



MACMAHON
EMPLOYEES SUPER

ABN 13 704 288 646

Insurance Guide

Issued by Diversa Trustees Limited

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Unique Superannuation Identifier 13704288646777

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The information in this document forms part of the Product Disclosure Statement (PDS) dated 30 September 2017 for Macmahon Employees Super (Macmahon Super), Macmahon Super is a white label MySuper product of LESF (ABN 13 704 288 646, MySuper authorisation number 13704288646380, Unique Superannuation Identifier (USI) 13704288646777. If you have any queries, would like further information, or a copy of the PDS, contact Macmahon Super Member Services by:

Phone

1800 514 191

Email

MESF@diversa.com.au

Website

www.lesf.com.au/mesf

Mail

Macmahon Employees Super
PO Box 1282, Albury NSW 2640

Important Notes

This document describes the features and benefits of the life insurance that is available via the Macmahon Employees Super (“Macmahon Super” or “Fund”). It is an important document that should be read in conjunction with the PDS for Macmahon Super.

References in this document to ‘we’, ‘us’, or ‘our’ are to Diversa Trustees Limited as trustee of Macmahon Super.

Where certain words have a specific meaning as defined in the Policy, those words have the same meaning in this document.

An application for insurance as described in this document must be made on the application form provided. Your application is subject to acceptance by the Insurer, who may accept or decline it or accept it subject to conditions.

Who is the Insurer?

The Insurer for the Fund is The Colonial Mutual Life Assurance Society Limited (CMLA) (ABN 12 004 021 809 AFSL 235035). CommInsure is a registered business name of CMLA.

About CommInsure

CommInsure is regulated by the Australian Prudential Regulation Authority (APRA).

Consent

CommInsure has given their consent to the inclusion of the statements above in the form and context in which they are named and appear. CommInsure does not take any responsibility for the issue of this document or for any statements contained in this document other than the statements above.

Definitions

- ‘Insurer’ means the life insurance company that has issued the Policy to the Trustee.
- ‘member’ means a member of the Fund who is insured under the Policy.
- ‘You/Your’ means a member or potential member or an insured member in Macmahon Super.
- ‘Macmahon’ means the Macmahon Group of Companies.
- ‘Policy’ means the group life policy issued by the Insurer to the Trustee that provides for the insured benefits of the Fund.

- ‘Policy Terms’ means the terms and conditions of the Policy as in force and amended from time to time.
- ‘premium’, ‘premiums’ means the amount of money that is payable in respect of the member to obtain the benefit of the insurance via the Fund.
- ‘Sum Insured’ refers to the amount that a member is insured for via the Fund.

Other important notes

You should be aware that the terms and conditions relating to the insurance cover provided by the Fund are set out in the Policy issued by the Insurer to us and the Fund’s Trust Deed. While every effort has been made to ensure the information contained in the document is accurate, the terms and conditions of the Policy will prevail to the extent that they are inconsistent with the information in this document.

We may update this document with changes that are not materially adverse without issuing a supplementary document. The document and updated information will be available on the Macmahon Super website and you can obtain a paper copy free of charge on request. If we become aware of changes that are materially adverse, we will replace this document.

This document can only be used by people receiving it (including electronically) in Australia.

All amounts in this document are in Australian dollars and all times quoted are Sydney time. A business day is a working day for us in Sydney.

Neither we nor any service provider to the Fund guarantee the payment of any benefit or Sum Insured or the return of any money.

Table of contents

1. Insurance with Macmahon Super	3
2. Insurance Options at a Glance	4
3. Death & TPD Cover - Category D	6
4. Death & TPD Cover - Category C	7
5. Important Information about your Insurance	8
6. Key Definitions	10

1. Insurance with Macmahon Super

1.1 Introduction

Insurance is a very important part of your financial planning as it gives you and your family financial security should you become totally and permanently disabled, suffer from a terminal illness or die.

Macmahon Super provides a range of insurance options designed to help you make sure you have the right level of cover for your personal circumstances.

- **Death**, which pays a lump sum benefit in the event of an insured member's death or terminal illness
- **Total and Permanent Disablement (TPD)**, which pays a lump sum benefit if an insured member becomes totally and permanently disabled (as defined)
- Taking out insurance through Macmahon Super has a number of advantages including:
- Default levels of cover automatically provided to all eligible Macmahon Super members with no underwriting
- Premiums paid tax-effectively from your member account
- The ability to tailor your insurance cover to better meet your needs

Insurance categories

This Insurance Guide provides you with the information you need to understand your insurance cover options and the conditions that apply to cover in Macmahon Super based on your category as per below table.

