



NESS Super... we've got you covered

**NESS Super Insurance changes from 1 July 2013 –
Spouse Members**



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– Spouse Members

In light of the new MySuper government reforms due to commence at 1 July 2013, NESS Super has taken the opportunity to review and improve its insurance offering to Spouse Members.

It is important that you read both this document and the NESS Super Insurance Guide - Spouse Members, which will be available on the website at www.nesssuper.com.au from 8 April 2013.

Currently, NESS Super provides new Spouse members with the option of applying to the Insurer for Death cover.

AT A GLANCE...

The changes from 1 July 2013 will apply to all Spouse members as follows:

- All Spouse members at 1 July 2013 who are eligible for insurance cover will be provided with at least 2 units of default Death and Total and Permanent Disablement (TPD) cover. This includes Spouse members who currently do not have insurance cover. To be eligible for this cover you must meet the conditions set out on page 5 of this document.
- If you currently do not have Death Cover, New Events Cover will apply to your Death Cover (see page 6).
- TPD cover provides a lump sum benefit if you satisfy the definition of Total and Permanent Disablement (refer to page 10 for the definition). New Events Cover will apply to your TPD cover (see page 6).
- The value of each unit of Death cover for members under age 55 will increase, but the cost of cover will decrease.
- Spouse Members who are in paid employment and who are eligible for TSC cover now have the option to also apply for TSC cover.
- The benefit payable on Terminal Illness will be the lesser of your insured benefit for Death cover and \$3,000,000 (previously \$2,000,000).

Death and TPD cover

The following table shows the current and new Death cover scales and the new scale for TPD cover:

Age last birthday	Current Spouse Death cover subject to the Insurer's approval	From 1 July 2013 – Spouse Members*		
		Death Cover 2 units	Default Death Cover – 2 units of cover	Default TPD Cover 2 units of cover
15 - 24	154,800	160,000	160,000	5,200
25 - 29	146,200	160,000	160,000	13,800
30 - 34	137,600	150,000	150,000	12,400
35 - 39	120,400	125,000	125,000	4,600
40 - 44	112,800	115,000	115,000	2,200
45 - 49	110,400	115,000	115,000	4,600
50 - 54	107,800	110,000	110,000	2,200
55	105,000	105,000	90,000	0
56	105,000	105,000	80,000	0
57	105,000	105,000	70,000	0
58	105,000	105,000	60,000	0
59	105,000	105,000	50,000	0
60	90,000	90,000	40,000	0
61	88,000	88,000	30,000	0
62	86,000	86,000	20,000	0
63	83,000	83,000	10,000	0
64	80,000	80,000	5,000	0
65	70,000	70,000	0	0
66	60,000	60,000	0	0
67	50,000	50,000	0	0
68	40,000	40,000	0	0
69	30,000	30,000	0	0
70	0	0	0	0

*New Events cover may apply to your insurance, please see New Events cover on page 6. All insurance cover is not guaranteed and is subject to the terms and conditions of the Insurance Policy including exclusions and eligibility for insurance cover.

Cost of Death Cover

All members with an age last birthday under 55 will receive an increased level of default Death cover while the cost of Death cover will decrease as follows:

	Cost of one unit of Death cover	Cost of default Death cover – 2 units
Up to 30 June 2013	\$1.20 per week	\$2.40 per week
From 1 July 2013	\$1.17 per week	\$2.34 per week

Cost of TPD Cover

	Cost of one unit of TPD cover	Cost of default TPD cover – 2 units
Up to 30 June 2013	Not available	Not Available
From 1 July 2013	\$1.59 per week	\$3.18 per week

TSC Cover

From 1 July 2013, if you are in paid employment and if you are eligible for TSC cover you will now be able to apply to the Insurer for TSC cover. This cover will need to be underwritten by the Insurer and will be subject to the Insurer's approval. One unit of TSC cover provides a monthly benefit of up to \$1,200 per month.

Cost of TSC cover

From 1 July 2013, the cost of TSC cover will be as follows:

	Cost of one unit of TSC cover	Cost of default TSC cover – 2 units
From 1 July 2013	\$0.64 per week	\$1.28 per week

Eligibility Conditions for default Death and TPD cover - Existing Spouse Members at 1 July 2013

Existing Spouse members at 1 July 2013 will be automatically eligible for new default Death and TPD cover, provided that the following conditions are met:

- You are either an Australian or New Zealand citizen, or a person who is a holder of an Australian permanent residence visa or resides in Australia on a 457 working visa;
- You are aged between 15 and 69 years (inclusive) for Death cover, 15 and 64 years (inclusive) for TPD cover;
- You are not applying for, entitled to, or have not been paid a TPD benefit from any superannuation fund or life insurance policy. If this provision is not satisfied, then you will not be eligible for default insurance cover for TPD; and
- You have not been paid a terminal illness benefit from any superannuation fund or life insurance policy, (if this provision is not satisfied, you will not be eligible for any default insurance cover from NESS Super).

