

Mercy Super

MLC Group Life

Policy document



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Important information

- Your contract of insurance with us comprises:
 - the terms contained in this document and the accompanying Schedule; and
 - any annexures issued under this Policy.

- Certain terms commencing with capital letters are terms that are defined in the definitions section of the Policy.
- The details of your cover are set out in the Schedule. The Schedule contains, but is not limited to, the Commencement Date, your Policy name and number, the Eligibility Terms described on page 2, the Annual Renewal Date, the rates and any special terms attached to the Policy.

Where special terms are noted in the Schedule and they differ from this Policy document, the terms as set out in the Schedule will prevail.

- A reference to 'you' or 'your' means the Policy owner set out in the Schedule who will receive payment of all Benefits and pay all Premiums under the Policy.
- References to 'we', 'our' or 'us' means MLC Limited – ABN 90 000 000 402 AFSL 230694 whose Head Office is at 105–153 Miller Street, North Sydney NSW 2060.

The minimum numbers to set up a group insurance Policy is 20 insured lives, but if the group is a manufacturing group the minimum is 100 insured lives. If the group falls below the minimum of 20 insured lives, Automatic Acceptance may be withdrawn from the Policy. The minimum annual Premium is \$10,000.

- The maximum insurance Benefit that may be offered is:
 - \$10 million for death cover
 - \$3 million for TPD cover
(**note:** the industry maximum for TPD Cover is \$3 million, inclusive of all insurance cover held by or on behalf of the Insured Member).

- Superannuation Law limits the circumstances when superannuation funds can pay Benefits. This may mean that a Benefit payment will need to be kept in the Fund until it can be paid under Superannuation Law.

Where the Policy is a superannuation Policy, as indicated in the Schedule, we recommend that you seek independent expert advice if you have any concerns about whether a payment may be paid from the Fund.

- There may be different categories of Insured Members under this Policy. These are described in the Schedule, and any Eligibility Terms applying to each category are set out in the Schedule. A person who meets Eligibility Terms applying to a category, and who is nominated by you for that category, may become an Insured Member in that category. If there is more than one category under this Policy the terms of cover and maximum levels of cover may vary depending on the particular category. Where this is the case, it is noted in the Schedule.
- All headings in this Policy are for ease of reference only.
- While insurance benefits generally do help reduce financial loss, there is a risk that an insurance product may not be suitable or adequate for your employees' or members' needs. To help prevent this you should read this Policy document carefully and consult your financial adviser to assess your insurance needs. When replacing insurance, it is recommended you do not cancel an existing insurance arrangement until the replacement insurance is in place.
- Any stamp duty or other government charges levied from time to time in relation to this Policy (including any duty or charges on Premiums) must be paid by you. We will advise you of any amount payable.

- This Policy is designed purely for insurance protection. Unlike some other types of life insurance that have investment or savings components, it will never have a surrender or cash value.

- No authorised representative, broker or financial adviser may change this Policy without your consent and our consent. Any requested changes will only be valid if we confirm the changes in writing.
- The Premiums are placed in our Statutory Fund No 1.

An MLC Group Insurance Policy does not represent a deposit with or a liability of National Australia Bank Limited ABN 12 004 044 937 AFSL 230686 or any of its related bodies corporate (other than a liability of MLC Limited as insurer). Neither National Australia Bank Limited, nor any of its related bodies corporate (other than MLC Limited as insurer) guarantees or accepts liability in respect of MLC Group Insurance.

Policy Terms – Insurance Benefits

Death Benefit

If an Insured Member dies while this Policy is in force in respect of that Insured Member, we will, subject to the terms of this Policy, pay the death Benefit for that person as shown in the Schedule.

Total and Permanent Disablement ('TPD') Benefit

If a TPD Benefit is shown in the Schedule and an Insured Member suffers TPD while this Policy is in force in respect of that Insured Member, we will, subject to the terms of this Policy, pay the TPD Benefit for that person.

TPD cover is only available in conjunction with death cover.

Terminal Illness Benefit

If an Insured Member suffers a Terminal Illness while the Policy is in force in respect of that Insured Member, we will, subject to the terms of the Policy, pay an advance death Benefit up to a maximum amount of \$3 million. We will pay the lesser of:

- The death cover Benefit; or
- \$3 million

Where the Terminal Illness Benefit is less than the death Benefit and the TPD Benefit if applicable, the death or TPD Benefit otherwise payable to the Insured Member will be reduced by the amount of the Terminal Illness Benefit paid. Reduced Premiums in line with the reduced level of cover will apply.

Worldwide Cover

The cover described in this Policy is provided to Insured Members, twenty-four (24) hours a day on a worldwide basis.

Automatic Acceptance and Eligibility Terms

Automatic Acceptance

Automatic Acceptance' means that we will agree to accept Eligible Persons for cover not exceeding the Automatic Acceptance Level (AAL), without the need for medical or other evidence, provided they meet the Eligibility Terms set out below.

Automatic Acceptance Levels may be granted by us under this Policy subject to at least 75% of all persons in the group actually becoming Insured Members. If overall membership of the Policy falls under 75% we may withdraw Automatic Acceptance on the Policy.