<i>If you are:</i>	<i>you will be in...</i>	<i>you will receive...</i>	<i>more information can be found in...</i>
a new member joining the Fund after 30 October 2015	Category D	1 unit of default cover (Cat D)	Section 3
an Accrued Default Amount (ADA)* member who was transferred to the Fund on 30 October 2015	Category D	1 unit of default cover (Cat D)	Section 3
an insured non-ADA member who was transferred to the Fund on 30 October 2015	Category C	2 units of default cover (Cat C)	Section 4
an uninsured non-ADA member who was transferred to the Fund on 30 October 2015	Category B	No default insurance cover #	N/A

* ADA members are those former members of the Macmahon Employees Superannuation Fund who did not make an investment choice prior to 30 October 2015 and remained in that fund's default investment option.

members in this category can apply for underwritten cover based on the terms and conditions of Category D.

1.2 Default Cover

On joining the Fund, all eligible employees automatically receive Death (including Terminal Illness) & Total and Disablement (TPD) cover, without underwriting or health checks. This is known as default cover.

The level of your default cover will depend on your insurance category.

Category B members do not receive default cover on joining the Fund.

1.3 Tailored Cover to Suit Your Needs

1.3.1 Increasing cover

You can apply for additional cover at any time by completing a Personal Health Statement. However, your total cover must not exceed the maximum cover available. Your additional cover will commence once the Insurer accepts the cover.

If you are a Category C member, you also have a life events increase option. Refer to page 7 for more information.

1.3.2 Decreasing cover

You can decrease your insurance cover at any time by reducing the total number of units you currently have. You can also choose to have death only cover, but you can not have TPD cover without death cover.

1.3.3 Cancelling cover

You can cancel your cover at any time, after careful consideration of your insurance needs. However, if you wish to reinstate your insurance at a later date, you will need to be underwritten and provide medical information and be assessed by the Insurer.

Please note if you don't change or cancel your default cover, Macmahon Super will continue to deduct the premiums for the default cover from your account.

Tip: if you wish to increase, decrease or cancel your insurance cover, you need to send us an Insurance Variation Form, which can be requested by calling the Member Services Team on 1800 514 191, or downloaded from the website www.lesf.com.au/mesf

2. Insurance Options at a Glance

Macmahon Super provides most people joining the Fund with insurance cover automatically. Two types of insurance covers are available on joining, if you meet eligibility criteria:

- Death (includes Terminal Illness) only; and
- Death (includes Terminal Illness) & Total and Permanent Disablement (TPD).

You can request to add to or reduce your cover at any time. The tables below provide a snapshot of the insurance options available for each category.

Death & TPD cover - Category D	
What is the Cover?	<ul style="list-style-type: none"> • Death cover pays a lump sum benefit in the event of your death or Terminal Illness. • TPD cover pays a lump sum benefit if you become Totally and Permanently Disabled.
What is Default Cover?	<p>All eligible employees joining Macmahon Super from 30 October 2015 will automatically receive 1 unit of death & TPD cover without having to provide medical evidence. You can opt out of the default cover at any time. You can also opt to cancel the TPD cover and have just death only cover.</p> <p>The amount of cover varies depending upon your age (refer page 6 of this Insurance Guide for details of your default cover level).</p>
When does default cover commence?	Generally default cover starts when you commence employment with an employer provided you join the fund within 120 days of first being eligible to join Macmahon Super.
Underwritten Cover	You can apply to increase your cover by providing medical and personal information and being underwritten by the Insurer. Please refer to page 6 for detailed information.
Eligible entry & expiry ages	<ul style="list-style-type: none"> ■ You must be aged between 15 and 55 to be eligible to obtain new cover. ■ You must be an employee of an employer. Self employed people are not eligible for insurance. ■ Employed on a permanent basis greater than or equal to 15 per week. ■ Be insured within 120 days of first being eligible to join Macmahon Super. ■ All cover ceases when you reach age 56.
When does cover cease?	Generally cover ceases on the earlier of when you turn 56 years of age, a benefit is paid or becomes payable, you are no longer a member of Macmahon Super, you join any armed forces, you cancel the cover or cease paying the premium. Refer to page 9 for full details.
How is cover determined?	<ul style="list-style-type: none"> ■ Default Cover is determined by your age and reduces as you get older. ■ Underwritten cover is the amount of additional cover that you apply for (subject to eligibility and acceptance by the Insurer)
Maximum cover	<ul style="list-style-type: none"> ■ Death (includes Terminal Illness) - \$1 million ■ TPD - \$1 million
What is the cost?	<p>The cost of 1 unit of default death & TPD cover is \$4.01 per week.</p> <p>The cost of 1 unit of Death only cover is \$2.51 per week.</p>