Your Options

Options to increase insurance cover

All members can apply to the Insurer for additional Death and TPD cover. The maximum level of Death Cover that can be paid from NESS Super is \$5,000,000. The maximum amount of TPD cover that can be paid from NESS Super is \$3,000,000. This will include an allowance for any benefit you receive for another insurance or superannuation policy. Where an application for cover for additional Death and TPD cover is being assessed, Accident Cover (refer to the NESS Super Insurance Guide – Spouse Members for details) will be provided. For Death cover, Accident Cover will be provided for the amount of requested cover whilst for TPD cover, Accident Cover is provided up to a maximum of the lesser of the requested benefit or \$1,500,000.

Options to reduce insurance cover or opt out of cover

You can opt-out of your insurance cover at any time or reduce the number of units of insurance cover. When you opt-out of cover, your cover and your premiums cease from the date your written notification is received by NESS Super. If we receive your Opt-out Form before 1 July 2013, any new Death and TPD cover to be provided to you on 1 July 2013 will be deemed never to have been provided and no premiums will be charged to your account.

The only restrictions are that:

- If you opt-out of all Death cover, your TPD cover will also cease; and
- The number of units of TPD cover cannot be more than the number of units of Death cover.

New Events cover

New Events cover means that your insurance cover will be limited to an illness diagnosed or an injury that occurs on or after the date cover commenced.

New Events cover – Death

If you currently do not have Death cover, your Death cover will be subject to New Events cover for at least 24 months from the date your cover commenced. Your insurance cover will revert to Full cover after this 24 month period once you are again in *Active Employment* (see page 9).

New Events cover - TPD

Your TPD cover will be subject to New Events cover for at least 24 months from the date your cover commenced. Your insurance cover will revert to Full cover after this 24 month period once you are again in *Active Employment* (see page 9).

Increase in Terminal Illness Benefit

From 1 July 2013, the benefit payable on Terminal Illness (refer to the NESS Super Insurance Guide – Spouse Members for details) will be the lesser of your insured benefit for Death and \$3,000,000. Prior to 1 July 2013, the amount of the Terminal Illness Benefit was the lesser of your insured benefit for Death and \$2,000,000.

If you receive a Terminal Illness benefit and you subsequently die, provided you have remained a member of the Scheme and you continue to pay premiums, your insured Death benefit will be the difference between your insured benefit for Death and any Terminal Illness benefit that has already been paid.

Insurance changes summary table

The following table summarises the changes to NESS Super's insurance cover outlined in this document.

Current Insurance Cover at 30 June 2013		Your Insurance Cover from 1 July 2013*		
Membership group	Death cover	Death cover	TPD cover	Comments
I currently have Death cover.	Current number of Death units.	<p>2 Units or current number of Death units if greater than 2.</p> <p>If you are aged under 55, your Death cover amount will increase. This increase in cover will be provided without the need to provide medical evidence.</p> <p>The premium for your cover will decrease from \$1.20 per unit per week to \$1.17 per unit week. This premium will be deducted from your NESS Super Account.</p>	<p>2 Units</p> <p>You will automatically be provided with 2 units of TPD cover.</p> <p>The premium for this cover will be \$3.18 per week, deducted from your NESS Super Account.</p>	<p>You may choose to opt-out of death and TPD at any time. If you opt-out of death cover, your TPD cover will also cease.</p> <p>You can choose to opt out of cover by completing the attached Insurance Opt-out Form available from the website. If we receive your Insurance Opt-out Form by 1 July 2013, you will be deemed never to have been covered for TPD and no TPD premiums will be charged to your account.</p> <p>If you opt-out of any cover after 1 July 2013, premiums for this cover will cease from the date your form is received by NESS Super.</p>
I am currently not insured for Death cover.	Nil	<p>2 Units</p> <p>You will automatically be covered for 2 units of Death cover.</p> <p>The premium for this cover of \$2.34 per week will be deducted from your NESS Super Account.</p>	<p>2 Units</p> <p>You will automatically be provided with 2 units of TPD cover.</p> <p>The premium for this cover of \$3.18 per week, deducted from your NESS Super Account.</p>	<p>You may choose to opt-out of Death or TPD cover at any time. If you opt-out of Death cover, your TPD cover will also cease. You can choose to opt out of Death and/or TPD cover by completing the Insurance Opt-out Form available from the website.</p> <p>If we receive your Insurance Opt-out Form by 1 July 2013, you will be deemed never to have been covered for the insurance cover you opt-out of and no premiums for that cover will be charged to your account. If you opt-out of cover after 1 July 2013, premiums for this cover will cease from the date your form is received by NESS Super.</p>

*New Events cover may apply to your insurance, please see New Events cover on page 6. All insurance cover is not guaranteed and is subject to the terms and conditions of the Insurance Policy including exclusions and eligibility for insurance cover.

What do I do now?

You do not have to do anything. All Spouse Members of NESS Super who meet the eligibility conditions (see page 5) will automatically be provided with at least 2 units of Death and TPD cover from 1 July 2013. New Events cover may apply (see page 6).

If you already were insured for Death cover through underwriting at 30 June 2013, you will at 1 July 2013 retain the number of units you had at that date.

