

Accelerated Protection Life Insurance through superannuation

KEY FACTS

This information sheet is designed to assist you in understanding your options. It is general information only and is not intended to be a comprehensive statement of the laws applying to superannuation. **If you have any questions about structuring your insurance through superannuation given your own individual objectives, financial situation or needs, you should speak to your financial adviser about your personal circumstances.** This document is a guide only and is not a summary of the Product Disclosure Statement (PDS). It is not a substitute for your careful reading of the PDS which contains important information to help you understand the product, including what's covered and what's not covered, and to help you decide whether it is appropriate for you and whether to use any of the services we offer. This information is general advice only and does not take into account your individual needs, objectives, or financial situation. The Target Market Determination (TMD), where applicable, for the product is available on our website.

If you're structuring Accelerated Protection through TAL Super, you should also read the 'Accelerated Protection through TAL Super PDS'. Together these documents contain specific information about structuring Accelerated Protection through TAL Super.

Persons interested in acquiring this product should carefully read those documents before deciding to purchase, or to continue to hold TAL Accelerated Protection or TAL Super (which is a superannuation fund by which you may choose to obtain insurance coverage).

Only some benefits in Accelerated Protection are available to hold through superannuation – they are Life Insurance, TPD Insurance and Income Protection. For more information about how these benefits can be structured in superannuation, see the 'Types of benefits available' section below. For key facts about what these benefits cover, please refer to the relevant Key Fact Sheet.

Structuring TAL Accelerated Protection via Superannuation

You can choose to structure Accelerated Protection through a complying superannuation fund. This means the trustee of the superannuation fund becomes the Policy Owner and you become a member of the fund. When benefits are paid as the result of a claim, they will be received by the trustee who will then distribute them to the member in accordance with the governing rules of the superannuation fund and superannuation law.



Have questions about your life insurance or this information? Call us on **1300 209 088**.

Check with the trustee of your superannuation fund to see whether they can pay TAL your insurance premiums from your member account. If you are not a member of a complying superannuation fund, or you are a member of a fund which cannot pay us insurance premiums from your member account, you can still take out Accelerated Protection Life Insurance, TPD Insurance and Income Protection through superannuation by becoming a member of TAL Super.

You can choose to have Accelerated Protection Structured through superannuation or outside of superannuation. Different terms and conditions apply depending on your choice, as outlined in the PDS. If you choose to structure your Accelerated Protection cover through superannuation, TAL will issue the Policy to the trustee of the superannuation fund. You can choose to have the cover structured through TAL Super, a complying retail superannuation fund or your self-managed superannuation fund. Any benefit payable under the Policy when structured through superannuation will be paid to the trustee of the fund. The trustee is responsible for paying benefits out of the fund in accordance with the governing rules of the fund and superannuation laws. If you choose to structure your Accelerated Protection cover through TAL Super, you must also read the Accelerated Protection through TAL Super Product Disclosure Statement.

Insurance is issued by TAL Life Limited ABN 70 050 109 450 AFSL 237848 (the insurer). TAL Direct Pty Limited ABN 39 084 666 017 AFSL 243260 (TAL Direct) has been authorised under an arrangement with the insurer to enter into, vary or cancel insurance cover on behalf of the insurer as if it were the insurer.

There are some important differences between owning your insurance yourself (that is outside of a superannuation fund) and purchasing your insurance through superannuation (that is where the insurance policy is held by your superannuation fund). For example, some benefits will not apply where insurance is held through superannuation (as set out in the PDS). However, in some circumstances there may be advantages to purchasing insurance through superannuation.

Type of benefits available

Not all TAL Accelerated Protection benefits and options are available when structuring your Policy through superannuation. This is due to superannuation law and the types of insurances available in a superannuation fund.

If you choose to structure your insurance through superannuation, only the following benefit types will be available:

- Life Insurance (otherwise known as death cover)
- Total and Permanent Disability (TPD) Insurance – with an **Any Occupation** definition
- Income Protection Insurance.

Any Occupation – you're unable to ever work again in any job suited to your education, training or experience. This cover is generally cheaper but has a higher threshold to claim than the "Own Occupation" definition, so it's less likely to pay out.

Certain product types are not available when structuring your insurance through superannuation. These include but are not limited to:

- Total and Permanent Disability (TPD) Insurance – with an **Own Occupation** definition
- Critical Illness Insurance, and
- Child Critical Illness Insurance.

In addition to these, certain features and options will also not be available. These include but are not limited to Advanced Payment Benefit, Financial Planning Benefit and some features of Income Protection (as set out in the PDS).

Own occupation – you're unable to ever work again in the job you were working in before your disability. This cover is generally more expensive and is usually only available outside super.

Tax

If you structure your Accelerated Protection through superannuation the taxation impacts may differ from holding insurance outside of superannuation, so it's important to seek financial and taxation advice before you make this decision. Superannuation law is complex, so this advice should be specific to your circumstances. Please refer to the 'Tax' section of the PDS for more information.