Death & TPD cover - Category C

What is the Cover?	<ul style="list-style-type: none"> ■ Death cover pays a lump sum benefit in the event of your death or Terminal Illness. ■ TPD cover pays a lump sum benefit if you become Totally and Permanently Disabled.
What is Default Cover?	<p>All eligible employees joining Macmahon Super by way of transfer on 30 October 2015 will automatically receive 2 units of death & TPD cover within the LESF without having to provide medical evidence. You can opt out of the default cover at any time. You can also opt to cancel the TPD cover and have just death only cover.</p> <p>The amount of cover varies depending upon your age (refer page 8 of this Insurance Guide for details of your default cover level).</p>
When does default cover commence?	Generally default cover within the LESF starts when you are transferred to Macmahon Super on 30 October 2015.
Underwritten Cover	You can apply to increase your cover by providing medical and personal information and being underwritten by the Insurer. Please refer to page 7 for detailed information.
Eligible entry & expiry ages	<ul style="list-style-type: none"> ■ You must be aged between 15 and 64 to be eligible to obtain new cover. ■ Employed on a permanent basis greater than or equal to 15 a week ■ All cover ceases when you reach age 65.
When does cover cease?	Generally cover ceases on the earlier of when you turn 65 years of age, a benefit is paid or becomes payable, you are no longer a member of Macmahon Super, you join any armed forces, you cancel the cover or cease paying the premium. Refer to page 9 for full details.
How is cover determined?	<ul style="list-style-type: none"> ■ Default Cover is determined by your age and reduces as you get older. ■ Underwritten cover is the amount of additional cover that you apply for (subject to eligibility and acceptance by the Insurer)
Life events increase option	<p>You may be able to increase your cover without medical underwriting with the occurrence of certain life events.</p> <p>You can increase your insured benefit by up to 25% (up to a maximum increase of \$1 million per increase) on the occurrence of each of the following:</p> <ul style="list-style-type: none"> ■ Marriage or divorce ■ Birth or adoption of a child ■ Child commencing secondary school ■ Effecting a first mortgage on the purchase of a home <p>Refer page 7 for full details.</p>
Maximum cover	<ul style="list-style-type: none"> ■ Death - unlimited ■ Terminal illness - \$3 million ■ TPD - \$3 million
What is the cost?	<p>The cost of 2 units of default death & TPD cover is \$14.94 per week.</p> <p>The cost of each additional unit of death and TPD cover is \$7.47 per unit per week.</p> <p>The cost of death only cover is \$4.67 per unit per week.</p>

3. Death & TPD Cover – Category D

3.1 Default Cover

All eligible Category D employees joining Macmahon Super will automatically receive 1 unit of death & TPD cover, without having to provide medical evidence, at a cost of \$4.01 per week. This premium will be deducted from your member account at the end of each calendar month.

The amount of cover provided depends on your age. See Table 1: Death & TPD cover and costs – Category D on page 6.

Generally, to be eligible for the default cover, you must satisfy following conditions:

- Between age 15 and 55; and
- Employed on a permanent basis at least 15 hours a week*; and
- Become insured within 120 days of first being eligible to join Macmahon Super; and
- You have not received or are entitled to receive a TPD or Terminal Illness benefit, or benefit payment on account of any form of permanent incapacity for work from Macmahon Super or another superannuation fund or insurance policy.

Note: * if you work less than 15 hours per week, or not a permanent employee, you will only be eligible for Death only cover and not TPD cover.

Cancel or vary your default cover

You may elect to cancel your default cover at any time by completing an Insurance Application and Variation Form and returning it to us. You can also vary your default death & TPD cover to become death only cover.

3.2 Additional Cover

You can apply for additional cover at any time. Additional cover is a number of additional units nominated by you, on top of your default 1 unit of cover. You can apply for additional death and TPD, or death only cover up to a maximum of \$1 million. This maximum includes your default and additional cover. Based on your age, your requested cover will be rounded up to the nearest whole unit. The cost of the additional death & TPD cover is \$4.01 per unit per week. The cost of the additional death only cover is \$2.51 per unit per week.

Premiums for additional cover will also be deducted from your member account at the end of each calendar month. You will need to be underwritten and approved by the Insurer for any additional cover to apply.

While your application for cover is being considered, the insurer will provide interim cover (see page 9 for further information).

3.3 Terminal Illness Benefit

If you are insured for death cover, you are also automatically covered for a Terminal Illness benefit for the same amount of cover.