Eligibility Terms

The Eligibility Terms for determining who you can nominate for automatic cover under this Policy are set out below and in the Schedule. To be considered as eligible for cover under this Policy, the following criteria must be met:

- an Eligible Person must be 'At Work' and performing the normal duties of their Occupation on the date they are eligible for cover. If the Eligible Person is not 'At Work' on this date, the Eligible Person will receive Limited Cover until they return to Active Employment for two (2) consecutive months.
- an Eligible Person must be under the Ceasing Age;
- an Eligible Person must be Employed by the Employer or a member of the Fund;
- an Eligible Person must be nominated to join within one hundred and twenty days (120) days of first becoming eligible for cover;
- an Eligible Person must be an Australian resident unless otherwise agreed with us. For the purposes of this term, an 'Australian resident' means a person who:
 - has always lived in Australia or has come to Australia to live; and
 - is eligible to work in Australia.

When does an Eligible Person become an Insured Member?

If an Eligible Person meets the terms for Automatic Acceptance, they become an Insured Member when we advise you in writing, with effect from the date they are eligible for cover.

If an Eligible Person does not meet the Eligibility Terms for Automatic Acceptance, eg: is not 'At Work' on the date that the insurance cover would otherwise have become effective, the Eligible Person will receive Limited Cover until they return to Active Employment for two (2) consecutive months.

Evidence of Insurability / Underwriting Terms

Where an Eligible Person is not eligible for Automatic Acceptance or an Insured Member's cover exceeds the Automatic Acceptance Level (AAL) and they apply for cover or an increase in cover above the AAL, we will only agree to accept the Eligible Person or Insured Member on certain conditions. We refer to this as "Underwriting Terms".

Underwriting Terms apply when:

- a person does not meet the Eligibility Terms;
- the amount of the cover, or any increase in the cover, exceeds the AAL shown in the Schedule; in this case Underwriting Terms apply in respect of the amount that is in excess of the AAL;
- the increase in cover exceeds the Insured Member's Forward Underwriting Level (FUL); in this case Underwriting Terms apply in respect of the amount in excess of the FUL;
- the Insured Member's salary/sum insured increases by more than 30% in any twelve (12) month period. Any increase in excess of 30% may be subject to Underwriting Terms;
- the AAL is nil; in this case Underwriting Terms apply in respect of the total amount of cover;
- an increase in cover is other than as a result of the Policy's agreed Benefit Formula;
- the insured amount for an Insured Member is reduced to nil for a period of time, and subsequently reinstated; in this case Underwriting Terms apply in respect of the total amount of cover and any subsequent increases in cover.

What happens if Underwriting Terms apply?

If Underwriting Terms apply, we will only consider whether to provide the cover, or an increase in cover, if the Eligible Person or Insured Member completes the Evidence of Insurability forms and provides information requested by us for our assessment. We will tell you what information we need and will meet any medical costs for requirements we have requested, provided a request for insurance has been submitted to us.

We have the discretion whether to approve the cover, and/or any increase in the cover and we will notify you of our decision after assessment of the Evidence of Insurability forms and information has been completed. If we accept the cover, we will also tell you:

- of any special terms applied to the cover;
- when the cover starts;
- if we have agreed to the Automatic Acceptance of future increases in the cover and the amount of the increase. If we do this, additional underwriting will not apply to those increases up to the agreed higher amount. We call this higher amount the 'Forward Underwriting Level'.

Any application for cover for an Eligible Person or an increase in cover in excess of the AAL for an Insured Member, will only take effect when we notify you that the application in respect of the cover for an Eligible Person, or increase in cover for the Insured Member, has been accepted.

We will notify you of any nomination for membership, or application for cover in excess of the AAL, that is rejected or which will only be accepted by us on special terms.

General information

Claims

You must notify us in writing as soon as reasonably practicable of the following:

- the death of an Insured Member; or
- the diagnosis of an Insured Member as having a Terminal Illness or being TPD.

On receipt of notification of a claim we will provide you with our standard claim form. The claim form must be fully completed and returned to us as soon as possible. We may request and obtain other such information and documentation that we require to consider and process the claim.

You must ensure for the assessment and payment of the claim, that:

- we are provided with satisfactory proof of death for a death claim;
- we are provided with satisfactory proof of age of an Insured Member;
- for TPD and Terminal Illness claim applications, we are provided with two (2) treating Doctor reports prepared using the forms prescribed by us at the Insured Member's own expense;

- if required by us, we are provided with reports from a Doctor on the medical condition of the Insured Member at such times as we may reasonably require, at our expense;
- in relation to the payment of a TPD or Terminal Illness Benefit, we shall have the right to conduct, at our expense, a medical examination with a Doctor of our choice, including pathology testing such as blood tests, of any Insured Member at such times as we may reasonably require;
- we are provided with any additional information we need to assess the claim, at the Insured Member's own expense.

Unless otherwise mutually agreed, our payment to you shall be a full and final discharge of our liability with respect to a particular claim and with respect to any Benefit to the Insured Member. We may deduct taxes, duties or imposts that may apply to the Benefit.

The Policy must have been in force when the events leading to the claim occurred, or we must have agreed in writing otherwise.

We reserve the right to list all claims with an insurance reference bureau for the purpose of establishing and obtaining an insurance reference from an insurance claims database.

