

# TAL Lifetime Protection

Built by You,  
For You

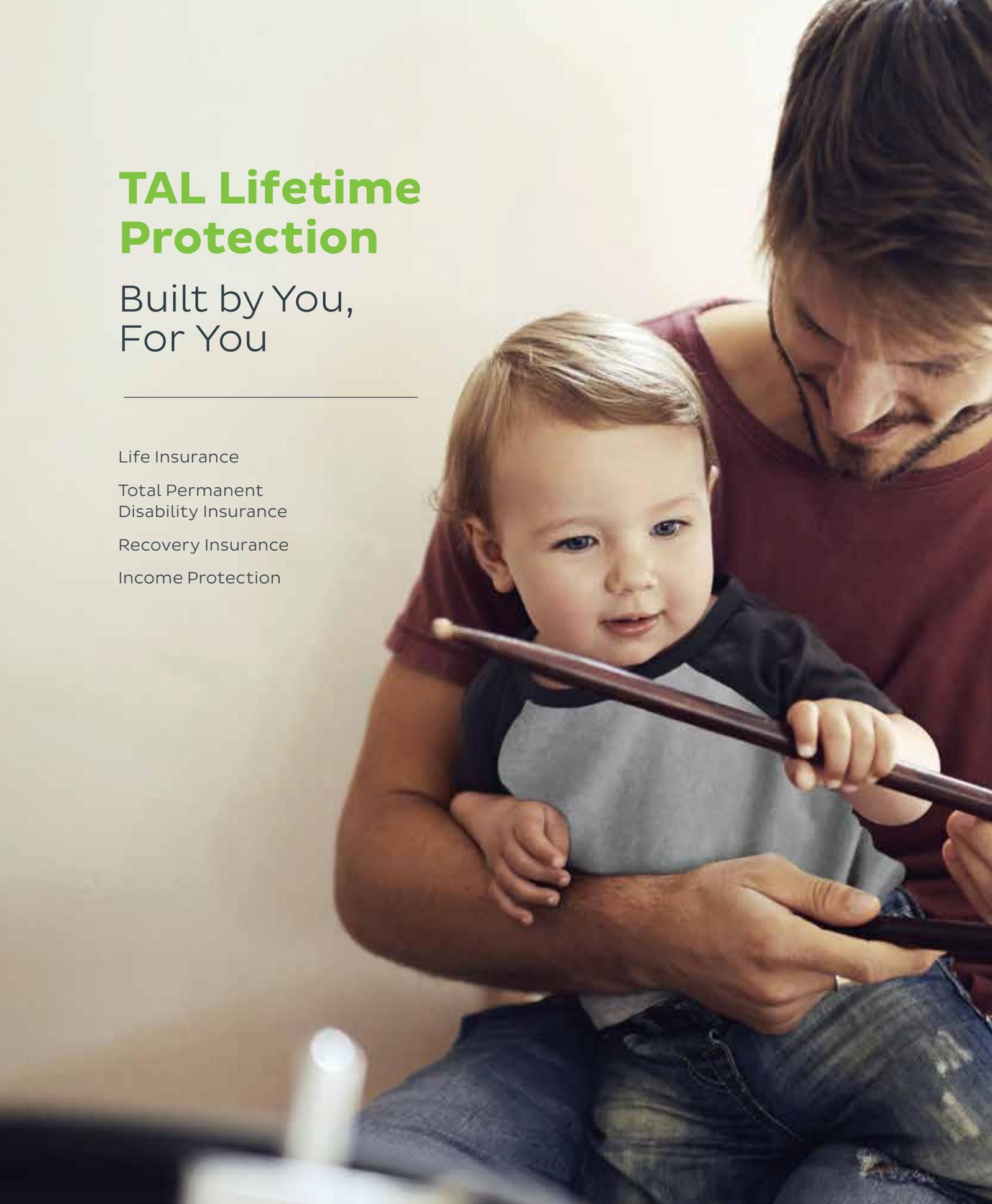
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Life Insurance

Total Permanent  
Disability Insurance

Recovery Insurance

Income Protection



**TAL**

Combined Product Disclosure  
Statement & Financial Services Guide

Issue date: 20 July 2016

## Important Information

This combined Product Disclosure Statement and Policy Document (PDS) and Financial Services Guide (FSG) is designed to help you decide whether to buy TAL Lifetime Protection. The information contained in this document is general information only and does not take into account your individual objectives, financial situation or needs. Therefore, you should consider how appropriate this insurance is with regard to your objectives, financial situation and needs before making a decision to buy TAL Lifetime Protection.

