



# Notification of changes to Intrust Super Group Life insurance – [Intrust Core Super | MySuper]

Effective 1 June 2016

The Group Life insurance policy attached to Intrust Super's Core Super | MySuper product is approaching its renewal date. Therefore, we have carried out a comprehensive tender and negotiation process to determine the most appropriate insurer to continue offering members Group Life, and to achieve the best possible balance between terms and conditions and price. As a result of this process, the fund trustee has decided to reappoint Hannover Life Re of Australasia Ltd as the fund's Group Life insurer.

Hannover will offer Group Life insurance cover under the terms of a new policy to Intrust Core Super | MySuper members from 1 June 2016.

The information in this notification summarises the material changes between the existing Group Life policy and the new Hannover policy terms that will apply from the renewal date. Please visit [www.intrust.com.au](http://www.intrust.com.au) and read the Core Super | MySuper Product Disclosure Statement and the Core Super | MySuper Insurance & Other Important Information document. These documents provide further, important, information regarding the Death and Total and Permanent Disablement [TPD] insurance offered with your product.

The following changes apply to the Core Super | MySuper product:

1. Premium rates for **combined** Death & TPD insurance will increase on 1 June 2016. The cost of one unit of **TPD** cover will move from \$0.90 per week to \$1.48 per week. The cost of one unit of **Death only** cover will reduce from \$1.10 per week to \$1.07 per week. The result is that the cost of one unit of combined Death & TPD cover will increase from \$2.00 per week to \$2.55 per week.
2. Limited Cover\* will apply to a broader range of cover. Specifically, it will be extended to all insurance cover granted outside of Default Cover.# This will include cover such as Reinstated cover and Life Events cover. Underwritten cover may or may not be subject to Limited Cover at the discretion of the insurer. The Limited Cover time period has also increased from 12 months to 24 months.
3. At the end of the 24 month Limited Cover period, members who are subject to this cover will need to satisfy an at-work test for 30 days before Limited Cover lapses and ordinary cover applies.
4. The policy test for a successful TPD claim will now require that the claimant shows that they are *unable* to engage in future Gainful Employment for which they are reasonably suited by education, training or experience. Currently the test is that they are *unlikely* to engage in future in Gainful Employment for which they are reasonably suited by education, training or experience. Part 4 of the policy clause under the heading 'What is Total and Permanent Disablement?' has changed to require a TPD test based on the *Activities of Daily Working*, rather than the *Activities of Daily Living*. **A comparison of the existing and the replacement versions of the full definition for TPD has been included in Table 1.**
5. The existing \$1,200 minimum account balance rule which maintains insurance cover will no longer exist. Under the current rule, if Superannuation Guarantee contributions cease being paid to a member's account, and the member's account balance falls below \$1,200, their Group Life cover will cease. Under the new arrangements a member in these circumstances will continue to have insurance cover until the member has an insufficient account balance to pay the required insurance premium.
6. Cover that can be transferred to Intrust Super from another superannuation fund, subject to terms and conditions, is now limited to \$1,000,000. Total cover in place [after transfer] is limited to \$2,000,000.

\***Limited Cover** means an Illness diagnosed or an Injury that occurs on or after the date cover commenced or recommenced for an Insured Person under The Policy

#**Default Cover** means two [2] units of cover according to the Agreed Benefit Scale. This cover is granted on joining to Eligible Persons without the need for medical evidence.

## Changes to TPD definition

In addition to the changes above, the definition relating to TPD has changed. This is detailed in the table below.  
Table 1: Comparison of the existing and new definition of TPD.

### EXISTING POLICY DEFINITION FOR TPD

#### What is Total and Permanent Disablement?

*Total and Permanent Disablement* in respect of an *Insured Person* who is:

- [a] Aged less than 65 and is gainfully employed and working 15 or more hours each week within the 6 months prior to the *Date of Disablement*, is determined under either Part 1, Part 2, Part 3, Part 4 or Part 5, or
- [b] Aged less than 65 and who was not gainfully employed or is working less than 15 hours each week within the 6 months prior to the *Date of Disablement*, is determined under either, Part 3, Part 4 or Part 5.