When incorrect information is provided to us

We rely on the information provided to us by you and the Insured Member to assess whether we will provide cover for an Eligible Person or pay a Benefit for an Insured Member. If any information provided is incorrect or there is a failure on your part or the Eligible Person's or Insured Member's part to comply with the duty of disclosure as described on page 8 of this Policy, we may:

- avoid the Policy if the failure to comply with the duty of disclosure or the misrepresentation of information was fraudulent;
- avoid the Policy within three (3) years of the Commencement Date, if we would not have entered into the Policy on any terms had the duty of disclosure been complied with or the misrepresentation not been made;
- vary the Benefit provided under this Policy; or
- if the misrepresentation is in relation to the age of the Eligible Person or Insured Member we may vary the Benefit and/or Premiums payable under this Policy.

Cessation of Cover / Extended Cover

All insurance cover under this Policy for an Insured Member will cease on the earliest of the following:

- sixty (60) days after the date the Insured Member's superannuation account balance is insufficient to cover the cost of the insurance premium;

Continuation Option

- the date the Insured Member requests their cover to be cancelled under this Policy;
- the date the Insured Member effects a continuation option under this Policy;
- the date the Insured Member attains the Ceasing Age stated in the Schedule;
- the day before the Insured Member commences service in the armed forces of any country (not including Australian Army Reserve);
- the date a death or TPD Benefit is paid in respect of the Insured Member;
- the date a Terminal Illness Benefit is paid in respect of the Insured Member which is not less than the amount of the Death and/or TPD Benefit in respect of that Insured Member;
- the date the Insured Member ceases to be a member of the superannuation fund for which this Policy is held;
- the date this Policy terminates, or is cancelled.

Termination of this Policy, or the cessation of cover for an Insured Member, shall not prejudice any entitlement to make a claim for an event which happened prior to the cessation of cover.

Where cover has ceased due to the Insured Member effecting a continuation option, any claims arising under this Policy may only be made pursuant to the Policy effected under the continuation option.

Where an Insured Member who has not attained the age of sixty (60) years ceases to be Employed and is no longer covered under this Policy and is not entitled to, nor is claiming a Benefit under this Policy, then, provided an application for a continuation of cover is made to us within sixty (60) days after the termination of Employment, we may issue to the Insured Member an individual policy that is guaranteed to renew annually.

If the Insured Member exercises a continuation option, all cover under this Policy and/or extended cover ceases on commencement of cover under the individual life insurance policy.

The following terms will apply to the Insured Member's option to continue cover under an individual MLC death and disability insurance policy:

- the Insured Member's cover must have ceased as a consequence of the Insured Member ceasing Employment with the Employer and not for reasons of ill health. Continuation of cover is not available where the Insured Member leaves the Fund and there is no change in employment;
- for TPD insurance the Insured Member must commence Full Time Employment within ninety (90) days of ceasing employment;
- the Insured Member has not ceased to be an Insured Member because of duty in the armed forces (not including Australian Army Reserve);
- the Benefit will be no more than the entitlement under this Policy. Any special terms and conditions applying to the Insured Member under this Policy, including loadings or exclusions, will also apply under the individual policy;

- the cover will be provided on the terms, conditions and rates that are current for this type of insurance at the time, and must satisfy MLC's underwriting criteria in relation to occupation, pastimes, smoking status and residency status;
- the individual policy premium will be subject to MLC's normal minimum premium;
- the Insured Member must not have received, nor be eligible to receive, any TPD payments (under a group life policy) or similar payments under any other policy;
- The Insured Member must be a permanent resident of Australia.

We retain the discretion to refuse to provide cover under the continuation option where we do not have a retail product which covers the occupational risk of the individual applying for the continuation option.

The premium payable for the individual policy will be based on our standard premium for similar policies taking into account, but not limited to, the Insured Member's Benefit, age, sex, occupation, pastimes and smoking status, residency status and any special terms that apply to the person under this Policy.

Premiums

The initial Premium will be payable on the Commencement Date of the Policy and must be paid within thirty (30) days. Subsequent Premiums will be payable annually in advance of the Annual Renewal Date, although you may vary the terms for payment of Premiums by agreement with us. The frequency of payment of Premiums will be set out in the Schedule. Premiums must be calculated using the Premium rates set out in the Schedule.

Premium adjustments will be made to the Premium at each Annual Renewal Date to take into account the number of Insured Members at the Annual Renewal Date and any variation in the level of Benefits insured under this Policy over the period since the Policy commenced, or the last Annual Renewal Date.

If as a result of the recalculation of the Premium, you have paid too much we will refund you the overpayment. If you have not paid enough, we will notify you in writing of the additional Premium due. We refer to this as the adjustment Premium.

Insured Members who you have not advised us of as part of the renewal information will not be covered by this Policy until:

- you have advised us that the person should have been included; and
- we have agreed to cover the person on such terms as we may determine (including, but not limited to, subjecting the person to Underwriting Terms).

We require you to provide us with the policy renewal information necessary to determine Premiums within a reasonable time frame each year. You must pay a deposit Premium equal to the previous year's Premium within thirty (30) days of the Annual Renewal Date, until you provide us with sufficient renewal data for us to determine the updated Premium.

If Premiums are not paid within thirty (30) days of the date they fall due, we will give you notice of our intention to cancel the Policy. If the overdue Premiums have not been paid within a further twenty-eight (28) days of that notice, the Policy will be cancelled and all cover will cease, unless otherwise agreed by us.

All Premiums under this Policy must be paid in Australian currency.

You must pay the Premium for all periods during which the Policy has been in force, including any period of interim Accident cover.

A Premium loading will apply if you elect to pay Premiums by any frequency other than annually, as set out in the Schedule.