TAL Life Limited ABN 70 050 109 450, AFSL 237 848 has issued and takes full responsibility for the whole of this PDS. TAL Direct Pty Limited ABN 39 084 666 017, AFSL 243260 (TAL Direct) is responsible for the FSG.

In this PDS, 'Policy' means the TAL Lifetime Protection Policy and the 'Policy Owner' means the person who legally owns the Policy, including the Self-Managed Super Fund (SMSF) if you have structured your Policy through an SMSF.

In this document, some words and expressions have special meaning. They are normally bold and begin with capital letters and their meaning is explained in the Glossary on page 61. Also in this document, references to 'you' and 'your' means the person who is Covered, the Life Insured or the Policy Owner as the context requires. In a claim scenario, 'you' may also refer to your legal personal representative if you are the Life Insured and you have passed away. References to 'we', 'us' and 'our' mean the insurer TAL Life Limited unless the context requires otherwise.

The Policy is subject to and governed by the laws of Australia. The singular includes the plural and vice versa. Words of one gender include the other gender. Headings are only for convenience. Apart from the Glossary, headings do not affect the interpretation of the words of the Policy.

If you take out a Policy, please keep a copy of this document with your Policy Schedule in a safe place as together with your application they form the contract between TAL Life Limited ABN 70 050 109 450 AFSL 237848 (TAL) and the Policy Owner. The PDS sets out all of the terms and conditions for the Policy and the Policy Schedule sets out your Cover details and any additional terms and conditions applicable to you. Please read the PDS and the Policy Schedule carefully to understand how your Policy operates and to ensure all of your details in the Policy Schedule are correct. These documents will be required in the event of a claim.

You can call us on 1300 209 088 if you would like a copy of your PDS and Policy Schedule to be sent to you.

There are risks involved with taking out insurance and you should be aware of these. Please refer to page 55 for more information.

From time to time updates about our products, including TAL Lifetime Protection, which are not materially adverse to you may be found on the TAL website at [www.tal.com.au](http://www.tal.com.au). You can call us on 1300 209 088 if you would like a copy of the updates to be sent to you. This will be free of charge.



**Insuring Your  
Australian Life**

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# TAL Lifetime Protection overview

## Partnering with you to protect what matters most

For most of us, it's the people in our life that matter the most. Life insurance helps you to keep your vision for the future on track, for you and the people you love, because true freedom is at the heart of this Australian life.

## The difference that TAL makes

TAL is Australia's life insurance specialist and for around 140 years we've been protecting people, not things. From our experience getting to know the lives of Australians and what we value, we developed TAL Lifetime Protection. It's an Australian first to help you to get the right cover to fit your unique life.

The most important part of our business is claims. In 2015, we paid over \$1 billion in claims to our Australian customers and their families. That's equivalent to over \$19 million every week. People often think claims are all about payments to families when a loved one passes away. And of course, that's part of what we do. But more than half of the claims payments we made last year were to help customers keep living the lives they love, after an **Accident** or **Illness**.

# How TAL Lifetime Protection works to fit your unique life

With TAL Lifetime Protection, we offer you all four types of life insurance in the one place, and in one **Policy**, so you can design the **Cover** that matches your lifestyle.

This means you have a choice when it comes to the types of **Cover** you want and the life events you're **Covered** for. After that you have options around how you structure your **Policy**, ways to pay and which extra options you'd like to add.

And because we understand that needs can change over time, you can make changes to your **Cover** as your life changes. It's what we mean when we say we're by your side for life.

## The building blocks of TAL Lifetime Protection

Based on the life you're working hard to create, you can choose which of our insurances you'd like to build into your **Policy**. Full details on each of these can be found in the Dive Into The Details section.

In short, TAL Lifetime Protection offers:

### Life Insurance

Protects your loved ones' futures and gives them options if you're no longer around. More on page 14.

### Total Permanent Disability Insurance (TPD)

Gives you options to help you live a better quality of life if you're permanently disabled and can't work. More on page 20.

### Recovery Insurance

Means you have choices so you can still make the most of life if you have a serious **Illness**. More on page 26.

### Income Protection

Provides you with an income to help you continue living your life if you have had an **Injury** or **Illness** and can't work. More on page 32.

You can purchase one or all, or whatever combination works for your life, all in one **Policy**.

## STEP 1 Choose your insurances from our four options



If you want it, there's more flexibility within each insurance for you to further tailor what you want to be **Covered** for. This way, you can remove **Cover** or build your **Policy**, to only pay for the **Cover** that's right for you. Full details on how these **Covers** work can be found in the Dive Into The Details section.

## STEP 2 For each insurance chosen in Step 1, you can choose what you're covered for



When building your unique **Policy** it's important to make an informed decision because you can only claim based on the **Cover** you choose. If you choose to take up only one or two **Covers** within an insurance, we cannot fulfil your claim if an event happens to you that you don't have **Cover** for. \*Some rules apply to the selection of **Covers**. Please refer to the Dive Into The Details Section.