#### Part 1 – Unlikely to Return to Work

The *Insured Person* is unable to do any work as a result of *Injury* or *Illness* for 3 consecutive months and in our opinion at the end of that 3 months they continue to be so disabled that they are in our opinion unlikely to resume their previous occupation at any time in the future and will be unlikely at any time in the future to perform any *Other Occupation*.

#### Part 2 – Permanent Impairment

The *Insured Person* is engaged in gainful employment when suffering an *Injury* or *Illness* and, as a result of that *Injury* or *Illness*, they:

- [a] Suffer a permanent impairment of at least 25% of whole person function as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 4th edition, or any other recognised standard we agree, and
- [b] Are disabled to such an extent, as a result of this impairment, that the *Insured Person* is unlikely ever again to be able to engage in any occupation, business, profession or employment for which the *Insured Person* is reasonably fitted by education, training or experience.

#### Part 3 – Loss of Use Of

The *Insured Person* suffers the total, permanent and irrecoverable loss of:

- [a] The use of 2 limbs, or
- [b] The sight of both eyes, or
- [c] The use of 1 limb and sight of 1 eye.

#### Part 4 – Cognitive Loss

The *Insured Person*, as a result of *Illness* or *Injury*, suffers *Cognitive Loss*.

#### Part 5 – Activities of Daily Living

The *Insured Person* suffers an *Illness* or *Injury*, that in our opinion:

- [a] Totally and irreversibly prevents them from performing 2 of the *Activities of Daily Living* without assistance from another adult person for at least 3 consecutive months, and
- [b] Since they became ill or injured, they have been under the regular care and attention of a *Doctor* for that *Illness* or *Injury*, and
- [c] In our opinion, the *Illness* or *Injury* means that they are unlikely to ever again be able to perform at least 2 of the *Activities of Daily Living* without assistance from another adult person.

We will waive our usual 3 month *Total and Permanent Disablement* waiting period and provide immediate assessment where a member is suffering *Paralysis* and all claim requirements have been received by us.

## NEW POLICY DEFINITION FOR TPD FROM 1 JUNE 2016

### What is Total and Permanent Disablement?

*Total and Permanent Disablement* in respect of an Insured Person who is suffering permanent incapacity and who is:

- [a] Aged less than 65 and is gainfully employed and working 15 or more hours each week within the 6 months prior to the *Date of Disablement* is determined under either Part 1, Part 2, Part 3, Part 4 or Part 5, or
- [b] Aged less than 65 and was not gainfully employed or is working less than 15 hours each week within the 6 months prior to the *Date of Disablement* is determined under either Part 3, Part 4 or Part 5.

We may waive the 3 month *Total and Permanent Disablement* waiting period and provide immediate assessment where an *Insured Person* is suffering *Paralysis* and all claim requirements have been received by us.

In order to satisfy Part 2, 3, 4 or 5 of clause 4.2 an *Insured Person* must be so disabled at the *Date of Disablement* that in our opinion their ill-health [whether physical or mental] makes it unable for them to resume their previous occupation at any time in the future and that they will be unable at any time in the future to engage in *Gainful Employment* for which they are reasonably suited by education, training or experience.

#### Part 1 – Unable to Return to Work

The *Insured Person* is unable to do any work as a result of *Injury* or *Illness* for 3 consecutive months and in our opinion at the end of that 3 months they continue to be so disabled as the result of their ill-health [whether physical or mental] that they are unable to resume their previous occupation at any time in the future and will be unable at any time in the future to engage in *Gainful Employment* for which they are reasonably suited by education, training or experience.

#### Part 2 – Permanent Impairment

The *Insured Person* is engaged in *Gainful Employment* when suffering an *Injury* or *Illness* and, as a result of that *Injury* or *Illness*, they suffer a permanent impairment of at least 25% of whole person function as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 4th edition, or any other recognised standard we agree.