Risk of holding insurance through superannuation

There are risks you should consider before deciding to hold insurance through superannuation, including:

- Except for Income Protection benefits, a benefit paid from a policy structured through superannuation is a superannuation benefit for tax purposes and it may be subject to more tax than would otherwise apply if the benefit was paid from the same insurance held outside of superannuation.
- Limits apply to the amount you can contribute to superannuation each year. Any contributions you make to a superannuation fund in order to pay premiums will reduce the amount you may be able to contribute to other superannuation accounts you hold for retirement savings purposes.
- Any contributions you make to superannuation in order to pay premiums will reduce the amount you may be able to contribute to other superannuation accounts you hold for retirement savings purposes.
- Where you choose to pay premiums by rollover from another superannuation fund, your retirement savings will be reduced so that you may have less available to you on retirement than otherwise would have been the case if you did not pay for your insurance from your superannuation. You should ensure that the cost of premiums do not inappropriately erode your retirement savings.
- Taxation or superannuation laws may change in the future, altering the suitability of holding insurance in superannuation.
- Cover held inside superannuation generally ends earlier than if it is held outside superannuation. For example, TAL Accelerated Protection Life Insurance held inside superannuation will end on the Policy anniversary before your 75th birthday. Outside of superannuation Life Insurance will end on the Policy anniversary before your 100th birthday.
- If your superannuation fund becomes inactive (ie. due to no contributions for a consecutive period of 16 months) and you don't elect to keep your insurance, or you change superannuation funds and don't notify us, your contributions to your insurance may stop and your cover may end, meaning you could end up with no insurance.

How to make a claim

When making a claim, we will endeavour to make the claims process as easy as possible for you and your Beneficiary. Some information can be taken over the phone but we'll require information from your Beneficiary that confirms their identity and your identity (e.g. driver's licence or passport). We will advise specifically what information and requirements we need at the time of lodging a claim. Our assessment of a claim may require obtaining information such as medical, employment, lifestyle, pastime or financial evidence, that we require to make our decision on your claim.

When the Policy is owned by a trustee of a complying superannuation fund and your claim is accepted, all benefits will be paid to the trustee. The trustee is responsible for paying benefits out of the fund in accordance with the governing rules of the fund and superannuation laws. This may result in claim payments taking longer to be paid, than if the policy was not structured through superannuation, due to the additional processes.

Paying your premiums

Your cover only continues while premiums are up to date. Life insurance is an insurance policy, not a savings plan. In this sense, it works in the same way as many other insurances, such as car insurance. Other than if you claim, if you stop paying, your cover will end and there will be no refund of any of the money you've paid in premiums.

When structuring your life insurance through superannuation, premiums can be paid:

- by rollover when structured through TAL Super (annual payments only),
- by employer contribution through SuperStream (SuperStream is the way all employers are required to pay contributions and send information to super funds), or
- from a retail superannuation account or investment account that we have an agreement with.

Some superannuation funds are prevented from making rollovers to pay for insurance cover through superannuation – you should check whether your superannuation fund is able to pay a rollover.

In some cases, cover may be subject to conditions such as a Premium Loading, or an Exclusion.

For more information about the different Premium Loadings and Exclusions, please refer to the 'Life Insurance Premiums Key Facts' and 'Insurance Policy Underwriting Key Facts' available at tal.com.au.



Cancelling your cover

You have the benefit of a 30-day 'cooling off' period which means you can take out cover and if you change your mind or cancel the policy within 30 days, we'll provide you a full refund. If you cancel your cover after the first 30 days (the cooling off period), there will be no refund of money you've paid. For full details on this, please see the PDS.

You can cancel your cover at any time, however once your cover is cancelled you will not be able to make a claim for events that occur after your cover is cancelled.

When your Policy is structured through superannuation, we may not be able to refund premiums to you because of superannuation legislation. However, refunded premiums may be rolled over to another superannuation fund rather than be paid in cash. No refund can be made if a claim has been made under the Policy.

What is I can no longer afford the cost of my insurance?

To keep cover affordable, TAL offers a number of options to our customers. We recommend if our customers are concerned about losing their cover that they contact us.

As life insurance is an insurance policy and not a savings product, if you don't keep your premium payments up to date, you may not receive any money back – as is the case for many insurance policies. If you are worried about your ability to afford your premium, please call us and we will try to help find a way to ensure you can maintain your cover.

What is the Life Insurance Code of Practice?



TAL is committed to the Life Insurance Code of Practice (the Code). The Code outlines the life insurance industry's key commitments and obligations to our customers, ensuring that we act with honesty, fairness and transparency.

For more information on the Code, please visit tal.com.au/code-of-practice.

Important points to remember

- The laws governing superannuation are detailed and the statements provided here are general, not comprehensive, in nature and based on current law at the time this document was drafted.
- You should obtain your own independent advice on the taxation implications of joining a superannuation fund and in maintaining insurance cover through superannuation.
- As your circumstances change, so may the tax treatment of your contributions and any other payments made through superannuation.
- If you are concerned or have any questions about the potential complications of structuring your insurance through superannuation, you should speak to your financial adviser.

If you have any questions about the cover you have taken out or the information provided here, please give us a call on **1300 209 088** between 8am and 6pm (AEST) Monday to Friday. We're happy to step you through your Policy and answer any questions you might have.

FOR MORE INFORMATION:



Call TAL on 1300 209 088



Email us at customerservice@tal.com.au



Visit tal.com.au

TALR8095/0622

The logo for TAL, consisting of the letters 'TAL' in a bold, green, sans-serif font.