We reserve the right to recover from you the cost of any duty, tax, excise or other charge of the Commonwealth or any State or Territory Government in respect of this Policy. The Federal Government passed Goods and Service Tax (GST) legislation effective from 1 July 2000, under which MLC products are input-taxed. While this means that no explicit GST charge will be directly applied to this Policy, MLC does have to pay GST on some of the goods and services involved in its provision. MLC is not entitled to claim input tax credits for all of the GST it pays, and this will result in increased costs which may be reflected in Premium rates.

When we can change the Premium Rates / Automatic Acceptance Level (AAL)

We may vary the Premiums and Automatic Acceptance Level (AAL) at any time if we give you one (1) months prior notice in writing. Unless otherwise specified in the Schedule, Premium rates will generally remain fixed for a period of three years from the commencement of the Policy. Any variation resulting in higher rates or a reduction in the Automatic Acceptance Level will not be made within the Premium Rate Guarantee Period set out in the Schedule, unless:

- there is a change in any government charge, licence fee, tax or any other impost that is directly attributable to the Policy; or
- there is an invasion or outbreak of war (whether declared or not) in Australia, New Zealand or the Member's country of residence. If you do not pay any such increase we will not pay any Benefits under the Policy in respect of an Insured Member where the event giving rise to the claim arose either directly or indirectly from the invasion or war.

In such cases the changed Premium rates and AAL will apply from the date of our written notice to you. Any alteration to the rates and AAL can only be made once in any twelve (12) month period.

Applying TPD Definitions to different categories

Different TPD definitions can apply to separate categories of members within your Policy, as shown in the Schedule.

You may select the applicable definition for each category when completing the Application, or we will determine which definition to use when we set up the Policy.

Guaranteed Renewal

We guarantee that we will renew this Policy at each Annual Renewal Date, subject to:

- receipt of renewal information satisfactory to us; and
- the due observance of all terms and conditions of this Policy; and
- payment of Premiums by the due date.

Reinstatement

If the Policy is cancelled due to non-payment of Premiums, we may, at our discretion reinstate it on such terms as we may determine.

When the Policy ends

You can end this Policy by giving us written notice or we can agree on an earlier termination date with you. If the date of cancellation falls prior to the Annual Renewal Date, we will calculate and may deduct Premiums due and payable for the period the Policy was in force, (including any administration expenses) from any Premium refund due to you.

If the Policy is cancelled we will only consider a claim if:

- the event which gave rise to the claim occurred before the Policy was cancelled; and
- the Insured Member has not been engaged in any paid Employment since cover ceased under this Policy; and
- cover for the event which gave rise to the claim has not been taken over by a new insurer; and
- any Premium arrears have been paid up to the date the Policy was cancelled.

When we can end the Policy

We may cancel a Policy by giving written notice if you fail to pay a Premium on the Premium due date, (refer to page 6, 'Premiums' for further details) or as otherwise permitted by law.

General questions you may have

Takeover terms

Takeover terms may be offered at our discretion to groups transferring to MLC Group Insurance from other insurers, providing the previous group insurance policy is similar in scope of cover to this Policy. The information we request about the operation and terms of the previous policy (including the underwriting decisions of the insurer of the previous policy) are to be provided within ninety (90) days of the Policy Commencement Date, unless otherwise agreed by us. The claims experience under the previous policy must have been satisfactory to MLC.

Takeover terms may be offered on the same basis, including any Insured Members Forward Underwriting Levels, provided by the previous insurer.

Where takeover terms are offered they will be confirmed in writing and form part of the Policy.

We will takeover cover from the Commencement Date of this Policy for all Insured Members where the claim is first "incurred" on or after the Commencement Date (and including where the Insured Member is not At Work on the Commencement Date).

For the purpose of this Policy, "incurred" means:

- with regard to a death claim, the date of the Insured Member's death;
- with regard to a TPD claim, the date the Insured Member last worked prior to disability.

Duty of Disclosure

As an Employer or Fund, before you enter into a contract of life insurance with an insurer, you have a duty under the Insurance Contracts Act (1984) to disclose to the insurer every matter that you know, or could reasonably be expected to know which is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms. An Insured Member has the same duty to disclose those matters to the insurer before such a contract of life insurance is extended, varied or reinstated.

Your duty however, does not require a disclosure of a matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that your insurer knows or, in the ordinary course of business, ought to know;
- for which your duty of compliance is waived by the insurer.

Non-disclosure

If you fail to comply with your duty of disclosure and we would not have entered into the contract on any terms if the failure had not occurred, we may avoid the contract within three years of entering into it. If your non-disclosure is fraudulent, we may avoid the contract at any time.

An insurer who is entitled to avoid a contract of life insurance may, within three years of entering into it, elect not to avoid it but reduce the sum that you have been insured for in accordance with a formula that takes into account the Premium that would have been payable if you had disclosed all relevant matters to the insurer.

Your duty of disclosure continues until the contract of life insurance has been accepted by us and confirmation in writing is issued. It also applies if you seek to extend, vary or reinstate the contract.

Cooling off period

A fourteen (14) day cooling off period applies for Employers who apply to establish a group Policy with MLC for their employees or members of a Fund. The insurance cover may be cancelled and Premiums paid will be refunded, provided notification is received by us within fourteen (14) days of the commencement of the cooling off period. The cooling off period commences for the Employer upon receipt of the Policy Schedule or at the end of the fifth business day after the Policy Schedule was issued, whichever occurs first. If notice is received within the cooling off period, we will cancel the Policy in accordance with the request.

