

Mercer Business Super

Insurance booklet B - Part 2

16 October 2023

Retained category



The information in this booklet forms part of the Product Disclosure Statement for Mercer Business Super - Corporate and Retained category in the Corporate Superannuation Division of the Mercer Super Trust dated 16 October 2023.

About this Booklet

This insurance booklet applies to you if you were provided with Insurance booklet B – Part 1 when you joined Mercer Business Super as a Corporate member and have subsequently transferred to the Retained category.

Insurance booklet B - Part 2 (Booklet) is a summary of the key terms and conditions (including exclusions) of the insurance arrangements that may be available to you in the Retained category of Mercer Business Super (your Plan). Your Plan is part of the Corporate Superannuation Division (CSD) of the Mercer Super Trust.

This Booklet should be read in conjunction with the Product Disclosure Statement (PDS) dated 16 October 2023 that applies to your Plan.

Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533 Australian Financial Services Licence (AFSL) 235906 is the trustee of the Mercer Super Trust. In this Booklet, MSAL is called trustee, we or us.

Mercer Outsourcing (Australia) Pty Ltd (MOAPL) ABN 83 068 908 912 AFSL 411980 is named in this Booklet and has consented to being so named.

Mercer Consulting (Australia) Pty Ltd (MCAPL) ABN 55 153 168 140 AFSL 411770 provide actuarial and advisory services.

MSAL and MCAPL are wholly owned subsidiaries of Mercer (Australia) Pty Ltd (Mercer) ABN 32 005 315 917.

MSAL is responsible for the contents of this Booklet and is the issuer of this Booklet. MOAPL, MCAPL, Mercer, your Employer and the Insurer (AIA Australia Limited ABN 79 004 837 861 AFSL 230043) are not responsible for the issue of, or any statements in this Booklet, the PDS or any of the other important information booklets referred to in this Booklet or the PDS. They do not make any recommendation or provide any opinion regarding your Plan in the Mercer Super Trust or an investment in it.

The insurance part of your super benefit is subject to the terms and conditions of the applicable insurance policy. Other conditions may apply.

You should not rely on this Booklet as a full and complete description of the terms and conditions of the insurance policy. All terms and conditions of the insurance policy prevail over any inconsistency in this Booklet. Your super benefit could be reduced if the Insurer does not pay out all or part of the insured benefit when a claim is made.

You should consider the information in this Booklet and the PDS and any other important information booklets referred to in this Booklet and the PDS before making any decision about your super.

This Booklet contains general information only and does not take into account your individual objectives, financial situation or needs. Before acting on any of this information, you should consider whether it is appropriate to your individual objectives, financial situation and needs. You should get financial advice tailored to your personal circumstances.

See section 10.0 'Insurance definitions' at the end of this Booklet for clarification on capitalised terms used in this Booklet

Your Plan's insurer

Your Plan's insurance is provided through a group insurance policy (known as the trustee's umbrella policy) with AIA Australia Limited ABN 79 004 837 861 AFSL 230043 (referred to as the Insurer throughout this Booklet) who has consented to being so named.

The trustee has the right to change the Insurer for your Plan.

Your privacy is important to the Insurer. By becoming a member, or otherwise interacting or continuing your relationship with the Insurer directly or via a representative or intermediary, you confirm that you agree and consent to the collection, use (including holding and storage), disclosure and handling of personal and sensitive information in the manner described in the AIA Australia Group Privacy Policy on the Insurer's website (aia.com.au/en/privacy-policy) as updated from time to time (AIA Australia Group Privacy Policy).

Updated information

The information in this Booklet, the PDS and the other booklets (that are part of the PDS) may change. You can obtain updated information that is not materially adverse at mercersuper.com.au or call the Helpline to request a copy of the information free of charge. Changes that are materially adverse will be advised to you as required by law.

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How to contact us

Helpline

Call the Helpline on **1800 682 525** or if calling from outside Australia on **+61 3 8306 0900** from 8am to 7pm (AEST/AEDT) Monday to Friday.

We can help you in a number of languages, simply ask for a translator when you call.

Online

mercersuper.com.au

After you join your Plan, we will send you your personal login. You will then be able to access information to help keep you up to date and informed about your super in the Mercer Super Trust.

Our online tools include:

- up to date information on investment options
- information from our wealth education experts
- financial planning tools
- ability to update your contact details and communication preferences.

Our website is available 24 hours per day, seven days per week; however, the website may not be available when we need to carry out scheduled updates or maintenance.

Call the Helpline if you need more information about accessing the website.

By mail

General correspondence and forms

Mercer Super Trust
GPO Box 4303
Melbourne VIC 3001

To write to the trustee

Mercer Superannuation (Australia) Limited
GPO Box 4303
Melbourne VIC 3001

Member Privacy

We collect, use and disclose personal information about you in order to manage your superannuation benefits and give you information about your super. Our Privacy Policy outlines the type of information we keep about you and how we, and any organisations we appoint to provide services on our behalf, will use this information. If you do not provide the personal information requested, we may not be able to manage your superannuation. You can read our Privacy Policy online at mercersuper.com.au/privacy or you can obtain a copy by calling the Helpline.

The policy also includes details about how you may lodge a complaint about the way we have dealt with your information and how we will handle that complaint.

Keep your contact details up to date

We can only send you information if we have your current contact details. You can update your details at mercersuper.com.au (sign in using your personal login) or call the Helpline.

If the law permits, we may send member communications to you electronically (including member statements and significant event notices) by:

- email, and/or
- SMS, and/or
- a link to a website so you can download them.

We can also post any documents to you. When you receive your personal login details, simply update your communication preferences online under 'Personal Details' or call the Helpline.

1.0 Eligibility for insurance cover in the Retained category

This section includes insurance eligibility and the type of insurance cover available in the Retained category.