You may claim a Terminal Illness benefit if you are diagnosed with an illness that, despite reasonable medical treatment, in the opinion of the Insurer, is likely to result in your death within 12 months of the date certified by 2 registered medical practitioners (including one specialist in the field relating to the illness and one appointed by the Insurer).

A terminal illness benefit is a prepayment of a death benefit, and is not a stand-alone benefit. That means a member is not entitled to a further death benefit if a terminal illness benefit has been paid.

Under new laws that were passed in June 2015, you can withdraw your superannuation balance if 2 registered medical practitioners (including one specialist in the field relating to the illness) certify that you have less than 24 months to live. If you choose to do so and wish to claim your insured benefit at a later date, you should make sure you leave enough funds in your super account to pay the ongoing premium until an insurance claim is made.

For further information, please refer to the Terminal Illness factsheet which is available on the website www.lesf.com.au.

3.4 Benefit payable on Death and TPD

The benefit payable on death or TPD is made up of:

- The amount accumulated in your account; and
- The amount of any death or disablement insurance paid (if any) by the Insurer less any fees, costs & taxes.

Table 1 – Death & TPD cover and costs – Category D

Age next birthday	1 unit of cover (DEFAULT)	Age next birthday	1 unit of cover (DEFAULT)	Age next birthday	1 unit of cover (DEFAULT)
	\$4.01 per week		\$4.01 per week		\$4.01 per week
16	\$50,000	30	\$50,000	44	\$20,000
17	\$50,000	31	\$50,000	45	\$20,000
18	\$50,000	32	\$50,000	46	\$14,000
19	\$50,000	33	\$50,000	47	\$14,000
20	\$50,000	34	\$50,000	48	\$14,000
21	\$50,000	35	\$50,000	49	\$14,000
22	\$50,000	36	\$35,000	50	\$14,000
23	\$50,000	37	\$35,000	51	\$7,000
24	\$50,000	38	\$35,000	52	\$7,000
25	\$50,000	39	\$35,000	53	\$7,000
26	\$50,000	40	\$35,000	54	\$7,000
27	\$50,000	41	\$20,000	55	\$7,000
28	\$50,000	42	\$20,000	56	\$7,000
29	\$50,000	43	\$20,000	57+	\$0

Note: Death only (including Terminal Illness) cover is available at the cost of \$2.51 per unit per week instead of Death & TPD cover

Example - Default cover with additional cover

Fiona, joins Macmahon Super at 39 (age 40 next birthday) and applies for \$100,000 additional death cover.

At age of 39 (40 next birthday)

	Number of units	Cover amount
Default cover	1 unit (death & TPD)	\$35,000
Additional cover (requested \$100,000 Death Only)	= cover requested / cover per unit = \$100,000/\$35,000 = 2.86 units Allocated units: 3 units (death only)	= allocated units x cover per unit = 3 x \$35,000 = \$105,000
Total cover	Death & TPD: 1 unit Additional Death: 3 units	Death & TPD: 1 x \$35,000 = \$35,000 Additional Death: 3 x \$35,000 = \$105,500
Total premium = \$4.01 + (3 x \$2.51) = \$11.54 per week		

Fiona's level of cover will change with her age:

At age of 40 (41 next birthday)

Total units of cover is unchanged: Death & TPD 1 unit, Additional Death 3 units

Total amount cover decreases: Death & TPD =
1 x \$20,000 = \$20,000

Additional Death =
3 x \$20,000 = \$60,000

Total premium is unchanged:
\$11.54 per week

4. Death & TPD Cover - Category C

4.1 Default Cover

All eligible Category C employees joining Macmahon Super will automatically receive 2 units of death & TPD cover, without having to provide medical evidence, at a cost of \$14.94 per week. This premium will be deducted from your member account at the end of each calendar month.

The amount of cover provided depends on your age. See **Table 2: Death & TPD cover and costs - Category C** on page 8.

Generally, to be eligible for the default cover, you must satisfy following conditions:

- Between age 15 and 64; and
- Employed on a permanent basis at least 15 hours a week*; and
- Become insured within 120 days of first being eligible to join Macmahon Super; and
- You have not received or are entitled to receive a TPD or Terminal Illness benefit, or benefit payment on account of any form of permanent incapacity for work from Macmahon Super or another superannuation fund or insurance policy.

Note: * if you work less than 15 hours per week, or not a permanent employee, you will only be eligible for Death only cover and not TPD cover.

Cancel or vary your default cover

You may elect to cancel your default cover at any time by completing an Insurance Application and Variation Form and returning it to us. You can also vary your default death & TPD cover to become death only cover.