The cooling off period terminates immediately if the Employer or an Insured Member acts in a manner confirming an interest or rights under the Policy.

Right to inspect records

We reserve the right, upon giving you reasonable notice, to inspect your books and records in relation to this Policy and to take and carry away copies of any relevant records. This right shall continue notwithstanding the termination of this Policy for any reason for a period of two (2) years after termination or until final settlement of all claims made under the Policy, whichever is the latter. We will try to minimise any inconvenience to your operations during such reviews.

Notices

Any notice we give you, or any notice you are required to give us, must be in writing. We can give you a notice personally or send it to you at your address last known to us, or send it to someone else nominated by you. A posted notice will be taken to be received on the third day after posting. A notice sent by facsimile is taken to be received at the time the facsimile transmission report indicates that it was sent in its entirety to the facsimile number of the recipient. An email notice is taken to be received at the time it appears in the recipients email inbox.

You should send notices to us as follows:

- By post or delivery to MLC Group Insurance, 105–153 Miller Street, North Sydney NSW 2060 or
- PO Box 200, North Sydney NSW 2059; or
- Send by facsimile to (02) 9966 3502 (Sydney), or
- By email to groupsales@mlc.com.au

Currency

All monetary amounts referred to in this Policy and the attached Schedule are in Australian dollars and all transactions will be made in Australian dollars.

Government Charges

Any additional stamp duty, tax or other charge levied from time to time by a government authority is payable by you in addition to Premiums, unless agreed otherwise.

General questions you may have

What if I have a complaint?

You are welcome to call Group Insurance on (02) 8908 6111. You can speak with one of our client service co-ordinators and in most cases we can deal with your complaint over the phone. If we cannot resolve your complaint over the phone, MLC Group Insurance has formal procedures for dealing with complaints and you will need to write to us. In addition to your address, please provide your phone number and/or email address if you would prefer that form of contact. Your correspondence should be addressed to:

The Manager
MLC Complaints Resolution Team
PO Box 1086
North Sydney
NSW 2059

Please mark the envelope "Notice of Complaint".

We will make every effort to resolve your complaint as quickly as possible. If there is anything that may prevent this from happening, we will notify you.

If your complaint has not been resolved within forty-five (45) days of lodgement, or if you are dissatisfied with our decision, you may seek assistance from the Financial Ombudsman Service (FOS). FOS is an independent complaints resolution scheme established to provide free assistance to customers of the financial services industry. You can contact them at:

The Manager
Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Phone: 1300 780 808
Fax: 03 9613 6399

More information about FOS is available at www.fos.org.au

Interim Accident Insurance

Interim Accident Cover

Interim Accident insurance cover is provided in respect of an Eligible Person who does not satisfy the Automatic Acceptance conditions of the Policy or an Insured Member who has applied for cover in excess of the Automatic Acceptance Level (AAL), during the underwriting process.

The interim Accident Benefit will be paid where Total and Permanent Disability or death is caused by injury. Interim Accident cover will commence on receipt of a fully completed request for insurance form and declaration of health in the form that we require. The interim Accident Benefit will be the lesser of the Benefit being applied for and \$1,000,000.

Interim Accident cover will expire on the earliest of the following:

- ninety (90) days after the commencement of the interim Accident cover;
- the date on which we gave notice that the request for insurance under this Policy is accepted or declined;
- the date the Employer or the Insured Member or Eligible Person cancels or withdraws the request for insurance; or
- the date the Eligible Person ceases to be an Eligible Person or no longer satisfies the Eligibility Terms.

Exclusions for Interim Accident Cover

No interim Accident Benefit will be payable for:

- injury to an Insured Member caused by engaging in hazardous pastimes or sports that would not be covered under our normal assessment guidelines;
- injury occurring prior to the date of becoming an Eligible Person.

Furthermore, we will not pay an interim Accident Benefit if:

- the cover applied for would have been declined under MLC's normal assessment guidelines; or
- the Eligible Person or the Insured Member lodges a claim for an event or condition that would have been excluded under MLC's normal underwriting process.

We will not pay more than one Benefit under this interim Accident insurance for any one Accident to any person.

Definitions

For the purpose of this Policy the following important definitions apply:

'Accident' means an event where bodily injury is caused directly and solely by external and visible means, independent of all other causes.

'Active Employment' means being employed on a Regular basis to carry out identifiable duties and being capable of performing those duties on a Regular basis and actually performing those duties for at least ten (10) hours per week.

'Annual Renewal Date' means each anniversary of the Commencement Date of this Policy unless otherwise agreed by you and us. This date is set out in the Schedule.

'Application' means an application for insurance cover under this Policy completed by you, via a proposal form to commence cover, or in the case of an Eligible Person or Insured Member, any information and any Evidence of Insurability required by us.

'At Work' means the person is at work for the normal daily hours of work and is actively performing the full, unrestricted or unmodified duties of their normal Occupation for which they were Employed or would have been had the day not been a day of leave (other than due to Illness or injury), public holiday or weekend day.

'Automatic Acceptance' means the acceptance for cover by us for certain members of a group without the need to provide medical evidence.

'Automatic Acceptance Level (AAL)' means the dollar limit of cover for

Automatic Acceptance specified in the Schedule.

'Benefit' means the death, Terminal Illness, Total and Permanent Disablement and interim Accident Benefits described in the Policy and the Schedule.