1.1 You may be able to continue your cover

When you leave your Employer, your Death or Death and TPD cover will automatically transfer from the Corporate category to the Retained category:

- if your super payout is automatically transferred to the Retained category on stopping work with your Employer or Exercising Choice, and
- you are no longer eligible for cover in the Corporate category, and
- an insurance benefit has not been paid or become payable to you, and
- if you were previously a PMIF Exempt Member* you must be age 25 or over and your account balance in the Corporate category must have reached \$6,000 or more at any time before being transferred to the Retained category or you have opted in to have or keep insurance.

* A PMIF Exempt Member means:

- when you were a member of the Corporate category, your Employer paid the full cost of premiums for automatic (default) insurance (in addition to its SG obligations), or
- you were a defined benefit member. or
- you are an Australian Defence Force (ADF) Super member, see section 10.0 'Insurance definitions' in this Booklet for more information. Additionally, if you are a person who would be an ADF Super member if you had not chosen a fund - in which case you must tell us.

If you were previously a PMIF Exempt Member and you have not satisfied the minimum age and balance requirements or opted in to have or keep your cover, your cover will not continue automatically in the Retained category. However, you may be able to recommence your cover in the Retained category so long as you notify us in writing within 120 days of your cover stopping (i.e. from the date you left your Employer or Exercised Choice). Call the Helpline for more information.

If eligible, your insurance cover will start upon transfer to the Retained category.

However, the following conditions apply:

- if you leave your employer or Exercise Choice due to injury or illness, then you are not eligible to be paid a TPD benefit in the Retained category for the same injury or illness (or any directly or indirectly related condition arising from the injury or illness) which has caused you to Exercise Choice or stop working with your employer.
- your Death (including Terminal Illness) and TPD cover in the Retained category will be limited to New Events Cover only if you left your employer due to injury or illness.

This limitation will stop on the day after you have been At Work with your new employer for 30 consecutive days.

You should advise us directly if you have Death only or Death and TPD cover in another plan in the CSD or in an existing Retained category account in your Plan (now or in the future), as this may affect your ability to take up or retain Death only or Death and TPD cover in the Retained category. Satisfactory evidence of your good health, salary and other evidence will not be required. However, any restrictions, exclusions or premium loading that applied to your Death or TPD cover in the Corporate category will generally continue to apply in the Retained category.

The terms and conditions for insurance cover in the Retained category are different than in the Corporate category in your Plan.

2.0 Insurance available to you in the Retained category

For eligible members, the insurance cover generally available in the Retained category includes:

- Death (including Terminal Illness) cover, and
- Total and Permanent Disablement (TPD) cover.

Cover type in the Corporate category	If you have been transferred from the Corporate category to the Retained category
Death and TPD <i>Standard cover</i>	If you previously had Standard cover in the Corporate category, this may continue with the same cover design. See section 3.0 'Members automatically transferred from the Corporate category who had Standard insurance cover' in this Booklet for more information. <i>Standard cover is designed to provide unit based Death only, or Death and TPD cover that increases or decreases depending upon your age.</i>
Death and TPD <i>Customised cover</i> – Percentage of your Income capped by your age to retirement – Multiple of your Income – Fixed weekly premium amount – Fixed Insurance cover	Cover may continue as a fixed amount. See section 4.0 'Members automatically transferred from the Corporate category who had Customised cover' in this Booklet for more information.
No insurance cover	You can select up to 10 units of Standard cover which will be subject to underwriting and acceptance by the insurer. See section 5.0 'Members automatically transferred from the Corporate category with no existing insurance cover' in this Booklet for more information.
Income Protection	Not available Any Income Protection (IP) you had in the Corporate category will not continue in the Retained category.

2.1 Conditions apply to your insurance cover

Certain conditions and exclusions apply to your insurance cover.

You'll be covered 24 hours a day, seven days a week up to your Cover Expiry Age for Death or Death and TPD cover if you:

- have been automatically transferred from the Corporate category and you meet the required eligibility conditions, or
- choose to apply for insurance cover, which is only available if you are aged less than the Cover Expiry Age set out below and your application for insurance cover is accepted by the Insurer.

You must also satisfy any other conditions which apply to you as described in the following pages. For information of the conditions and exclusions that apply see the 'Exclusions and reductions to your cover may apply' section.

2.2 Cover Expiry Age

The insurance cover in the Retained category will expire depending on your age and the type of insurance cover you have.

Insurance cover basis	Cover Expiry Age	
	Death	TPD
Insured amount based on units of Standard cover	On 30th June after you turn age 67	On 30th June after you turn age 67
Insured amount not based on units of Standard cover	On 30th June after you turn age 80	On 30th June after you turn age 75

3.0 Members automatically transferred from the Corporate category who had Standard cover

3.1 Amount of cover

On transfer to the Retained category you will have the same number of units of cover that you had in the Corporate category. See Table 1 'Standard cover - Sum insured table (1 Unit of cover)' in Appendix A in this Booklet for the dollar amount of cover that each unit provides (depending on your age).

On transfer, this insurance cover is subject to the maximum benefit amount described later in this Booklet.

3.2 Changing your cover

You can also apply to adjust or cancel your Death or Death and TPD cover at any time by completing and returning the relevant form available from the Helpline.

All other insurance cover will be cancelled if you choose to cancel your Death cover.

You should advise us immediately if you do not wish to have any Death or Death and TPD cover, or would like a reduced amount of cover. You will be subject to underwriting before you are provided with insurance cover or increased cover if you cancel or reduce your cover and then subsequently change your mind. You can cancel your TPD cover only, but you cannot cancel your Death cover only and keep your TPD cover.

If you cancel your insurance cover that was automatically transferred from the Corporate category and then you subsequently want to re-apply, you may do so as described in section 5.0 'Members automatically transferred from the Corporate category with no existing insurance cover' in this Booklet.

To change your insurance cover, please call the Helpline or use your personal login at mercersuper.com.au. We can help you to understand your options and the implications of any changes.

3.3 Increasing your cover

You cannot apply to increase your transferred number of units of Standard cover.

You can apply to increase your Death and TPD cover. Your increased cover will be in addition to your transferred Standard cover and will be in multiples of \$1,000. However, you cannot have TPD cover without Death cover and your increased TPD cover cannot be greater than your increased Death cover. Your Death and TPD cover will be subject to the Maximum Benefit Amount detailed later in this Booklet.