If you're including more than one insurance, you may have extra options for how your product is structured. For example, you could choose between buying your insurances as **Standalone** or **Bundled**.

## STEP 3 Explore how you could structure your policy

It's important to know the advantages and disadvantages of choosing **Standalone** or **Bundling** your insurance. These are detailed in the Dive Into The Details Section (page 13), but at a glance:

**Standalone:** This means your insurances are not linked together, so if you make a claim there is no effect on the other insurances **Benefit Amounts**. More about this is on page 42.

Where you select TPD or **Recovery Insurance** as **Standalone**, you should be aware that you must survive 14 days after suffering the illness or injury causing **Total Permanent Disability** or the **Covered Event** under **Recovery Insurance** for a claim to be payable.

**Bundled:** This means your insurances are linked together. This can result in lower premiums than buying them **Standalone**. However, if you make a claim there is an impact on the total **Benefit Amount** available. For more about this, see page 42

#### STEP 4 Explore the other ways to tailor your policy

There are further options available to tailor your **Lifetime Protection Policy**. These can be found in the Dive Into The Details section (from page 13).

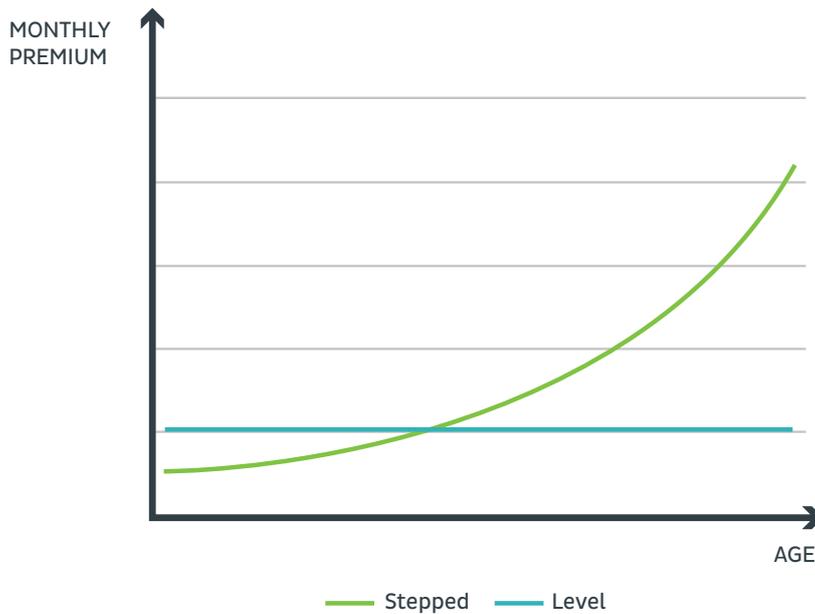
For example, you can choose between paying **Stepped Premiums** or **Level Premiums**.

##### **Stepped Premiums:**

The cost of your premiums will increase each year based on your age. **Stepped Premiums** will be cheaper than **Level Premiums** in the beginning.

##### **Level Premiums:**

The cost of your premiums generally does not change as you get older other than where your **Cover** increases or you make changes to your **Policy**. **Level Premiums** are generally more expensive than **Stepped Premiums** in the beginning. At the **Policy** anniversary prior to age 65, **Level Premiums** revert to **Stepped Premiums**. Further information regarding **Level Premiums** can be found on page 43.



# Claims are the most important part of our business

In 2015, we paid over \$1 billion in claims to our Australian customers and their families. To break it down, we paid out around:

## Life Insurance claims

\$423 million

## TPD Insurance claims

\$298 million

## Recovery Insurance claims

\$40 million

## Income Protection Insurance claims

\$292 million

### Making a claim

If you wish to make a claim, we ask you to contact us at the earliest possible opportunity.

Claims contact details:

 GPO Box 5380 Sydney NSW 2001

 Customer Service 1800 101 016

 [claims@tal.com.au](mailto:claims@tal.com.au)

Every claim is different, because every person is different. We'll assign you a dedicated Claims Manager to work with you from start to finish, to understand you and your individual needs. They'll explain the steps to take so we can assess your claim, which will involve getting information from you and other sources about the claim event. Details on the kinds of information we may need can be found on page 48.

We understand that if you need to make a claim with us, it's going to be at a difficult time in your life. So we make it as easy as possible for you or your representative. For example, doing as much as we can over the phone means less paperwork for you or your representative.