'Benefit Formula' means the formula used for calculating the amount of cover for an Insured Member, as described in the Schedule.

'Casual Employment' means a person engaged in employment of a temporary nature where continuity of employment is not guaranteed by the Employer, regardless of hours worked or the period of employment.

'Ceasing Age' means the age at which cover under the Policy ceases for an Insured Member, as shown in the Schedule.

'Commencement Date' means the date of commencement of cover under this Policy as set out in the Schedule.

'Doctor' means a person acceptable to us, who is registered and practising as a medical practitioner in Australia other than;

- the Insured Member;
- an Insured Member's direct family member;
- an Insured Member's business partner.

We may accept a similarly qualified person who is registered and practising as a medical practitioner in another country.

'Eligible Person' means a person who has been nominated by you for cover under the Policy and who meets the Eligibility Terms as set out in the Schedule.

'Eligibility Terms' means the rules for eligibility set out in the Policy and the Schedule.

'Employed' means engaged in Regular employment for an average of at least ten (10) hours per week.

'Employer' means the Employer named as the Policy owner in the Schedule or a participating Employer where a Fund is the Policy owner and/or any associated entity of the Employer agreed to by us.

'Evidence of Insurability' means a completed personal statement and any other evidence of health or insurability that we may require such as medical examinations and reports, medical tests and health and activity statements.

'Fixed Term Employment' means the Insured Member is Employed for a fixed period of employment determined at the commencement of their employment and where they are in receipt of leave, sick leave, superannuation and other entitlements normally associated with Full Time Employment.

'Forward Underwriting Level (FUL)' means the Benefit amount (if any) which we last notified to you up to which we will accept future increases in the amount of cover in accordance with the Benefit Formula without further underwriting.

'Full Time Employment' means engaged in permanent employment for the standard number of work hours (usually a minimum of thirty (30) hours per week) where the Employer guarantees continuity of employment and the person receives entitlements normally associated with permanent employment.

'Fund' means the superannuation fund named in the Schedule.

'Insured Member' means an Eligible Person who has been accepted by us for inclusion under and, in accordance with, the provisions of the Policy.

'Limited Cover' means the Insured Member is covered only for claims arising from:

- a sickness which first became apparent; or
- an injury which first occurred;

on or after the date that Insured Member first became eligible for cover.

'Occupation' means

- for a Professional or Senior Management, the person's occupation based on the general area of expertise of the person;
- for all other staff, an occupation that the person can perform, on full time or part time basis, based on the skills and knowledge the person has acquired through previous education, training or experience.

'Policy' means this contract of insurance between you and us which includes the policy document and Schedule and any other documentation, including policy annexures, that we advise form part of the policy.

'Premiums' means the amounts required to be paid by you under this Policy, as calculated in accordance with the rates set out in the schedule or as advised by us from time to time.

'Premium Rate Guarantee Period' means the period stated in the Schedule.

'Professional' means a person who:

- has a university degree;
- belongs, or is eligible to belong, to a professional body,
- earns a salary greater than \$80,000 per annum; and
- only works in an office environment and in a sedentary capacity.

'Regular' means a period of continuous work history as measured over the six (6) month period immediately prior to the date of claim.

'Renewal Date' means each anniversary of the Commencement Date of this Policy unless otherwise agreed. This date is shown in the Schedule.

'Schedule' means the schedule to this Policy headed schedule, as amended from time to time and any annexures or other documentation we advise that forms part of the schedule.

'Seasonal or Contract Employment' means the person is not in Fixed Term Employment but is employed or contracted in their own name or in their business name or through an agency, to complete a specific job and without guarantee of continuity of employment, irrespective of the hours worked or the period of employment.

'Senior Management' means a person who:

- is part of the senior management of the employer;
- earns a salary greater than \$80,000 per annum; and
- only works in an office building and in a sedentary capacity.

'Spouse' means a person living together with another person as husband, wife or de facto partners on a genuine domestic basis in a relationship as a couple, including same sex partners.

'Superannuation Salary' means either the Insured Member's full time equivalent annual award or enterprise or industrial agreement rate of salary; or the contracted salary calculated to a full time equivalent salary.

'Terminal Illness' means the Insured member offers an illness which in our opinion, after consideration of medical evidence would reasonably be expected to reduce the life expectancy of the Insured Member to less than twelve (12) months. The reduced life expectancy must occur while the Insured Member is covered by the Policy.

'TPD' means Total and Permanent Disablement as defined below. An Insured Member is totally and permanently disabled if one of the following applies:

(a) Specific Loss

The insured member suffers, as a result of sickness or injury:

- i) the total and permanent loss of the use of two *limbs*; or
- ii) *blindness* in both eyes; or
- iii) the total and permanent loss of the use of one *limb* and *blindness* in one eye;

Where:

Definitions

- *limb* means the whole hand below the wrist or whole foot below the ankle; and
- *blindness* means the permanent loss of sight to the extent that visual acuity is 6/60 or less, or to the extent that the visual field is reduced to twenty (20) degrees or less of arc.

or

(b) Activities of Daily Living

The Insured Member is, as a result of illness or injury, totally unable to perform without the physical assistance of another person any two of the following activities of daily living:

- dressing - the ability to put on and take off clothing;
- toileting - the ability to use the toilet, including getting on and off;
- mobility - the ability to get in and out of bed and chair;
- continence - the ability to control bowel and bladder function;
- feeding - the ability to get food from a plate into the mouth;

and the person is permanently and irreversibly unable to do so for life.