Any increase in Death and TPD cover will be subject to underwriting and will only start once the Insurer accepts your application. You will be provided with interim accidental cover while the Insurer assesses your application. We will advise you of the date your increased cover starts if the Insurer accepts your application for increased cover.

3.4 Annual cost of insurance cover

Table 2 'Death and TPD premium rate table' in Appendix A in this Booklet shows premium rates per age and gender.

To work out your cost of cover

- look up your age in the left hand column

then

- multiply the figure in the applicable right hand column (according to your type of cover and gender) by your cover amount

then

- divide by 1,000.

3.5 How we calculate and deduct cost of cover

We calculate and deduct the cost of your cover from your super account each month, based on 1/12th of your annual cost.

The cost of any insurance cover that automatically transferred from the Corporate category will only start to be deducted from your super account in the Retained category as detailed in this Booklet.

We will deduct the cost of any increased insurance cover from your super account from the date the increase has been accepted by the Insurer and has started in the Retained category.

Example

Maria has been transferred to the Retained category. On transfer she had five units of Death and TPD cover. Maria is exactly 45 years old.

From Table 1: 'Standard cover - Sum insured table (1 Unit of cover)' in Appendix A you can see at age 45 the value of a unit of cover is \$34,000.

Her total level of cover is calculated as:

$$5 \times \$34,000 = \$170,000.$$

Therefore, if she were to die or become totally and permanently disabled her total super payout would be her super account balance plus her cover amount of \$170,000.

From Table 2 'Death and TPD premium rate table' in Appendix A you can see that at age 45, the annual premium for Death and TPD cover is \$1.93 for every \$1,000 of cover. This means the annual total cost of Maria's cover in the Retained category is $\$1.93 \times \$170,000 \div 1,000 = \$328.10$

4.0 Members automatically transferred from the Corporate category who had Customised cover

4.1 Amount of cover

If you had Death only or Death and TPD cover for the following cover designs:

- Customised cover – Percentage of your income capped by your age to retirement,
- Customised cover – Multiple of your income,
- Customised cover – Fixed sum insured, or
- Customised cover – Fixed Weekly premiums,

prior to you transferring to the Retained category, the amount of cover that you had in the Corporate category will convert to fixed dollar cover on transfer to the Retained category. The amount of fixed cover you have will be based on the amount of cover you had on the date prior to you leaving your Employer or you Exercised Choice.

4.2 Applying for or changing your insurance cover

You can apply to adjust or opt out of your Death or Death and TPD cover at any time. You can change your cover in multiples of \$1,000. However, you cannot have TPD cover without Death cover and your TPD cover cannot be greater than your Death cover. Your Death and TPD cover will be subject to the Maximum Benefit Amount detailed later in this booklet.

Any increase in Death and TPD cover will be subject to underwriting and will only start once the Insurer accepts your application. You will be provided with interim accidental cover while the Insurer assesses your application. We will advise you of the date your increased cover starts if the Insurer accepts your application for increased cover.

You should advise us immediately if you do not wish to have any Death or Death and TPD cover, or would like a reduced amount of cover. You will be subject to underwriting before you are provided with insurance cover or increased cover if you cancel or opt out or reduce your cover and then subsequently change your mind. You can cancel or opt out of your TPD cover only, but you cannot cancel or opt out of your Death cover only and keep your TPD cover.

You will not be able to re-apply under the same insurance basis if you cancel or opt out of your insurance cover that was automatically transferred from the Corporate category and then you subsequently want to re-apply. However, you will be able to re-apply for insurance cover as described in section 5.0 'Members automatically transferred to the Retained category with no existing insurance' in this Booklet for more information.

To change your insurance cover, please call the Helpline or use your personal login at mercersuper.com.au. We can help you to understand your options and the implications of any changes.

4.3 Annual cost of insurance cover

Table 2 'Death and TPD premium rate table' in Appendix A in this Booklet shows premium rates per age and gender.

To work out your cost of cover

- look up your age in the left-hand column

then

- multiply the figure in the applicable right-hand column (according to your type of cover and gender) by your cover amount

then

- divide by 1,000.

4.4 How we calculate and deduct cost of cover

We calculate and deduct the cost of insurance cover from your super account each month, based on 1/12th of your annual cost.

The cost of any insurance cover that automatically transferred from the Corporate category will only start to be deducted from your super account in the Retained category as detailed in this Booklet.

We will deduct the cost of any increased insurance cover from your super account from the date this increased insurance cover has been accepted by the Insurer and has started in the Retained category.

Example

Jack is exactly 45 years old. Jack's cover when he was a member of an Employer plan, was 15% of his salary to age 65.

His level of cover was calculated as $15\% \times 20 \text{ years (the number of years to age 65)} \times \$88,000 \text{ (salary)} = \$264,000$.

Upon transfer to the Retained category, Jack's sum insured will now be fixed to \$264,000.

Therefore, if he were to die or become totally and permanently disabled his total super payout would be his super account balance plus Jack's insured amount of \$264,000.

From Table 2 'Death and TPD premium rate table' in Appendix A you can see that at age 45, the annual premium for Death and TPD cover is \$2.71 for every \$1,000 of cover. This means the annual total cost of Jack's cover in the Retained category is $\$2.71 \times \$264,000 \div 1,000 = \$715.44$

5.0 Members automatically transferred from the Corporate category with no existing insurance cover

5.1 Applying for insurance cover

You can apply for up to 10 units of Standard cover for Death only or Death and TPD cover.

See Table 1 'Standard cover - Sum insured table (1 Unit of cover)' in Appendix A in this Booklet for the dollar amount of cover that each unit provides (depending on your age).

You will require underwriting before you can receive any Death or Death and TPD cover or any increase in cover. You will also require underwriting if you cancel or reduce your cover and then subsequently apply for or increase your insurance cover again.

You will be provided with interim accidental cover while the Insurer assesses your application. We will advise you of the date your cover starts if the Insurer accepts your application.