4.2 Additional Cover

You can apply for additional cover at any time. Additional cover is a number of additional units nominated by you, on top of your default 1 unit of cover. You can apply for additional death and TPD, or death only cover up to a maximum of \$1 million. This maximum includes your default and additional cover. Based on your age, your requested cover will be rounded up to the nearest whole unit. The cost of the additional death & TPD cover is \$7.47 per unit per week. The cost of the additional death only cover is \$4.67 per unit per week.

Premiums for additional cover will also be deducted from your member account at the end of each calendar month. You will need to be underwritten and approved by the Insurer for any additional cover to apply.

While your application for cover is being considered, the insurer will provide interim cover (see page 9 for further information).

Life events options

If your personal or financial situation changes as a result of a major life event, you can apply to increase your cover without medical underwriting. This option is available to all Category C members who are under age 55 on the occurrence of the following events:

- Marriage or divorce;
- Birth or adoption of a child;
- Child commencing secondary school; or
- A first mortgage on the purchase of a home.

The maximum amount of the cover you can apply for each event is the lesser of:

- 25% of the current amount of cover that you hold with Macmahon Super; and
- \$1 million

You may apply for life event increase once in any 12 month period.

The increase of cover will be subject to the same individual conditions, restrictions and exclusions, if any, applying to your existing cover.

You can complete the Insurance Variation Form if you wish to apply for additional cover under this option. The Insurance Variation Form is available from the Fund's website www.lesf.com.au/mesf, or by contacting the Member Services Team on 1800 514 191.

4.3 Terminal Illness Benefit

If you are insured for death cover, you are also automatically covered for a Terminal Illness benefit for the same amount of cover.

You may claim a Terminal Illness benefit if you are diagnosed with an illness that, despite reasonable medical treatment, in the opinion of the Insurer, is likely to result in your death within 12 months of the date certified by 2 registered medical practitioners (including one specialist in the field relating to the illness and one appointed by the Insurer).

A terminal illness benefit is a prepayment of a death benefit, and is not a stand-alone benefit. That means a member is not

entitled to a further death benefit if a terminal illness benefit has been paid.

Under new laws that were passed in June 2015, you can withdraw your superannuation balance if 2 registered medical practitioners (including one specialist in the field relating to the illness) certify that you have less than 24 months to live. If you choose to do so and wish to claim your insured benefit at a later date, you should make sure you leave enough funds in your super account to pay the ongoing premium until an insurance claim is made.

For further information, please refer to the Terminal Illness factsheet which is available on the website www.lesf.com.au.

4.4 Benefit payable on Death and TPD

The benefit payable on death or TPD is made up of:

- The amount accumulated in your account; and
- The amount of any death or disablement insurance paid (if any) by the Insurer less any fees, costs & taxes.

4.5 Worldwide Cover

For Category C members only your cover with Macmahon Super applies outside Australia:

- for up to 3 years if you are an Australian resident; or
- for up to 3 months if you are not an Australian resident but remain employed by Macmahon.

Table 2 - Death & TPD cover and costs - Category C

Age next birthday	2 units of cover (DEFAULT)	Age next birthday	2 units of cover (DEFAULT)	Age next birthday	2 units of cover (DEFAULT)
	\$14.94 per week		\$14.94 per week		\$14.94 per week
16	\$196,400	33	\$166,000	50	\$41,200
17	\$196,400	34	\$166,000	51	\$31,600
18	\$196,400	35	\$162,400	52	\$27,200
19	\$196,400	36	\$154,280	53	\$23,400
20	\$182,000	37	\$144,600	54	\$21,200
21	\$182,000	38	\$137,000	55	\$18,200
22	\$182,000	39	\$131,400	56	\$15,800
23	\$182,000	40	\$124,000	57	\$13,000
24	\$182,000	41	\$114,000	58	\$11,200
25	\$182,000	42	\$104,600	59	\$11,000
26	\$174,800	43	\$91,200	60	\$11,000
27	\$174,800	44	\$81,200	61	\$8,000
28	\$174,800	45	\$72,200	62	\$7,200
29	\$174,800	46	\$64,000	63	\$6,600
30	\$166,000	47	\$57,200	64	\$6,000
31	\$166,000	48	\$51,000	65	\$5,400
32	\$166,000	49	\$45,800	66+	\$0

5. Important Information about your Insurance

Eligibility for cover

Generally, to be eligible for death & TPD cover with Macmahon Super you must be:

- Between age 15 and 55 (Category D members), or between age 15 and 64 (Category C members); and
- Employed on a permanent basis at least 15 hours a week*; and
- You have not received or are entitled to receive a TPD or Terminal Illness benefit, or benefit payment on account of any form of permanent incapacity for work from Macmahon Super or another superannuation fund or insurance policy.