or

(c) Own/ Similar Occupation

The Insured Member:

- i. was employed on a permanent basis for at least the minimum hours or on a casual basis for at least ten (10) hours per week immediately prior to the date of disablement; and
- ii. as a result of sickness or injury, has been absent from all employment for six (6) consecutive months from the date of disablement and we consider, on the basis of medical and other evidence satisfactory to us, the

Insured Member was, at the end of the period of six (6) consecutive months absence from employment, unlikely ever to be able to engage in any Occupation, whether or not for reward.

or

(d) Home Duties

Where an Insured Member's Occupation is classified as 'Home Duties', an Insured Member having been absent from his or her Occupation solely through injury or sickness for a period of six (6) consecutive months and is incapacitated to such an extent that, in our opinion, after consideration of medical and other relevant evidence, the Insured Member was, at the end of the period of six (6) consecutive months absence from employment, unlikely to ever again attend to at least two (2) normal physical domestic household duties.

For the purposes of this definition, 'normal physical domestic household duties' means:

- Cleaning the family home; or
- Shopping for food and household items; or
- Meal preparation and laundry services; or
- Leaving the house without the assistance of another person; or
- Looking after dependent child/ children under sixteen (16) years of age or in full time secondary education, where applicable; or
- Providing full time care for a disabled person(s) who is a member of their immediate family, where applicable.

If the Insured Member is able to perform the normal physical domestic household duties with the assistance of another person or with the use of assistive devices, they are deemed to be able to perform these duties. The Insured Member must be under the regular care and attention and following the advice of a Doctor for that injury or sickness. Evidence that the Insured Member carried out the duties on a daily basis prior to their period of disability will be required.

'Trust Deed Categories of Membership' means the following categories of membership under the Fund:

- Category A: Defined Benefit Full Time Employees;
- Category A2: Contributory Accumulation Full Time Employees;
- Category B: Award/SGC Category Employees;
- Category C: Defined Benefit Part Time Employees;
- Category C2: Contributory Accumulation Part Time Employees;
- Category D: Spouse Members;
- Category E: Deferred Category.

Eligibility for membership in the Fund for each Category is as defined in the Trust Deed.

'Underwriting Terms' means the terms on which we agree to provide cover described in 'Evidence of Insurability/ Underwriting Terms' on page 3.

Policy Schedule Group Life Insurance



Item 1

Policy Owner	Mercy Super Pty Ltd
ABN	98 056 047 324
RSE Licence/Registration	L0001359 / R1004311
Name of Entity	Mercy Super
Policy Number	G2896
Policy Commencement Date	1 July 2009
Annual Renewal Date	1 July
Premium Frequency	Yearly
Policy Type	Superannuation

Item 2

Category Descriptions	
Category A:	All Defined Benefit Members
Category B:	All Award SG Members
Category C:	All Contributory Accumulation Members
Category D:	All Spouse Members
Category E:	All Deferred Benefit Members
Notes:	
1. Refer to the definition of 'Trust Deed Categories of Membership' for the Fund's corresponding category descriptions.	

Item 3

Eligibility Terms	
Category A, B & C:	Immediately upon commencement of employment
Category D:	On acceptance of the Member's application for cover
Category E:	On transfer from Category A, B or C on termination of employment

Item 4

Insured Amount	Benefits	Benefit Formula
Category A:	Death & TPD	<p>$A \text{ times } B \text{ times } C;$</p> <p>Where:</p> <p>'A' = Member's Salary at last Annual Renewal Date;</p> <p>'B' = 19%; and</p> <p>'C' = Number of years and complete months from the last annual review date or date joined this Category (whichever is the latter) and the member's Normal Retirement Date.</p>
Category A (additional voluntary cover):	Death & TPD	Units of Cover as nominated by the Member (as per Scale of Cover in Appendix A)
Category B & C:	Death & TPD	<p>Up to and including Age 35: 4 Units Death / 6 Units TPD</p> <p>Age 36 to Age 69: 4 Units Death / 4 Units TPD</p>
Category D:	Death & TPD; or Death Only	Units of Cover as nominated by the Member (as per Scale of Cover in Appendix A)
Category E:	Death & TPD	<p>Transferring from Category A: The dollar amount of cover held by the Member under Category A at the date of transfer, converted to Units of Cover (as per the Scale of Cover in Appendix A) and rounded up to the next whole Unit</p> <p>Transferring from Category B or C: The equivalent Units held by the Member under Category B or C at the date of transfer</p>

Notes:

1. The Normal Retirement Date for Category A Members is the date the Member reaches Age 65.
2. Category A, B, C, D & E Members can apply for additional Units of Death and/or TPD cover at any time (subject to providing Evidence of Insurability and Maximum Benefit Limits).
3. On reaching Age 36, Category B & C Members will retain 4 Units Death / 6 Units TPD cover unless the Member requests a reduction in the number of Units of cover.
4. Refer to Item 15 for the relevant TPD definition.

Item 5**Salary Definition**

Category A:	Superannuation Salary
Category B, C, D & E:	Not Applicable

Item 6**Tapering**

Category A, B, C, D, & E:	Not Applicable
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Item 7**Automatic Acceptance Level**

Category A:	\$300,000
Category A (additional voluntary cover):	Not Applicable
Category B & C:	Up to and including Age 35: 4 Units Death / 6 Units TPD Age 36 to Age 69: 4 Units Death / 4 Units TPD
Category D:	Not Applicable
Category E:	Not Applicable

Notes:

- At least 75% of eligible Members must join this Policy for this AAL to be applicable.