To apply for insurance cover, use your personal login at mercersuper.com.au or call the Helpline to request a copy of the relevant form.

5.2 Annual cost of insurance cover

Table 2 'Death and TPD premium rate table' in Appendix A in this Booklet shows premium rates per age and gender.

To work out your cost of cover

- look up your age in the left-hand column

then

- multiply the figure in the applicable right-hand column (according to your type of cover and gender) by your cover amount

then

- divide by 1,000.

5.3 How we calculate and deduct cost of cover

We calculate and deduct the cost of insurance cover from your super account each month, based on 1/12th of your annual cost.

We will deduct the cost of insurance cover from your super account, from the date the insurance cover has been accepted by the Insurer and has started in the Retained category.

Example

Jordan is 45 years old and does not have insurance cover in the Retained category. He applies and is accepted for 2 units of Death and TPD cover. From Appendix A Table 2 'Death and TPD premium rate table – Retained category' you can see at age 45 the value of a unit of cover is \$34,000. His total level of cover is calculated as:

$$2 \times \$34,000 = \$68,000.$$

From Table 1 'Standard cover - Sum insured table (1 unit of cover)' in Appendix A you can see that at age 45 the annual premium for Death and TPD cover for a male is \$2.71 for every \$1,000 of cover. This means the annual total cost of Jordan's cover in the Retained category is:

$$\$2.71 \times \$68,000 \div 1,000 = \$184.28$$

6.0 Death and TPD insurance cover - terms and conditions

This section is a summary of the terms and conditions for the Death and Total and Permanent Disablement (TPD) insurance cover that apply in the Retained category.

Call the Helpline for more information about insurance terms and conditions.

See section 10.0 'Insurance definitions' in this Booklet for terms used in this section of the Booklet.

Death cover (including Terminal Illness)

Death cover provides a lump sum benefit if you are diagnosed with a Terminal Illness or die.

Your beneficiaries and/or your estate will receive your insured benefit if you die. You will receive an insured Terminal Illness benefit if you are diagnosed with a Terminal Illness and satisfy other applicable conditions including the condition of release under superannuation law.

Total and Permanent Disablement (TPD) cover

TPD cover provides a lump sum payment if you become totally and permanently disabled due to an illness or injury, meet the Insurer's definition of TPD and satisfy other conditions.

6.1 Underwriting

Underwriting is a process where the Insurer considers your application for cover by taking into account your lifestyle, current health, salary details, past medical history and your family medical history. To start this process, you will generally be required to complete a personal statement. The Insurer may ask you for further information based on their assessment. The Insurer may accept, decline or impose special conditions (such as an exclusion, restriction or premium loading) for the amount of cover that is subject to underwriting.

You will be advised of the date your cover starts and/or if the Insurer accepts your application with underwriting terms.

6.2 Interim accidental cover

The Insurer will cover you for Accidental Death and (if applicable) Accidental TPD while they are assessing your insurance application.

Interim cover starts from the date you sign your insurance application. It ends on the earlier of:

- your application being accepted by the Insurer, or
- you withdrawing your application, or
- 20 business days after the Insurer notifies us that your application has been declined (we will advise you of this date after we receive the information from the Insurer), or
- 90 days past the date the interim cover started, or
- when a benefit becomes payable under these interim cover conditions.

A benefit will not be payable if during the interim cover period your Accidental Death or Accidental TPD is caused directly or indirectly by engaging in any sport or pastime for which, at the time of application the Insurer would not normally provide cover at standard rates or terms. Sport or pastime includes but is not limited to abseiling, aviation, (other than a passenger on a recognised airline), football (all codes), long-distance sailing, scuba diving, motor racing, parachuting, powerboat racing, mountaineering or martial arts. Other exclusions may also apply, see section 7.2 'Exclusions and reductions may apply' in this Booklet for more information.

All other terms and conditions of the policy apply to interim cover. There are no premiums to be paid for the period of interim cover. You will be advised of the start date for your cover and/or if the Insurer accepts or limits your cover. You will have the same amount of interim cover as the insurance cover you applied for, subject to a maximum of \$2 million for Death and \$2 million for TPD*.

*The amount of TPD cover based on a Limited TPD definition is dependent on your age, amount of insurance cover and how your TPD is calculated.

6.3 Cancelling your Death and TPD cover

You can cancel your insurance at any time. If you do, any associated premiums will no longer be deducted from your account. If you want to cancel your cover or need more information about the cancellation process use your personal login at mercersuper.com.au or call the Helpline to discuss your options.

If you choose to cancel your insurance it is important to note that you will not be able to make a claim for insurance benefits for events or conditions that arise after your cover has been cancelled. Additionally, your ability to reinstate your cover may be subject to acceptance by the Insurer and may require underwriting.

TPD cover will be cancelled if you choose to cancel your Death cover.

Consider obtaining independent financial advice to help you make a decision appropriate to your situation.

6.4 Automatic cancellation of cover

Inactive accounts: In accordance with the Protecting Your Super legislation any insurance cover you have will be cancelled if we have not received any contributions and/or rollovers to your super account for a continuous period of 16 months and you have not elected to maintain your insurance cover. The cancellation of insurance cover is aimed at reducing the erosion of super account balances by insurance premiums for unwanted cover.

We will contact you before we cancel your cover and you will have an opportunity to elect to maintain your insurance cover. If you want to elect to maintain your insurance cover, call the Helpline to request the relevant form.

If your cover is cancelled the cost of all insurance cover will stop being deducted from your super account balance. You may be able to reinstate cover subject to certain conditions. Call the Helpline for more information about the options available to you, any underwriting conditions or limitations that may apply.

6.5 Transfer of Insurance from another super fund or insurance policy

You may also be able to transfer any existing Death or, Death and TPD cover you hold with other super fund(s) or insurance policies to your existing membership under the Retained category (subject to limits, conditions and approvals). Call the Helpline for details of how you can transfer any existing cover to your Plan membership.