#### Part 3 – Loss of Use Of

The *Insured Person* suffers the total, permanent and irrecoverable loss of:

- [a] The use of 2 limbs, or
- [b] The sight of both eyes, or
- [c] The use of 1 limb and sight of 1 eye.

#### Part 4 – Cognitive Loss

The *Insured Person*, as a result of *Illness* or *Injury*, suffers *Cognitive Loss*.

#### Part 5 – Activities of Daily Working

The *Insured Person* suffers an *Illness* or *Injury*, that in our opinion:

- [a] Totally and irreversibly prevents them from performing 2 of the *Activities of Daily Working* without assistance from another adult person for at least 3 consecutive months, and
- [b] Since they became ill or injured, they have been under the regular care and attention of a *Doctor* for that *Illness* or *Injury*, and
- [c] They are unable to ever again be able to perform at least 2 of the *Activities of Daily Working* without assistance from another adult person.

# Definitions related to TPD in policy commencing 1 June 2016

## **Activities of Daily Working** means:

- [a] Walking and Bending: The ability to walk more than 200m on a level surface without stopping due to breathlessness, angina or severe pain elsewhere in the body; and  
The ability to bend, kneel or squat to pick something up from the floor and straighten up again and the ability to get into and out of a standard sedan car.
- [b] Vision [reading]: The ability to read with visual aids, to the extent that an ophthalmologist can certify that: visual acuity is equal to, or better than, 6/48 ·1n both eyes; or  
constriction is within or greater than 20 degrees of fixation in the eye with the better vision.
- [c] Lifting: The ability to pick up an object weighing 2kg at table height and hold for 60 seconds before replacing the object on the table.
- [d] Manual dexterity: The ability, with reasonable precision and success, to: use at least one hand, its thumb and fingers, to manipulate small objects; or  
use a keyboard if the person was required to use a keyboard in his/her previous job.
- [e] Communication: They cannot: clearly hear [with a hearing aid or other aid if normally used] conversational speech in a quiet room in their first language, or  
speak with sufficient clarity to be clearly understood in their first language.

**Cognitive Loss** means we have determined a total and permanent deterioration or loss of intellectual capacity which requires the *Insured Person* to be under the continuous care and supervision by another adult person for at least 3 consecutive months and at the end of that 3 month period, they are likely to require permanent ongoing continuous care and supervision by another adult person.

**Date of Disablement** means the date on which *Total and Permanent Disablement* is treated as having occurred under clause 4.5

**Doctor** means a registered medical practitioner who is legally qualified and properly registered to practice in Australia or New Zealand or such place as otherwise agreed by us. That person may not be the *Insured Person*, the *Insured Person's* business partner, a member of the *Insured Person's* immediate family or their employer.

**Gainful Employment** means employed or self-employed for gain or reward in any business, trade, profession, vocation, calling, occupation or employment at the time we assess the claim and includes part-time occupations, an occupation which may be perceived by the person to be of lower status than the person's previous occupation or an occupation in which the person does not earn as much income as they did in their previous occupation and taking into account any retraining they have undertaken or have a capacity to undertake in the future.

**Injury** means bodily injury caused by violent, external and visible means.

**Illness** means a sickness, disease or disorder.

**Insured Person/s** means an *Eligible Person* for whom cover other than *Accident Cover* is in force

**Paralysis** means any of the following:

- [a] Diplegia, the permanent and total loss of function of both sides of the body due to *Injury* or *Illness*, or
- [b] Hemiplegia, the permanent and total loss of function of one side of the body due to *Injury* or *Illness*, or
- [c] Paraplegia, the permanent and total loss of use of both legs resulting from *Injury* or *Illness*, or
- [d] Quadriplegia, the permanent and total loss of use of both arms and both legs resulting from *Injury* or *Illness*, or
- [e] Tetraplegia, the permanent and total loss of use of both arms and both legs resulting from *Injury* or *Illness*.

**Permanent Impairment** means a condition as specified in clause 4.2.

**Total and Permanent Disablement** means any of the conditions described in clause 4.2.