Note: * if you work less than 15 hours per week, or not a permanent employee, you will only be eligible for Death only cover and not TPD cover.

When your cover starts

Default cover starts for new members on the later of:

- The date you commence permanent employment with an employer or
- The start of the period to which the first mandatory employer contribution to the Fund from Macmahon relates.
- Additional cover will start:
- On the date you're notified in writing of the acceptance of cover; or
- If the cover on offer is subject to a condition, restriction or premium loading, the date the Insurer is notified in writing

that you have accepted all the terms that apply to the offer of cover.

When your cover ceases

Your death & TPD cover ceases on the earliest of the following events:

- the date any death, terminal illness or TPD benefit becomes payable from Macmahon Super;
- the date you are no longer a member of Macmahon Super;
- the date the Insurer receives your insurance cancellation request in writing;
- the date you join the armed forces of any country;
- the insurance policy between Macmahon Super and the Insurer terminates;
- the last business day of the month in which there is insufficient money in your account to pay premiums; or
- when you turn 56 years old (Category D members), or when you turn 65 years old (Category C members).

Reinstatement of cover

Your cover may be reinstated if you meet the following condition:

- your insurance cover ceased due to insufficient account balance and we receive a contribution from you sufficient to cover the premium deduction;
- we receive an employer contribution for you within 6 months of the date your cover ceased sufficient to cover the premium deduction.

The type of cover reinstated will be the same as you had immediately before cover ceased.

Please note that your cover will be limited cover if you are not in active employment on the date of reinstatement. "Limited cover" will continue until you return to active employment.

Single benefit payment

Only one benefit is payable (death, TPD or terminal illness) from Macmahon Super. This means that if you die, become terminally ill or totally disabled, your cover will cease and you will no longer be insured.

If however, you were covered for a higher level of death cover than TPD cover and you received a TPD benefit payment, the additional amount of death cover would only be paid if you were to die within 12 months of becoming Totally and Permanently Disabled.

Cover after policy terminates

If you are not "at work" (refer to "Key Definitions" section on page 10) on the day when the insurance policy between Macmahon Super and the Insurer terminates, your TPD cover will continue but only for total disablement arising from a sickness that became apparent or an injury that occurred on or before the termination of the policy and that sickness or injury is the reason you were not at work on the termination date of the policy, until the earliest of the following:

- You returned to work in your usual occupation, and are not entitled to claim any benefit from any source;
- The Insurer makes a decision on any claim under continued cover;
- You are no longer a member of Macmahon Super;
- You turn 56 years old.

Interim accident cover

When your application for additional cover is being assessed by the Insurer, you will be provided with interim accident cover, to

cover death or TPD caused by accident. Interim accident cover starts when the Insurer receives your insurance application. The type and amount of interim accident cover will be the same as you are requesting, subject to maximum accident cover of \$1 million for death and TPD.

Your interim accident cover will continue until the Insurer accepts or rejects your application, the request for cover is withdrawn, 120 days after your request is submitted or when the Insurer cancels the interim accident cover, whichever is earlier.

If you make a claim for interim accident cover, your request for cover or additional cover will be automatically cancelled.

Cover while on leave without pay

Your cover will continue whilst you are on employer approved parental leave or leave without pay for a period of 3 years subject to the conditions of the policy. Cover will cease at the conclusion of the 3 year period unless the Insurer agrees to continue this cover in writing.

This continuation of cover is only available where your employer is able to provide leave records reasonable for the Insurer to determine that you are on employer approved parental leave or leave without pay. These records shall at a minimum include details of:

- (a) the date your leave commences; and
- (b) your expected return to work date.

Continuing your death cover if you leave Macmahon (Category C only)

If you leave employment with Macmahon before age of 60, and at the date you left employment you were an insured member of Macmahon Super, you will continue to be covered for Death only cover free of charge, for 30 days after ceasing employment.

As a once only option if you apply within 60 days of leaving employment, the Insurer may offer you a personal death only insurance policy without underwriting.

General Exclusions

No benefit will be payable where the claim arises directly or indirectly from any of the following:

- i. suicide within the first 13 months after the commencement or reinstatement of cover; or
- ii. any intentional self-inflicted act or intentional self-inflicted injury; or
- iii. war or acts of war, whether declared or not; or
- iv. service in the armed forces of any country; or
- v. whilst you are outside Australia (Category D only); or
- vi. a pre-existing injury or illness (Category D only, detailed definition is on page 11); or
- vii. any event in respect of which the Insurer has placed an individual exclusion on your cover.