### We support your return to wellness

Our goal is to help you lead as healthy and full a life as possible. Our rehabilitation services are there to help you get back to health, taking into account all of your circumstances – your physical health, your mental wellbeing and your social support.

### We want you to have cover you can count on

If you make a claim, we want to make it as easy as possible for you. To help with this, we spend time to understand you before putting your Policy in place. We ask questions as part of your application to identify anything which could complicate your claim later on.

That way, your **Policy** is tailored to you from the outset. When it's in force, we want you to feel assured that you're supported by a hassle-free claims experience in case of the unexpected.

When you answer the questions in your application, you need to ensure you tell us everything completely, honestly and include all the things that we should know to assess your application for insurance. This is referred to as your **Duty of Disclosure**, which is set out overleaf.

**Our goal is to help you lead as healthy and full a life as possible.**



## Your Duty of Disclosure

Before you enter into a life insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you extend, vary or reinstate the contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If the insurance is for the life of another person and that person does not tell us everything he or she should have, this may be treated as a failure by you to tell us something that you must tell us.

### **If you do not tell us something**

In exercising the following rights, we may consider whether different types of cover can constitute separate contracts of life insurance. If they do, we may apply the following rights separately to each type of **Cover**.

If you do not tell us anything you are required to, and we would not have insured you if you had told us, we may avoid the contract within three years of entering into it.

If we choose not to avoid the contract, we may, at any time, reduce the amount you have been insured for. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have. However, if the contract has a surrender value, or provides cover on death, we may only exercise this right within three years of entering into the contract.

If we choose not to avoid the contract or reduce the amount you have been insured for, we may, at any time vary the contract in a way that places us in the same position we would have been in if you had told us everything you should have. However, this right does not apply if the contract has a surrender value or provides cover on death.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

## Making the most of your Policy

Once you're **Covered** by TAL, the experience doesn't end there. You'll have options to refine your **Cover** as your life changes, and you'll gain access to our team who is there for any help or questions.

Whether it's what you're **Covered** for or how it works, we'll work with you to adjust your **Policy** so it's right for you.

## Common Questions

### When does my Policy start?

We will notify you when your application has been approved, and from that point you will be **Covered** by the insurance you have built.

### Will the premium go up every year?

If you choose **Stepped Premiums**, your premiums will rise each year as your age increases.

You can also choose whether you want your **Cover** to increase each year in line with the cost of living – this will mean that your premium will also increase each year as the cover is increased through a process called **Inflation Protection**.

### What if I change my mind? (Cooling off period)

If you change your mind about purchasing insurance with us within 30 days of the date your **Policy** is issued, you can cancel the **Policy** and receive a full refund of the premium you've paid. This only applies if you haven't made a claim. To receive your refund, simply contact us on the details below with a request to cancel the **Policy** within the 30 days. And you don't have to tell us why you've changed your mind.