6.6 How TPD definitions are applied

The TPD definitions are set out in section 10.0 Insurance definitions in this Booklet. You will be assessed on a Full TPD definition, a Limited TPD definition or in some cases, a mixture of both based on:

- the amount of TPD insurance cover you have,
- your age at the date of disablement, and
- the benefit design of your insurance cover.

Your TPD cover will be subject to the Full TPD definition up to age 60.

On and from age 60 up to age 70, both the Full TPD definition and the Limited TPD definition will apply to your TPD cover in varying proportions subject to the details below.

The portion of your TPD cover that will be assessed on the Full TPD definition, will be reduced by 1/120th times the number of months (i.e. 10% per year) from your 60th birthday. The remaining portion of your TPD cover will be assessed on the Limited TPD definition. For example, at age 62, 80% of your TPD cover would be subject to the Full TPD definition and the remainder (20%) would be subject to the Limited TPD definition.

Where your TPD cover is in excess of \$3 million, the portion above \$3 million will be assessed on the Limited TPD definition regardless of your age.

Your TPD cover will be assessed on the Limited TPD definition from age 70 to age 75.

6.7 Maximum benefit amount

If you do not have any existing insurance cover in the Retained category, then:

- the maximum amount of Death cover is unlimited up to your Cover Expiry Age, and
- the maximum amount of TPD cover is:
 - the day immediately prior to your 65th birthday, \$5 million, where any amount above \$3 million and a portion of the total amount (depending on your age) is based on the Limited TPD definition, and
 - on and from your 65th birthday until the day immediately prior to your 70th birthday, \$3 million where a portion of the total amount (depending on your age) is based on the Limited TPD definition, and
 - on and from your 70th birthday up to your 75th birthday, \$250,000 where the total amount is based on the Limited TPD definition.

7.0 Other important information about your cover

7.1 Cover while traveling overseas

You may be able to continue your Death or Death and TPD cover if you are travelling overseas subject to the conditions of the insurance policy.

Cover will continue provided the following conditions are satisfied:

- you must remain a member of the Retained category, and
- premiums for your cover must continue to be paid.

If you make a TPD claim, you may have to return to Australia at your own expense for medical treatment and/or assessment, or the Insurer may require your medical treatment and assessment to be equivalent to Australian standards. The trustee may not pay a TPD benefit if you do not comply with these requirements.

If your cover stops or if you cancel it, your cover will be subject to underwriting before the Insurer can provide you with insurance cover after you return to Australia.

You will not be able to re-apply under the same insurance basis, if you cancel the insurance cover that was automatically transferred from the Corporate category to the Retained category and then subsequently want to re-apply.

7.1.1 Other important details while overseas

You must advise us if you are working overseas permanently or no longer intend to work in Australia whilst you are a member of the Retained category. Keep your contact details up to date by contacting the Helpline so we can provide you with more information about what will happen to your insurance arrangements and other benefits. Call the Helpline for more details.

7.2 Exclusions and reductions may apply

The following exclusions may apply to your Death (including Terminal Illness) and TPD cover.

Exclusions to all cover

- Benefits are not payable if your Death, Terminal Illness, Accidental Death, TPD or Accidental TPD is caused wholly or partly, directly or indirectly by:
 - an act of War unless otherwise agreed by the Insurer, or
 - active service in the armed forces of any country or territory or foreign or international organisation*.

*If you are enrolled in the Australian Defence Forces Reserve, this exclusion will only apply where you are called up for active service.

Exclusions to Voluntary Insurance

- Any application for Voluntary Insurance cover isn't payable if:
 - your Death is caused by suicide or your Terminal Illness is caused by any deliberate self-inflicted act, or
 - your TPD is caused by attempted suicide or by any deliberate self-inflicted act

within 13 months from the date your cover commenced or from the date your cover is increased, or from any other exclusion imposed by the Insurer under underwriting terms.

Reductions to all cover

Your insurance benefit may not be payable or may be reduced if, subject to applicable law where you do not notify us as soon as reasonably possible after you first became disabled, in circumstances where such a delay has prejudiced the Insurer's ability to assess and manage a claim.

7.3 When Death and TPD cover stops

Your Death and TPD cover stops in your Plan:

- if you cancel your cover, or
- if you leave your Plan, or
- if you die, or
- if the Insurer pays a Death (including Terminal Illness) or TPD benefit, or
- if the insurance policy terminates, or
- if you no longer meet the eligibility criteria of the policy, or
- if you reach the Cover Expiry Age, or
- if premiums are not paid, or
- if the Insurer accepts or declines your continuation option application for death cover, or
- if you make a fraudulent claim, or
- if you have insurance cover and we have not received any contributions or rollovers into your account for a continuous period of 16 months, and you have not elected to maintain your insurance cover*, or
- on retrospective acceptance of a TPD claim in the Corporate category.

*You may be able to reinstate cover subject to certain conditions if your cover has been cancelled due to no contributions and/or rollovers being received into your super account for a continuous period of 16 months. If we receive a written election to reinstate cover after 90-days of when cover stopped, different terms and conditions will apply to your cover. Call the Helpline for more information about the options available to you, any underwriting conditions or limitations that may apply.

Underwriting will apply if you want cover after cancelling cover you previously held or where cover stopped for any of the reasons listed above. The Insurer may impose limitations or exclusions on your new cover or decline to provide you with cover. You will not be able to re-apply under the same insurance basis if you cancel or opt out of your insurance cover that was automatically transferred the Corporate category to the Retained category and then subsequently want to re-apply.

If you leave the Retained category, your cover will stop and you may not be eligible for cover under your new fund. It is important that you confirm the impact on your existing cover before you leave the Retained category. Call the Helpline for more details.