War exclusion

Despite any other condition, the Insurer will not pay a benefit if your death or TPD is caused directly or indirectly by an act of war that happens outside Australia.

Drug and alcohol exclusion (Category D only)

The Insurer will not pay a benefit (including interim accident benefit) if your death or TPD is caused directly or indirectly by:

- (a) your wilful taking of drugs other than as prescribed (either in terms of type or dosage of drug) by a medical practitioner; or
- (b) your behaviour or acts as a result of the consumption of alcohol.

How to make a claim

You or your dependants must notify us as soon as possible after you become aware of any claim or potential claim, by contacting the Member Services team on 1800 514 191. If you delay notifying us of a claim and as a result the Insurer's interests are prejudiced, the Insurer may be permitted not to pay the claim or to reduce the benefit in some circumstances.

You may be required to provide additional paperwork to start the claim process. Call our Member Services team on 1800 514 191 if you have any queries or need any help.

The claims process may include obtaining information from medical practitioners that you have consulted and your employer.

The Insurer will then either pay the claim, ask for further information including that you attend a medical practitioner of their choice, or decline the claim. The claim may be declined for any of the following reasons:

- You were not insured, you were not a member of Macmahon Super or you were not eligible for the type of cover you are claiming for;
- You do not meet the definition of disabled or terminally ill, according to medical information received; or
- You gave false or misleading information on the Application for Membership form or any statement of health.

Payment conditions

Payment of any TPD or terminal illness is conditional on you undergoing any medical or other examination the Insurer reasonably considers are necessary to properly assess the claim.

The Insurer will pay the medical costs of any medical examination required, other than the initial medical examination required to make a claim and all standard progress reports required to continue the benefit payments. However, this does not cover fees incurred for travelling to an appointment or for non-attendance at an appointment arranged.

Your duty of disclosure

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, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you extend, vary or reinstate your insurance.

Your duty, however, doesn't require 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 its business, ought to know or
- as to which compliance with your duty is waived by the insurer.

Non-disclosure

If you fail to comply with your duty of disclosure and the insurer wouldn't have issued the cover if the failure had not occurred, the insurer may avoid the cover within three years of issuing it. If your non-disclosure is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

An insurer who is entitled to avoid cover may elect not to avoid it, but apply either of the following options:

- 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
- vary the cover in such a way as to place the insurer in the position it would have been in had the failure to comply with the duty of disclosure not occurred.

6. Key Definitions

'**accident**' means bodily injury caused solely and directly by accidental, external and visible means, independent of any other cause.

'**active employment**' means you are:

- employed by the employer to carry out identifiable duties;
- actually performing those duties; and
- in the Insurer's opinion, not restricted by sickness or injury from being capable of performing those duties on a full time basis and the duties of your normal occupation on a full time basis (even if not then working on a full time basis).

'**at work**' means that you are actively performing all the duties and work hours of your usual occupation with the employer free from any limitation due to illness or injury and are not entitled to or receiving income support benefits from any source including worker's compensation benefits, statutory transport accident benefits and disability income benefits; or if you are on employer approved leave for reasons other than illness or injury and the last working day before your employer approved leave you met the conditions mentioned above.

'**date of disablement**' means the later of (a) the date on which the sickness or injury that was the principle cause of your disablement commenced or occurred and (b) the date you ceased all work. The date of disablement must occur while you are covered under this policy.

'**limited cover**' means that you are only covered for death or disablement arising from a sickness that becomes apparent, or an injury that occurs, on or after the date cover commenced.

'**medical practitioner**' means a person acceptable to the insurer, who is registered and practising as a medical practitioner in Australia other than:

- (a) the insured member;
- (b) the insured member's spouse or partner, parent, child or sibling;
- (c) the insured members' business partner, associate or employee.

'pre-existing condition' means an illness, injury or condition:

- (a) of which you first became aware or a reasonable person in the insured member's circumstances (including symptoms, if any) would have first become aware; or
- (b) for which you sought, or intended to seek:
 - i. medical advice, including a referral to a specialist; or
 - ii. (ii) medical treatment, including prescribed and non-prescribed medications; or
 - iii. (iii) medical care or services, including tests and other diagnostic measures.
- (c) for which a reasonable person in your circumstances (including symptoms, if any) would have sought medical advice, treatment, care or services.

at any time before the date your cover commenced.