## Contact TAL



1300 209 088



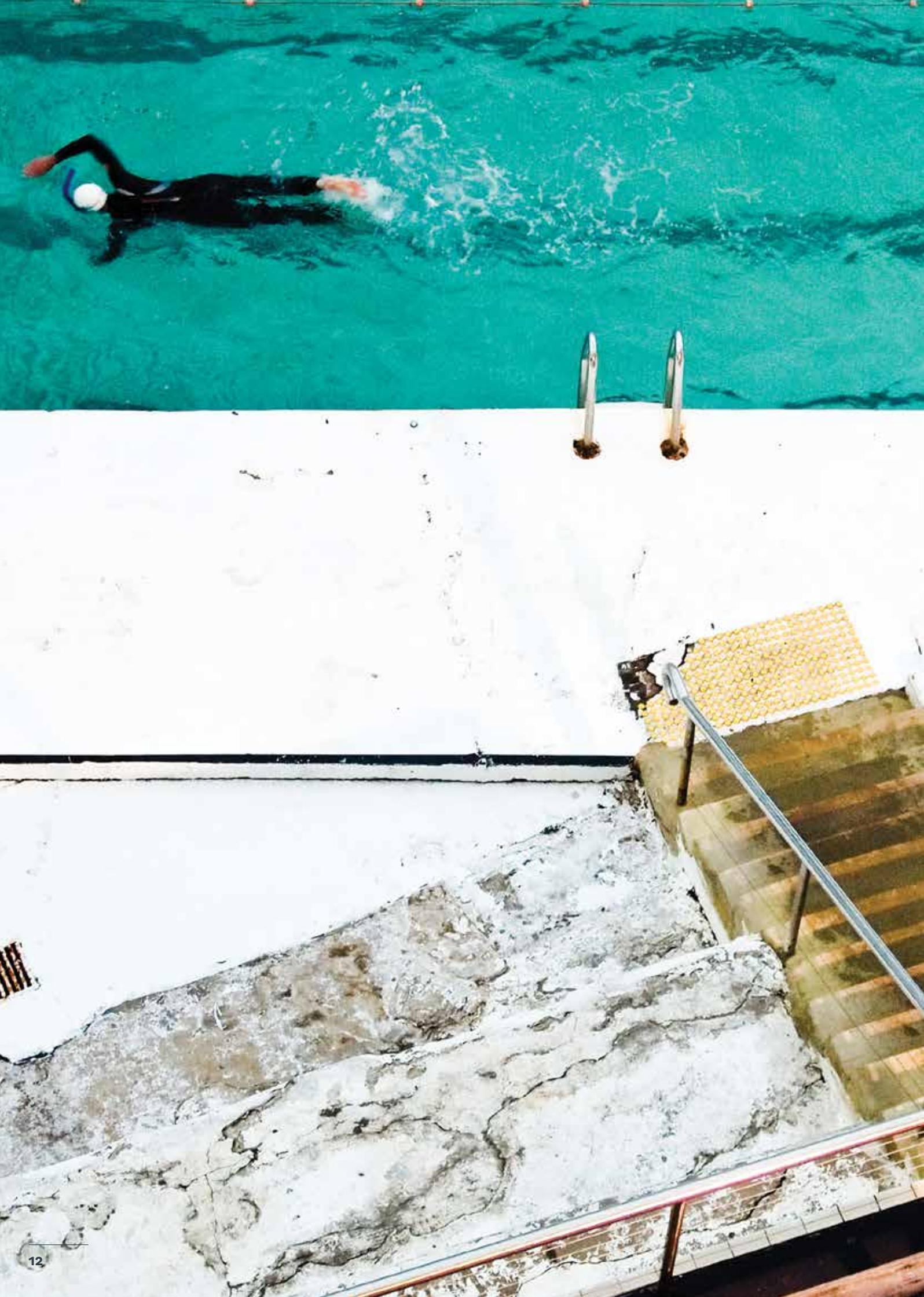
customerservice@tal.com.au



www.tal.com.au



GPO Box 5380, Sydney NSW 2001



# Dive into the details

## TAL Lifetime Protection Covers

TAL's flexible approach means you can select the type of **Cover** you're looking for so you only pay for the **Cover** you want. Let's now step through the types of insurance that make up TAL Lifetime Protection and the **Covers** you can get inside these insurances.

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### Life Insurance P14

Accident Cover

Illness Cover

Adventure  
Sports Cover

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### Total Permanent Disability Insurance P20

Accident Cover

Illness Cover

Sports Cover

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### Recovery Insurance P26

Critical Injury Cover

Critical Illness Cover

Cancer Cover

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### Income Protection P32

Accident Cover

Illness Cover

Sports Cover

All insurances under TAL Lifetime Protections are made up of three separate Covers. You can select from any or all three Covers. Details about the risks involved in not selecting all three Covers are set out on page 55 if you want to know more.

# Life Insurance

## What is it?

Life Insurance pays a lump sum **Benefit Amount** upon your death, or on the diagnosis of a **Terminal Illness**, helping to give financial protection to the ones you love and the choices and options you've worked hard to create.

## Who can apply?

Australian citizens, permanent Australian residents, or New Zealand citizens residing permanently in Australia aged 18 to 74 are eligible to apply. **Level Premiums** are available to applicants aged 59 or under.

## When does my Cover start and end?

Once your application is accepted by us we guarantee to renew your **Life Insurance Cover** until the **Policy Anniversary** prior to your 100th birthday as long as you have complied with the **Duty of Disclosure** and you have paid premiums when due. This guarantee applies regardless of any change in your personal circumstances.

Your **Cover** will end when the full **Benefit Amount** is paid, **Cover** is removed from your **Policy**, **Cover** is cancelled through non-payment of premiums or when **Cover** expires at age 99. There may be other reasons **Cover** may end. Please see page 52 for details.

## What would you like to be Covered for?

You can choose which **Cover** you'd like for your **Life Insurance** from:

- Accident Cover;
- Illness Cover; and
- Adventure Sports Cover.

See next page for detail.



## How much Life Insurance can I have?

The minimum **Cover** amount you can apply for is **\$100,000**. The maximum **Cover** amount you can apply for is **\$1,500,000**. Other limits may apply depending on your income and your age. These limits will be detailed on your application.

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## WHAT YOU'RE COVERED FOR



### Accident Cover

You will be **Covered** in the event of your **Accidental Death**, subject to any **Special Conditions** specified in your **Policy Schedule**. For example, **Cover** would be provided for death as a result of accidental drowning, or as a result of a transport accident.