7.4 Cost of cover can change

The Insurer may vary the cost of your insurance cover without your prior approval by giving notice to the trustee. Costs may change if:

- business activities (such as acquisition, takeover, merger activity, restructure, divestment) result in unusual changes to the membership of the fund which requires a restructure of the current arrangements and has (or may be expected to have) a material impact on the insurance arrangements, or
- War or any act of invasion occurs (whether declared or undeclared) in which the Commonwealth of Australia's armed forces are involved in activities including combat, defence or other military and operational activities, or
- there are significant changes in the total number of insured members and/or total insurance cover, and/or the information used in determining the premium rates for the Mercer Super Trust, or
- the guaranteed period of the premium rates provided by the Insurer to the trustee expires, or
- there is a change in taxes or duties or other legislative changes that increase the Insurer's costs.

The trustee will let you know of any change in the cost of cover. We will write to you at least 30 days beforehand if your cost of cover is increasing.

8.0 How to make a claim

A claim for Death or TPD may be made if you die or have an injury or illness.

8.1 Key claim conditions for all claims

You or your beneficiaries must advise us as soon as reasonably possible of any claim or potential claim. To make a claim, you or your beneficiaries can call us on the Helpline.

You and your Medical Practitioner must provide the necessary documents and complete all application requirements to make a claim. You will need to meet the costs associated with completing the claim pack (including the completion of any forms).

Where the Insurer needs further information to assess your claim, the Insurer may pay the cost to obtain this information. We will support you through the claim process.

Assessing a TPD claim can take around 6 to 12 months. However, in many circumstances assessment can be completed sooner.

The Insurer needs to assess medical and other evidence for a TPD claim. You may have to return to Australia at your own expense for medical treatment or assessment, or the Insurer may require your medical treatment and assessment to be equivalent to Australian standards. If you are living or travelling overseas you will need to pay the cost of returning to Australia.

If the Insurer identifies that you are not eligible to claim for cover that was automatically transferred from the Corporate category, we will refund the premiums to your account for the period you were ineligible.

If you make a claim that is accepted and your cover ceases under the terms of the policy on the date you became eligible to claim, we will refund the premium into your account for the period you were ineligible.

The Insurer may, subject to law, consider your claim withdrawn or refuse to pay your claim if you do not meet its requirements.

8.2 Paying your Death (including Terminal Illness) or TPD benefit

While a member of the Retained category, you'll need to meet the Insurer's definition of Terminal Illness or TPD before being eligible for a Terminal Illness or TPD benefit payment.

The trustee must meet various legal requirements before it can pay a benefit. While we make every effort to pay benefits quickly, there may be a significant time between the date of Death or TPD and the benefit payment.

The trustee can only pay an insured benefit if:

- the Insurer has accepted the claim
- the insurance proceeds have been received from the Insurer, and
- you satisfy a relevant condition of release under superannuation law.

The trustee will not be able to pay the benefit if you do not satisfy a condition of release. We will deduct any applicable tax from your super benefit payment. Refer to the *Accessing Your Super* Fact Sheet on [mercersuper.com.au/pds](https://www.mercersuper.com.au/pds) for details about the conditions of release under superannuation law.

8.3 What happens if you have multiple insurance policies

If you have insurance cover outside your Plan, you should consider the impacts of having multiple insurance policies (of the same or similar cover) because you may not be able to claim on multiple policies. If you are unsure what to do about any duplicate cover you may hold, please call the Helpline.

9.0 When you leave your Plan

How to continue your cover

You may continue your Death cover with the Insurer under a personal policy at your own expense (known as a continuation option) up to the same amount of cover without underwriting provided:

- you make an application for a personal policy within 60 days of the date your cover stops, and
- you stop being a member, and
- the amount of Death cover you require is no more than the amount of cover you had, immediately prior to stopping cover in your Plan.

You must complete the applicable continuation application form and meet the following conditions if you want to apply for a personal policy with the Insurer:

- you are under age 65, and
- you must not have ceased to be a member of the Mercer Super Trust due to injury or illness, and
- you are not receiving or are entitled or become entitled to or must not have been paid an insured benefit from the Mercer Super Trust, and
- you satisfy the eligibility criteria and terms under the Insurer's death only personal policy, and
- you satisfactorily complete and provide an Australian citizen or residency and smoker declaration to the Insurer, and
- at the time you apply for the personal policy, you meet the minimum premium requirements for the personal insurance policy.

Any underwriting conditions that applied to your insurance cover under the Retained category will continue to apply under the personal insurance policy and cover will be subject to the terms and conditions of that policy.

You'll need to call the Helpline before the 60 days expire (or when you stop paying premiums, if earlier) to arrange for a replacement policy if you decide that you'd like to continue this cover with the Insurer. The cost of continuing your cover outside the Mercer Super Trust will be based on the Insurer's prevailing personal insurance policy premiums and terms and conditions.

Under the trustee's insurance policy, the terms and conditions of the continuation option above are not guaranteed and may be subject to change by the Insurer. For more information, please call the Helpline.

10.0 Insurance definitions

This section explains capitalised terms used throughout this Booklet that apply to the Retained category.

Accident

Means bodily injury caused directly and solely by a violent, accidental, external and visible event.

Accidental Death

Means death which is a result of an Accident.

Accidental Total and Permanent Disablement

Means TPD which is a result of an Accident.

Activities

Means:

Mobility: To

- bend, kneel or squat to pick something up from the floor and straighten up again, and get into and out of a standard sedan; or
- walk more than 200 metres at a normal pace on a level surface without stopping due to breathlessness as a result of a medical condition;

Seeing: To read ordinary newsprint and pass the standard eye test for a car licence (even with glasses or contact lenses) and your vision is better than legal blindness. Legal blindness is as certified by an ophthalmologist;

Lifting: To lift with your hands (from bench height) and carry a 5 kg weight a distance of 10 metres and place the item back down at bench height;

Communicating: To speak in your first language with sufficient clarity such that you can hold a conversation in a quiet room by understanding a simple message and relaying that message to another person;

Manual dexterity: To use:

- at least one hand to pick up or manipulate small objects precisely with your hands or fingers (such as picking up a coin from desk height, using cutlery, tying shoelaces or fastening buttons); or
- a pen, pencil or keyboard to write a short note that can be understood by another person in their first language.

