9.30	11.14
22	11.38	17.99	10.50	16.60	7.22	8.67	14.79	23.38	13.64	21.58	9.39	11.27
23	11.56	18.17	10.68	16.81	7.27	8.81	15.03	23.62	13.88	21.86	9.45	11.45
24	11.70	18.38	10.85	17.03	7.32	8.89	15.21	23.89	14.11	22.13	9.51	11.56
25	11.77	18.44	10.93	17.11	7.26	8.86	15.31	23.97	14.21	22.25	9.44	11.52
26	11.84	18.58	11.01	17.27	7.21	8.85	15.39	24.16	14.32	22.45	9.38	11.51
27	12.10	19.15	11.27	17.81	7.27	9.11	15.73	24.89	14.66	23.16	9.45	11.85
28	12.35	19.89	11.50	18.50	7.21	9.35	16.05	25.85	14.96	24.06	9.38	12.16
29	12.37	20.20	11.54	18.85	7.13	9.46	16.08	26.25	15.01	24.51	9.26	12.30
30	12.49	20.41	11.67	19.07	7.10	9.50	16.24	26.53	15.17	24.79	9.23	12.35
31	13.06	20.94	12.24	19.67	7.30	9.64	16.98	27.23	15.92	25.57	9.49	12.53
32	13.45	21.58	12.60	20.23	7.38	9.73	17.49	28.05	16.38	26.30	9.59	12.65

**Annual Premium Rates per \$100 of Monthly Benefit – based on “To Age 65” Benefit Period,  
based on White Collar Occupation category and including stamp duty**

Age Next Birthday	To Age 65 Benefit Period											
	Non-Smoker						Smoker					
	30 Day Waiting Period		60 Day Waiting Period		90 Day Waiting Period		30 Day Waiting Period		60 Day Waiting Period		90 Day Waiting Period	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
33	13.66	22.03	12.82	20.67	7.36	9.76	17.75	28.64	16.67	26.87	9.56	12.68
34	14.72	23.19	13.79	21.78	7.81	10.11	19.14	30.15	17.93	28.31	10.15	13.15
35	14.93	23.59	14.04	22.15	7.86	10.21	19.41	30.67	18.25	28.80	10.22	13.27
36	15.79	24.76	14.87	23.30	8.27	10.67	20.52	32.18	19.32	30.29	10.75	13.87
37	16.48	25.99	15.52	24.48	8.55	11.18	21.42	33.78	20.17	31.82	11.11	14.53
38	17.38	27.47	16.36	25.93	8.95	11.90	22.60	35.72	21.27	33.71	11.63	15.47
39	18.40	29.12	17.36	27.45	9.49	12.73	23.92	37.85	22.57	35.68	12.33	16.55
40	19.59	30.35	18.46	28.61	10.07	13.49	25.47	39.46	23.99	37.19	13.10	17.54
41	21.12	32.90	19.89	31.01	10.92	15.02	27.45	42.77	25.85	40.31	14.19	19.52
42	22.80	35.50	21.50	33.47	11.93	16.76	29.64	46.15	27.95	43.51	15.50	21.78
43	24.40	38.33	23.03	36.13	12.96	18.83	31.72	49.82	29.94	46.96	16.85	24.48
44	25.97	40.98	24.46	38.60	14.00	20.94	33.76	53.27	31.80	50.19	18.20	27.23
45	27.77	43.14	26.17	40.63	15.26	22.99	36.10	56.08	34.02	52.82	19.84	29.89
46	29.90	47.04	28.15	44.29	16.83	26.30	38.87	61.16	36.59	57.58	21.88	34.19
47	31.66	50.96	29.82	48.01	18.30	29.85	41.16	66.25	38.76	62.41	23.79	38.80
48	33.50	54.87	31.55	51.64	19.95	33.66	43.54	71.33	41.01	67.13	25.93	43.76
49	35.46	60.91	33.35	57.32	21.74	39.02	46.10	79.18	43.36	74.52	28.26	50.72
50	40.15	64.80	37.72	60.90	25.18	43.03	52.19	84.24	49.04	79.17	32.73	55.94
51	43.41	72.23	40.75	67.84	28.08	49.87	56.43	93.90	52.98	88.19	36.50	64.83
52	46.89	78.50	43.98	73.65	31.23	56.06	60.96	102.06	57.18	95.75	40.60	72.88
53	50.65	85.84	47.46	80.46	34.71	63.24	65.84	111.59	61.70	104.60	45.13	82.21
54	54.73	93.12	51.24	87.19	38.53	71.10	71.15	121.06	66.61	113.35	50.09	92.43
55	59.13	98.60	55.30	92.21	42.70	77.05	76.88	128.18	71.89	119.87	55.52	100.17
56	62.56	101.64	58.45	94.94	46.27	80.19	81.33	132.13	75.99	123.43	60.15	104.25
57	66.08	104.48	61.65	97.47	49.92	82.81	85.90	135.82	80.15	126.71	64.89	107.65
58	69.60	106.95	64.84	99.66	53.50	84.74	90.48	139.03	84.29	129.56	69.55	110.16
59	72.98	108.93	67.82	101.24	56.83	85.67	94.88	141.60	88.16	131.62	73.88	111.37
60	75.99	110.10	70.45	102.08	59.67	86.62	98.78	143.13	91.58	132.70	77.57	112.60
61	78.35	111.28	72.39	102.92	61.58	86.31	101.86	144.66	94.10	133.80	80.06	112.20
62	79.30	111.09	72.87	102.37	61.91	84.51	103.09	144.41	94.73	133.08	80.48	109.86
63	80.25	108.90	73.36	99.83	62.23	80.21	104.33	141.57	95.36	129.78	80.90	104.28
64	60.84	76.60	52.58	57.56	35.93	38.76	79.10	99.58	68.35	74.83	46.71	50.38
65	20.07	22.81	17.33	18.99	11.87	12.85	26.09	29.65	22.53	24.68	15.43	16.70

Occupational Category	Rating Factor
WC	1.00
Standard	2.20
HB	3.20

“WC” means ‘White Collar’ occupation category determined by us.

“Standard” means ‘Standard’ occupation category determined by us.

“HB” means ‘Heavy Blue Collar’ occupation category determined by us.

## SCHEDULE 2 – DUTY OF DISCLOSURE

### Your duty of disclosure

Before you enter into a life insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you extend, vary or reinstate the contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If the insurance is for the life of another person and that person does not tell us everything he or she should have, this may be treated as a failure by you to tell us something that you must tell us.

### If you do not tell us something

In exercising the following rights, we may consider whether different types of cover can constitute separate contracts of life insurance. If they do, we may apply the following rights separately to each type of cover.

If you do not tell us anything you are required to, and we would not have insured you if you had told us, we may avoid the contract within 3 years of entering into it.

If we choose not to avoid the contract, we may, at any time, reduce the amount you have been insured for. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have. However, if the contract has a surrender value, or provides cover on death, we may only exercise this right within 3 years of entering into the contract.

If we choose not to avoid the contract or reduce the amount you have been insured for, we may, at any time vary the contract in a way that places us in the same position we would have been in if you had told us everything you should have. However, this right does not apply if the contract has a surrender value or provides cover on death.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