### Illness Cover

You will be **Covered** in the event of death as a result of **Illness**, subject to any **Special Conditions** specified in your **Policy Schedule**. For example, **Cover** would be provided for death due to cancer, circulatory disease, heart disease, neurological disease or organ failure. **Illness Cover** is intended to cover causes of death other than those as a result of **Accidental Death**.

**Illness Cover** also includes **Terminal Illness Cover**. If you are diagnosed by a **Medical Practitioner** with a **Terminal Illness** with a life expectancy of less than 12 months, your **Life Insurance Benefit Amount** will be payable in full. Please see page 67 for further details.

### Adventure Sports Cover

**Adventure Sports Cover** is an extension to **Accident Cover**. In order to hold this **Adventure Sports Cover**, you must also hold **Accident Cover**.

You will be **Covered** in the event of death as a result of undertaking **Adventure Sports**, subject to any **Special Conditions** specified in your **Policy Schedule**. For example, you could opt to be **Covered** for activities including recreational aviation, hang-gliding, and/or scuba diving.

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## WHAT YOU'RE NOT COVERED FOR



### Accident Cover

If you select only **Accident Cover**, then no **Cover** is provided if you pass away from **Illness**, or as a result of undertaking **Adventure Sports**. For example, no **Cover** would be provided as a result of death due to suicide, cancer, heart attack or infectious disease or other non-accidental cause, or as a result of undertaking recreational aviation, motor racing, scuba diving or other **Adventure Sports**.

### Illness Cover

If you select only **Illness Cover**, then no **Cover** is provided if you pass away as a result of an **Accident** or as a result of participation in **Adventure Sports**. For example, no **Cover** would be provided for death as a result of accidental drowning, a transport accident or a skydiving accident.

If you select **Illness Cover**, you are not **Covered** in the event of suicide in the first 13 months following the **Policy Commencement Date**, or for any increases, within 13 months of the date of the increase in **Cover**.

### Adventure Sports Cover

**Adventure Sports Cover** is an extension to **Accident Cover**. In order to hold this **Adventure Sports Cover**, you must also hold **Accident Cover**.

If you select only **Adventure Sports Cover** and **Accident Cover**, then no **Cover** is provided if you pass away from **Illness**. For example, no **Cover** would be provided as a result of death due to cancer, heart attack or infectious disease.

# What's included in Life Insurance?

## Death Benefit

Depending on the **Cover** you choose, a lump sum payment will be paid to your **Nominated Benefit Recipient** or the **Policy Owner** if you pass away while you have **Life Insurance Cover** under a current TAL Lifetime Protection Policy.

## Terminal Illness

A lump sum payment of the **Life Insurance Benefit Amount** will be payable if you are diagnosed with a **Terminal Illness** while you are Covered by **Illness Cover** under TAL Lifetime Protection. Your **Life Insurance Cover** will end upon payment. Further Information can be found regarding this **Cover** on page 67.

## Inflation Protection

See page 53 for details.

## Funeral Advancement

Once a Death Certificate has been provided to us in respect of a Life Insured under the **Policy**, we'll make an early payment of 10% of your **Benefit Amount** to a maximum of \$25,000 to assist your estate with final expenses. Any payment made under the Funeral Advancement will reduce your **Life Insurance Benefit Amount** by a corresponding amount paid. The balance of your **Benefit Amount** is payable on our acceptance of the claim.

## Cover Pause

At TAL we understand that not everything always goes as planned, that's why we allow you to request to pause your **Cover** for up to three months in the event of financial hardship. During **Cover Pause** you will not have to pay premiums.

You need to be aware that no **Cover** will be provided while the **Cover Pause** is in effect – so if you request a **Cover Pause**, you will not be able to claim should your death or the **Illness** or **Injury** leading to your death occur or become apparent during the time your **Cover** is paused and you are not paying premiums.

At the end of the **Cover Pause** period, you can re-start **Cover** without needing to go through health and lifestyle assessment again.

Once your **Cover** is restarted by paying your premium, a qualifying period of three months will apply, so you'll be eligible to claim three months after you re-start your **Cover**. You will not be eligible to claim should your death, or **Illness** or **Injury** leading to your death occur or become apparent during the qualifying period.

## Future Life Events

**Future Life Events** means you can increase your **Life Insurance**, **TPD** or **Recovery Insurance Benefit Amount(s)** without evidence of your health or pastimes when specific life events occur, for example, getting married or divorced, obtaining or increasing a mortgage or increasing your financial interest in a business.