Item 8**Maximum Benefit Limit**

Category A, B, C, D, & E:	Death \$10 million; TPD \$3 million
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Item 9**Premium Rates**

Category A:	Death:	\$1.60 per \$1,000 sum insured
	TPD:	\$0.69 per \$1,000 sum insured
Category A (additional voluntary cover):	Death:	\$0.50 per Member per Unit per week
	TPD:	\$0.50 per Member per Unit per week
Category B, C, D & E:	Death:	\$0.50 per Member per Unit per week
	TPD:	\$0.50 per Member per Unit per week

Notes:

- Premium Rates are inclusive of Stamp Duty.

Item 10**Premium Rate Guarantee Period**

To 30 June 2012

Item 11**Date Benefits Calculated in the Event of a Claim**

Date of Claim

Item 12**Takeover Terms**

Applicable

Item 13**Ceasing Age**

Category A:	65
Category A (additional voluntary cover):	70
Category B, C, D & E:	70

Notes:

1. Parts (a) and (b) of the TPD definition apply to TPD cover from age 65.

Item 14**Continuation Option**

Death and TPD

Item 15**TPD Definition**

The following parts of the TPD definition apply, as set out in the Policy Document:

Where the Insured Member is aged 64 years or less and is Employed for at least 10 hours per week:

Parts (a), (b) and (c)

Where the Insured Member is aged 64 years or less and is Employed for less than 10 hours per week; or the Insured Member's Occupation is classified as 'Home Duties':

Parts (a), (b) and (d)

Where the Insured Member is aged 65 or more:

Parts (a) and (b)

Item 16**Terminal Illness Benefit**

Applicable

Item 17**Special Conditions****1. Underwriting Terms - Premium Loadings**

Premium loadings are not payable under this Policy, including where a premium loading applied to all or part of an Insured Member's insurance cover under the Fund's previous group insurance policy.

Where an Insured Member should attract a premium loading and applies for a Continuation Option on ceasing to be eligible for cover under this Policy, the premium loading will apply to the Insured Member's individual policy from the date the application for a Continuation Option is accepted by MLC.

2. Guaranteed Future Insurability Benefit

Insured Members may apply for additional cover of up to 2 Units (as per the Scale of Cover in Appendix A) within 90 days of the date of the Required Proof provided for one of the following events, without Evidence of Insurability, and subject to the Insured Member being 'At Work' on the date the Insured Member applies for this benefit:

Event	Required Proof of Event
• Marriage	Marriage Certificate
• Divorce	Divorce Certificate
• Birth of Child	Birth Certificate
• Adoption	Certificate of Adoption
• First Mortgage	Loan document or other supporting evidence from the mortgage lender

The Insured Member must provide proof satisfactory to us (as detailed above) of the event taking place and the date the event took place. Cover in respect of this benefit will commence from the date we advise you in writing. An increase in an Insured Member's cover under this benefit will be subject to the same underwriting decisions (including exclusions or other special conditions) as apply to the Insured Member's Benefit.

This benefit is limited to a maximum of 4 Units per Insured Member and is subject to Maximum Benefit Limits.

For and on Behalf of MLC

Sign Name: _____

Print Name: _____

Date: _____

For and on Behalf of the Policy Owner

Sign Name: _____

Print Name: _____

Date: _____

**MLC Limited
Group Life Insurance
Mercy Super**

Category A: Defined Benefit Members (Additional Cover only)
 Category B: Award SG Members / Category C: Contributory Accumulation
 Category D: Spouse Members
 Category E: Deferred Benefit Members
 Scale of Cover
 \$1.00 per Death & TPD Unit per Member per week
 Effective From 1 July 2009

Age Last Birthday	1 Unit Dth&TPD (\$)	Age Last Birthday	1 Unit Dth&TPD (\$)
15	70,000	40	47,000
16	70,000	41	46,000
17	70,000	42	45,000
18	70,000	43	44,000
19	70,000	44	42,000
20	70,000	45	41,000
21	70,000	46	40,000
22	70,000	47	38,000
23	70,000	48	36,000
24	70,000	49	34,000
25	70,000	50	32,000
26	70,000	51	29,000
27	70,000	52	27,000
28	70,000	53	25,000
29	70,000	54	23,000
30	70,000	55	21,000
31	70,000	56	19,000
32	70,000	57	17,000
33	70,000	58	15,000
34	70,000	59	13,000
35	70,000	60	10,000
36	62,000	61	8,000
37	56,000	62	6,000
38	52,000	63	4,000
39	49,000	64	4,000
		65*	4,000
		66*	4,000
		67*	4,000
		68*	4,000
		69*	4,000

* Parts (a) and (b) of the TPD definition apply to TPD cover from age 65.



MLC Group Insurance

Where to get help

MLC Group Insurance

For more information call
MLC Group Insurance from
anywhere in Australia on
1800 458 038.

Email: groupsales@mlc.com.au
or contact your Adviser.

Website

For details on MLC's range of
products and services visit our
website at www.mlc.com.au

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PO Box 200
North Sydney NSW 2059
105-153 Miller Street
North Sydney NSW 2060
Fax: **(02) 9966 3502**