Where you are unable to perform one or more of the above activities when your TPD cover commenced, that activity will not be taken into consideration by the Insurer as part of your TPD claim assessment.

At Work

Means that you are actively performing all the duties of your usual occupation with your Employer free from any limitation due to injury or illness and you are not receiving and/or are entitled to claim income support payments from any source including worker's compensation payments, statutory transport accident payments or disability income payments. If you are absent from work for reasons other than injury or illness, you will be considered to be at work as long as you are at work on the day before the first day of your Employer approved leave. If you do not meet any of these conditions, you will be considered to be not at work.

Australian Defence Force (ADF) Super member

Means a member of the Permanent Forces or a continuous full-time Reservist, defined in the *Australian Defence Force Superannuation Trust Deed 2015* as a 'serving ADF Super member'.

Australian Resident

For insurance purposes, means you are legally permitted to reside and work for reward in Australia.

Cognitive Impairment

Means:

- you have suffered a total and permanent deterioration or loss of intellectual capacity that requires you to be under the continuous care and supervision by another adult person for at least 6 months; and

- it has been clinically observed and evidenced by accepted standardised testing relevant to your condition; and
- at the end of the 6-month period, you are likely to require permanent ongoing continuous care and supervision by another adult person as certified by a Medical Practitioner which the Insurer requires to be a specialist practicing in the area related to the injury or illness suffered by you.

Corporate member

Refer to the PDS for more details.

Customised Cover

Is as described in Insurance Booklet B - Part 1.

Cover Expiry Age

Is as described earlier in this Booklet.

Effective Date

Means if you Exercise Choice, the date your employer of your CSD plan first remitted contributions to your chosen fund as notified to the trustee.

Employer

Means any Employer admitted to participate in Mercer Business Super in accordance with the terms of the trust deed for the Plan and in relation to a Member, the Member's Employer or an associate of the Member's Employer who participates to the Plan for the Member.

Exercise Choice

Is as described in the PDS.

Family Member

Your spouse, parent, parent-in-law, child including adopted child, step-child or ex-nuptial child.

Full Total and Permanent Disablement

Means solely because of injury or illness you are totally and permanently disabled if you have a Permanent Disability, you are under the care and following the advice of a Medical Practitioner, and the below applies;

- (i) you have been continuously absent from employment through injury or illness; and
- (ii) have suffered a Medical Condition;
- (iii) have suffered any other medical condition for the Waiting Period; or
- (iv) have suffered an injury or illness which first became apparent while you were insured and as a result of the injury or illness have suffered the total and irrecoverable loss of (or total loss of the use of):
 - both hands; or
 - both feet; or
 - one hand and one foot; or
 - the sight of both eyes; or
 - one hand and the sight in one eye; or
 - one foot and the sight in one eye,

where the loss of sight means to the extent that the visual acuity is 6/60 or less, or to the extent that the visual field is reduced to 20 degrees or less of arc.

Limited Total and Permanent Disablement

Means you are totally and permanently disabled if you have a Permanent Disability, you are under the care and following the advice of a Medical Practitioner and:

- (a) are unable to do basic everyday activities which means:

Solely because of illness or injury, you are continuously absent from employment and unable for the Waiting Period, after being diagnosed as totally and permanently disabled, to perform at least 2 out of the 5 Activities as certified by a Medical Practitioner, and in the Insurer's opinion on the basis of the medical evidence, are permanently unable to perform the same Activities without assistance from another adult person (even if using aids and adaptations*);

*Aids and adaptations refer to equipment or fixtures which assists you to carry out the Activities.

or

(b) have a Mental Illness and:

- your treating psychiatrist, psychologist or Medical Practitioner believes won't improve, and
- you have been assessed by a psychiatrist appointed by the Insurer as having an impairment of 19% or more on the Psychiatric Impairment Rating Scale and in their opinion the condition is permanent;

or

(c) have a Cognitive Impairment.

Medical Condition

Means you are diagnosed by a Medical Practitioner specialising in the relevant field as having Alzheimer's disease or other dementias, blindness, cardiomyopathy, chronic lung disease, diplegia, hemiplegia, loss of hearing, loss of speech, major head injury, motor neurone disease, multiple sclerosis, muscular dystrophy, paraplegia, Parkinson's disease, quadriplegia, pulmonary arterial hypertension (primary), tetraplegia.

Medical Practitioner

Means a registered doctor of medicine who is appropriately qualified to treat you for your injury or illness. The medical practitioner cannot be you or a Family Member, business partner, employee or employer. The Insurer may, in absolute discretion, accept a similarly qualified person who is registered and practising as a medical practitioner in another country with a similar standard of medical care as that in Australia. The Insurer may, in absolute discretion, seek an independent opinion from a medical practitioner in Australia to review such overseas medical evidence.

Mental Illness

Means you have been diagnosed by a psychiatrist under the latest edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM) issued by the American Psychiatric Association (or a similar diagnostic tool determined by the Royal Australian and New Zealand College of Psychiatrists Board).

New Events Cover

Means you are only covered for claims arising from an illness which became apparent or an injury which occurred on or after the date your insurance cover started or most recently started under the Retained category.

Permanent Disability

Means you have become incapacitated due to ill-health (whether physical or mental) to such an extent, in the Insurer's opinion, that it makes it unlikely that you will ever engage in or work for reward in any occupation or work for which you are reasonably qualified by education, training or experience.

Retained category & Retained member

Please refer to the PDS for more details.

Standard cover

Is as described in *Insurance* booklet B – Part 1.

Terminal Illness

Means:

- two Medical Practitioners have certified, jointly or separately, that an illness has caused a reduction in life expectancy to 24 months or less and the Insurer agrees (based on medical evidence provided by your Medical Practitioners), that you suffer from an illness that is likely to result in your death within a period (the certification period) that ends not more than 24 months after the date of the certification, regardless of any treatment that might be undertaken, and
- at least one of the Medical Practitioners is a specialist practicing in an area related to the illness suffered by you, and
- for each of the certificates, the certification period has not ended.