### The following terms and conditions apply to Future Life Events:

- You must be under the age of 55 at the time of the **Future Life Event**.
  - Applications for increasing **Cover** must be made within 30 days of a specified **Future Life Event**, or within 30 days of the **Policy Anniversary** following the **Future Life Event**. Increases are at our discretion based on evidence acceptable to us.
  - The amount of an increase cannot exceed the maximum **Cover** amounts and combined **Cover** limits specified on pages 14, 20 and 26.
  - **Future Life Events** may be exercised only once in a 12 month period (designated by the last time the option was exercised).
  - Cumulative increases from **Future Life Events** may not exceed \$1,000,000 or the original **Benefit Amount**, whichever is the lesser.
- **Future Life Events** cannot be exercised where:
    - you have lodged or are eligible to lodge a claim under any policy with TAL or any other insurer; or
    - a medical loading or medical **Exclusion** applies to you; or
    - Premiums are being waived under the Premium Relief Option; or
    - the **Cover** has resulted from applying for the **Life Buy Back Option**
  - In the first 6 months following the date of increase, the increased portion of the **Benefit** will only be paid in the event you suffer from a claimable event as a result of:
    - an **Accident** or an **Accident** as a result of **Adventure Sports**, depending on the Life Insurance Cover you have selected. If your **Cover** is for **Illness** only, then you are unable to claim the increased portion for any **Illness** occurring in the first 6 months;
    - an **Accident** or an **Accidental Injury** as a result of Sports, depending on the **TPD Insurance Cover** you have selected. If your **Cover** is for **Illness** only, then you are unable to claim the increased portion for any **Illness** occurring in the first 6 months; or
    - a **Critical Injury** as the result of an **Accident** under **Recovery Insurance**. If your **Cover** is for **Critical Illness** or **Cancer**, then you are unable to claim the increased portion for any diagnosed Event occurring within the first 6 months.

## Future Life Events

Future Life Event	Maximum allowable Increase
<ul style="list-style-type: none"> <li>• You or your spouse becoming a new parent through birth or adoption</li> <li>• Your marriage or divorce</li> <li>• Your dependent child starting secondary school</li> <li>• Your completion of a post-graduate degree</li> <li>• You becoming a full-time carer</li> <li>• An increase in your financial interest in a business to which the Policy is related via a buy-sell, share purchase or succession agreement</li> <li>• An increase in the loan liability of the business for which you are the primary guarantor</li> <li>• An increase in your value to a business in which you are a key person</li> </ul>	25% of the <b>Benefit Amount</b> at <b>Policy</b> commencement, or \$200,000 - whichever is the lesser.
Taking out or increasing a mortgage on your home.	The amount of the mortgage being taken out, or the increased portion of an existing mortgage, to a maximum of \$200,000.
Your annual income increasing by \$10,000 or more.	Five times the annual salary increase, or \$200,000, whichever is the lesser.



## What options can I select for Life Insurance?

### Premium Relief Option

If you are between 18 and 61 when applying, you can add Premium Relief to your **Life Insurance**, **TPD** and/or **Recovery Insurance** for an additional premium. If you are covered under this option, we will waive your **Life Insurance**, **TPD** and/or **Recovery Insurance** (as applicable) premiums if you are unable to work for at least three consecutive months due to **Illness** or **Accident**.

This option expires on the **Policy Anniversary** prior to you turning 65.

To qualify for the Premium Relief Option you will need to be:

- totally unable to work in any occupation that you could be considered suitable for by training, education or experience;
- not earning an income; and
- following the advice of a **Medical Practitioner**.

The amount waived will be the daily proportion of premiums due.

While premiums are being waived, **Future Life Events** are unable to be activated and your premiums and **Cover** will not increase with Inflation Protection.

Premium waivers under this option will cease on the earlier of:

- returning to work;
- generating Monthly Income; or
- the **Policy Anniversary** prior to your 65th birthday.

## WHAT ISN'T COVERED



Some **Exclusions** apply to your **Life Insurance** regardless of the **Cover** you have selected. No payments will be made under **Life Insurance** if the event giving rise to the claim occurs while you are visiting a country for which the Australian Department of Foreign Affairs and Trade (DFAT) has issued a 'Do Not Travel' warning advice that is in force during the time of your stay in that country.

In addition, specific **Special Conditions** may apply to your **Life Insurance** depending on the **Cover** options that you have selected. Refer to your **Policy Schedule** for details of any additional **Special Conditions** that apply to your **Policy**.

If you have selected **Accident Cover** only, no claim will be payable in the event of:

- your death as a result of illness;
- your death as a result of suicide; or
- your death as a result of undertaking Adventure Sports.

If you have selected **Illness Cover** only, no claim will be payable in the event of:

- your **Accidental Death**;
- your death as a result of undertaking **Adventure Sports**; or
- your death as a result of suicide in the first 13 months of your **Cover** commencing and in the first 13 months following any increases in **Cover**, in respect of the increased amount.