'terminal illness' means that you suffer from an illness which:

- a medical practitioner, specialising in your illness and a medical practitioner that the Insurer appoint certifies in writing will despite reasonable medical treatment lead to your death within 12 months of the date of the certification; and
- the Insurer is satisfied, on medical or other evidence, will despite reasonable medical treatment lead to your death within 12 months of the date of the certification.

The date of the certification must take place while you are insured.

'total and permanent disablement' (TPD) means that a member is totally and permanently disabled if one of the following paragraphs (a), (b), (c) or (d) applies:

(a) Members engaged in employment

If an insured member was immediately prior to the date of disablement engaged in employment or had been working for a period of at least 6 consecutive months total and permanent disablement means either:

- i. an illness, accident or injury results in he or she being continuously absent from employment for at least six consecutive months commencing prior to his or her sixty fifth birthday, and the insurer has determined that he/she will never be able to engage in any remunerative work for which he/she is reasonably fitted by education, training or experience, or
 - ii. loss by physical separation of two limbs or the complete and irremediable loss of the sight of both eyes or the loss by physical separation of one limb and the complete and irremediable loss of the sight of one eye (limb means at least entire hand or entire foot), and the insurer considers on the basis of medical and other evidence satisfactory to them that he/she is unlikely to ever be able to engage in any remunerative work for which he/she is reasonably fitted by education, training or experience.
- (b) Members not working for 6 consecutive months

Where the insured member has not been working for 6 consecutive months (for reasons other than sickness or injury) prior to the date of disablement means either:

- i. A member is totally and permanently disabled if while the member is covered under this policy as a result of sickness or injury, he or she will not ever be able to perform at least 2 of the 5 specified Activities of Daily Living (ADL), on the basis of medical and other evidence satisfactory to the insurer, even with the use of a prosthetic device, mechanical and or other machine or equipment, without the "hands-on" help of another person and the insurer determines that the member is unlikely to ever be able to engage in any remunerative work for which he/she is reasonably fitted by education, training or experience .

Where Activities of Daily Living (ADL) means **Dressing, Toileting, Mobility, Continenace and Feeding** as described below:

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 or a chair

Continenace - the ability to control bowel and bladder function

Feeding - the ability to get food from a plate into the mouth

Or

- ii. loss by physical separation of two limbs or the complete and irremediable loss of the sight of both eyes or the loss by physical separation of one limb and the complete and irremediable loss of the sight of one eye (limb means at least entire hand or entire foot), and we consider on the basis of medical and other evidence satisfactory to the insurer the member is unlikely to ever be able to engage in any remunerative work for which he/she is reasonably fitted by education, training or experience.

(c) Members unemployed for a continuous period of 12 months

If an insured member was unemployed prior to the date of disablement and had been unemployed for a continuous period of 12 months total and permanent disablement means either:

- iii. while the member is covered under this policy as a result of sickness or injury, he or she will not ever be able to perform at least 2 of the 5 specified Activities of Daily Living (ADL), on the basis of medical and other evidence satisfactory to the insurer, even with the use of a prosthetic device, mechanical and or other machine or equipment, without the "hands-on" help of another person and the insurer determines that the member is unlikely to ever be able to engage in any remunerative work for which he/she is reasonably fitted by education, training or experience.

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Feeding - the ability to get food from a plate into the mouth

Or

- iv. loss by physical separation of two limbs or the complete and irremediable loss of the sight of both eyes or the loss by physical separation of one limb and the complete and irremediable loss of the sight of one eye (limb means at least entire hand or entire foot), and the insurer considers on the basis of medical and other evidence satisfactory to the insurer the member is unlikely to ever be able to engage in any remunerative work for which he/she is reasonably fitted by education, training or experience.
 - (d) Members aged 65 or over (applicable only to SFT members who have had their existing insurance transferred)

For an insured member who is aged 65 but less than the cover expiry age total and permanent disablement means as a result of sickness or injury, he or she will not ever be able to perform at least 2 of the 5 specified Activities of Daily Living (ADL), on the basis of medical and other evidence satisfactory to the insurer, even with the use of a prosthetic device, mechanical and or other machine or equipment, without the "hands-on" help of another person and the insurer determines that the member is unlikely to ever be able to engage in any remunerative work for which he/she is reasonably fitted by education, training or experience.

Where Activities of Daily Living (ADL) means **Dressing, Toileting, Mobility, Contenance and Feeding** as described below.

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 or a chair

Contenance - the ability to control bowel and bladder function

Feeding - the ability to get food from a plate into the mouth

Further information about Macmahon Super

Call: 1800 514 191

Email: MESF@diversa.com.au

Write to: Macmahon Super Member Services
PO Box 1282, Albury NSW 2640

Website: www.lesf.com.au/mesf