The illness resulting in the terminal illness must occur, and the date any Medical Practitioner certifies you as being terminally ill, must take place while you are covered under the policy.

Total and Permanent Disablement (TPD)

Means you are totally and permanently disabled if you have satisfied the Full Total and Permanent Disablement definition or Limited Total and Permanent Disablement definition.

Voluntary Insurance

For Death and TPD cover means any sum insured you elect that requires underwriting and which is:

- (a) not basic insurance or basic voluntary insurance, or
- (b) agreed to be voluntary insurance between the trustee and the Insurer.

Waiting Period

Means for Total and Permanent Disablement (TPD) and where described in the relevant part of the TPD definition:

- (a) three months, except where a Cognitive Impairment applies in which case it is six months. No waiting period applies for a Medical Condition, or
- (b) as otherwise agreed by the Insurer.

War

Includes but is not limited to war (declared or undeclared) or war related activities, revolution, invasion or rebellion or civil unrest.

Appendix A

The following sections outlines the tables which are used to calculate your insurance premiums.

When premiums are calculated and charged

We review your insurance on 1 July each year (as applicable). If you customise your cover at any other time, recalculated premiums will apply from the date change is processed.

Insurance premiums are payable monthly in arrears, are non-participating and inclusive of stamp duty. MOAPL receives 10.5% (exclusive of GST) of the premiums charged by the Insurer as a fee for administering your Plan's insurance arrangements, including underwriting and claims processing. The Insurer pays this fee, and it is included in the premium rates. The trustee will let you know of any change in the cost of cover.

You'll receive at least 30 days' notice if the rate tables relevant to you in Appendix A increase.

Table 1: Standard cover - Sum insured table (1 unit of cover)

Age	Death cover sum insured \$	TPD cover sum insured \$
14-28	14,000	60,000
29-30	20,000	60,000
31-32	30,000	60,000
33-34	40,000	60,000
35-39	60,000	60,000
40	57,000	57,000
41	56,000	56,000
42	49,000	49,000
43	44,000	44,000
44	39,000	39,000
45	34,000	34,000
46	29,000	29,000
47	27,000	27,000
48	23,000	23,000
49	22,000	22,000
50	19,000	19,000
51	16,000	16,000
52	15,000	15,000
53	13,000	13,000
54	12,000	12,000
55	12,000	12,000
56	10,000	10,000
57	9,000	9,000
58	8,000	8,000

Age	Death cover sum insured \$	TPD cover sum insured \$
59	7,000	7,000
60	6,000	6,000
61-62	5,000	5,000
63-67	4,000	4,000

Table 2: Death and TPD premium rate table

Annual insurance premium rates inclusive of stamp duty and an insurance administration fee of 10.5% (exclusive of GST) for every \$1,000 sum insured.

Age	Annual premium for \$1,000 of Death only cover (\$)		Annual premium for \$1,000 of Death and TPD cover (\$)	
	Male	Female	Male	Female
14	0.53	0.27	0.64	0.37
15	0.65	0.27	0.73	0.40
16	0.78	0.34	0.86	0.44
17	0.96	0.39	1.01	0.48
18	1.11	0.43	1.13	0.59
19	1.13	0.46	1.14	0.60
20	1.09	0.46	1.11	0.60
21	1.02	0.43	1.08	0.59
22	1.00	0.41	1.05	0.56
23	0.93	0.39	1.00	0.50
24	0.88	0.38	0.95	0.48
25	0.85	0.37	0.91	0.48
26	0.81	0.37	0.89	0.48
27	0.78	0.37	0.87	0.48
28	0.78	0.37	0.87	0.50
29	0.78	0.37	0.88	0.51
30	0.78	0.38	0.91	0.52
31	0.78	0.38	0.91	0.53
32	0.78	0.39	0.92	0.56
33	0.78	0.39	1.01	0.57
34	0.84	0.42	1.05	0.59
35	0.85	0.47	1.10	0.64
36	0.88	0.51	1.16	0.73
37	0.92	0.58	1.24	0.85
38	1.00	0.65	1.35	0.96
39	1.09	0.73	1.51	1.12
40	1.16	0.81	1.63	1.30
41	1.24	0.86	1.79	1.42
42	1.35	0.93	1.96	1.57
43	1.43	1.00	2.18	1.69
44	1.60	1.02	2.42	1.82
45	1.71	1.09	2.71	1.93
46	1.81	1.15	2.98	2.09
47	1.98	1.23	3.31	2.29
48	2.16	1.31	3.70	2.54
49	2.33	1.43	4.06	2.81
50	2.59	1.60	4.62	3.19
51	2.83	1.80	5.16	3.67
52	3.13	2.04	5.82	4.17
53	3.42	2.31	6.50	4.71
54	3.74	2.56	7.28	5.29
55	4.11	2.87	8.28	5.99

Age	Annual premium for \$1,000 of Death only cover (\$)		Annual premium for \$1,000 of Death and TPD cover (\$)	
	Male	Female	Male	Female
56	4.51	3.20	9.41	6.77
57	4.95	3.56	10.75	7.83
58	5.50	3.91	12.34	9.03
59	6.10	4.33	14.20	10.46
60	7.13	4.79	16.67	12.13
61	8.30	5.30	19.45	14.10
62	9.57	5.92	22.60	16.38
63	10.96	6.74	26.11	19.08
64	12.51	7.68	30.04	22.21
65	14.22	8.73	34.18	25.26
66	16.09	10.02	38.68	28.96
67	18.14	11.50	43.60	33.27
68	20.31	13.32	48.82	38.54
69	22.73	15.48	54.63	44.82
70	25.29	17.99	60.79	52.07
71	28.14	20.87	67.63	60.40
72	31.35	24.10	75.31	69.73
73	34.97	27.75	84.04	80.28
74	38.92	31.89	93.51	92.26
75	42.82	36.38	103.60	106.12
76	46.96	41.40	N/A	N/A
77	51.21	47.11	N/A	N/A
78	55.52	53.58	N/A	N/A
79	59.91	60.83	N/A	N/A
80	65.31	69.22	N/A	N/A