If you wish to opt-out of cover or reduce your cover, you will need to complete the Insurance Opt-out Form which can be found at www.nesssuper.com.au and return it to NESS Super.

Definitions

The following definitions form part of the Insurance policy by which insurance cover is provided to you.

Accident Cover

means only where a claim is as a result of *Injury* solely by visible, violent and external means to the body.

Active Employment

means that the Member is:

- (a) is actively performing all of the duties and hours of their usual occupation without restriction due to *Illness* or *Injury*; or
- (b) if on *Employer* approved leave (except leave caused by any *Illness* or *Injury*) they would be able to attend work and perform their normal duties and hours without restriction due to *Illness* or *Injury*; or
- (c) if a Spouse member performing *Home Duties*, is actively performing all the functions of *Home Duties*.

Contractor

means a person who is working on a fixed term contract with a duration of at least 12 months that requires the person to perform identifiable duties for a regular number of hours each week.

Date of Disablement

means the date on which *TPD* is treated as having occurred which is the earlier of:

- (a) the date on which the 3 consecutive months absence from work that results in *TPD* began, or
- (b) the date on which the 3 consecutive months inability to perform *Home Duties* that results in *TPD* began, or
- (c) the date the member suffers the loss of the sight in both eyes, or the use of both limbs, or the sight in 1 eye and the use of 1 limb, or
- (d) the date the member suffers the loss of the sight of another eye or the use of another limb, having already suffered the loss of the sight of an eye or the use of a limb,

where:

- (a) loss of sight means the complete and irrecoverable loss of sight which is permanent, and
- (b) loss of the use of a limb means the permanent loss of the use of a leg from at or above the ankle or an arm from at or above the wrist which is permanent.

Doctor

means a qualified medical practitioner registered to practice in Australia or New Zealand or as otherwise agreed by us. That person may not be the member, a business partner, an immediate family member or the employer of the member.

Definitions

Home Duties

means the Member is performing Home Duties if they are on a full time basis doing all duties related to running the family home. This includes Cleaning, Cooking, Washing, Shopping, and where applicable, Carer. Where:

- (a) Cleaning – means cleaning the family home (such as using a vacuum cleaner, sweeping with a broom, using a mop, cleaning dishes (automatic or manually));
- (b) Cooking – means cooking the family meals (such as preparing fresh or frozen food, using an oven, stove or microwave oven);
- (c) Washing – means doing the family laundry (such as loading and unloading a washing machine and hanging out clothes or using a dryer, folding clothes and ironing);
- (d) Shopping – means shopping for food and household items (such as attending shops or using the phone or internet to purchase food or household items for the family);
- (e) Carer – means taking care of dependent children less than 16 years of age or in full time secondary education (such as supervising, lifting, transporting, feeding and bathing) or providing full time care for invalid member(s) of the *Member's* immediate family.

Illness

means a sickness, disease or disorder.

Injury

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

New Events

means cover for claims arising from an illness or injury that first occurred on or after the date cover last commenced or recommenced.

Other Occupation

means any occupation the member is qualified to perform by their education, training or experience at the time we assess the claim, and includes:

- (a) part-time occupations, and
- (b) an occupation which may be perceived by the member to be of lower status than the member's previous occupation or an occupation in which the member does not earn as much income as they did in the previous occupation.

Permanent Employee

means an employee who is employed on a permanent basis under an ongoing contract of indefinite duration that:

- (a) requires the employee to perform identifiable duties for a regular number of hours each week, and
- (b) provides the employee with paid annual leave, sick leave, leave loading and long service leave.

Definitions

Total and Permanent Disablement

Means in respect of a member who is:

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

Part 1 - Unlikely to Return to Work

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

Part 2 - Loss of Use Of

The member suffers the total, permanent and irrecoverable loss of:

- (a) the use of 2 limbs, or
- (b) the sight of both eyes, or
- (c) the use of 1 limb and sight of 1 eye, and

in the Insurer's opinion they continue to be so disabled that they are in our opinion unlikely to resume their previous occupation at any time in the future and will be unlikely at any time in the future to perform any *Other Occupation*, where:

- (a) loss of sight means the complete and irrecoverable loss of sight which is permanent, and
- (b) loss of the use of a limb means the permanent loss of the use of a leg from at or above the ankle or an arm from at or above the wrist which is permanent.

Part 3 – Home Duties

The member suffers an *Illness* or *Injury* which wholly prevents them from:

- (a) engaging in *Home Duties* for at least 3 consecutive months; and
- (b) since they became ill or injured, they have been under the regular care and attention of a *Doctor* for that *Illness* or *Injury*; and
- (c) in our opinion, the *Illness* or *Injury* means that they are unlikely to ever again be able to engage in *Home Duties* without assistance from another adult person, despite the use of appropriate aids; and

in the Insurer's opinion, at the end of that 3 months they continue to be so disabled that they are, in our opinion, unlikely to resume their previous occupation at any time in the future and will be unlikely at any time in the future to perform any *Other Occupation*.

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