If you have selected **Accident Cover** and **Illness Cover**, but not **Adventure Sports Cover**, no claim will be payable in the event of:

- your death as a result of suicide in the first 13 months of your **Cover** commencing and in the first 13 months following any increases in **Cover**, in respect of the increased amount; or
- your death as a result of undertaking **Adventure Sports**.

If you have selected **Accident Cover** and **Adventure Sports Cover**, but not **Illness Cover**, no claim will be payable in the event of:

- your death as a result of illness; or
- your death as a result of suicide.

## WHO RECEIVES THE BENEFITS?



You can nominate to whom we will pay your **Life Insurance Benefit** in the event of your death. Your nominee(s) are called **Nominated Benefit Recipient(s)**.

Any selection of **Nominated Benefit Recipient(s)** is binding on us once we've received your nomination and send written confirmation of the nomination back to you. However, you can ask us to change or cancel a nomination at any time. If a nomination is made, details of the

**Nominated Benefit Recipient/s** will be shown in your **Policy Schedule**. If a change or cancellation is made to a nomination, a new **Policy Schedule** will be issued as confirmation of the change.

If a **Nominated Benefit Recipient** passes away before you, the nomination of that **Nominated Benefit Recipient** becomes invalid. If there are other surviving **Nominated Benefit Recipients** then the benefits will be paid to them in accordance with the proportions in your nomination, but with those surviving proportions being scaled up to total 100%.

If there is no surviving **Nominated Benefit Recipient**, then the **Life Insurance Benefit** will be paid to your estate or to your legal personal representative, or a person we are permitted to pay under the Life Insurance Act 1995 (Cth).

**You can nominate to whom we will pay your Life Insurance Benefit in the event of your death.**

# Total Permanent Disability Insurance

## What is it?

Total Permanent Disability Insurance (TPD) provides a lump sum **Benefit Amount** payable if you become **Totally Permanently Disabled**.

## Any or Own Occupation

Depending on your occupation, you can choose whether you want to be insured for no longer being able to work in any capacity:

- taking into account your education, training or experience (**Any Occupation**), or
- in the area of work in which you are trained and in which you specialise (**Own Occupation**).

If you're maintaining the family home and not in paid employment, you can still be **Covered** by **Total Permanent Disability Insurance**, however in order to claim, you will be assessed on your ability to perform Normal Domestic Duties. Your **Cover** amount will also be limited. You can find more information on page 23.

## Who can apply?

Australian citizens, permanent Australian residents, or New Zealand citizens residing permanently in Australia aged 18 to 59 are eligible to apply.

## When does my Cover start and end?

Once your application is accepted by us your **Cover** continues until the **Policy Anniversary** prior to you turning 65, or 100 if you have

**Bundled TPD with Life Insurance** as long as you have complied with the **Duty of Disclosure** and paid the premiums when due. The annual renewal of your **Policy** is guaranteed regardless of any change in your health or personal circumstances.

At age 65, if **TPD** is **Bundled** with **Life Insurance**, the definition of **TPD** under either **Own** and **Any Occupation** reverts to **Activities of Daily Living**. See page 62 for more information.

Your **Cover** will end when the full **Benefit Amount** is paid, **Cover** is removed from your **Policy**, **Cover** is cancelled through non-payment of premiums or when **Cover** expires prior to the policy anniversary at age 65, or 100 when **Bundled**. There may be other reasons **Cover** may end. Please see page 52 for details.

## What would you like to be Covered for?

As with **Life Insurance**, you can choose which **Cover** you'd like for **TPD**:

- **Accident Cover**;
- **Illness Cover**; and
- **Sports Cover**.

Please be aware that if you are **Bundling TPD** with **Life Insurance**, you must choose the same types of **Cover** for both insurances. For example, if you have only chosen **Illness Cover** for **Life Insurance**, you may only add **Illness Cover** under **Total Permanent Disability Insurance**.

See next page for detail.



## How much TPD Cover can I have?

**Standalone** Minimum Cover Amount is **\$100,000**. Maximum Cover Amount is **\$1,500,000**.

**Bundled with Life Insurance** Minimum Cover Amount is **\$10,000**. Maximum Cover Amount Must not exceed Life Insurance Cover amount.\*

\* The maximum Cover amounts applied are subject to acceptance and are determined by your occupation, income and age. If you have some TPD Cover as Standalone, and some Bundled with Life Insurance, the total of these TPD Covers must not exceed \$1,500,000.

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## WHAT YOU'RE COVERED FOR



### Accident Cover

You will be **Covered** in the event of your **Total Permanent Disability** as the result of an Accident subject to any **Special Conditions** specified in your **Policy Schedule**. For example **Cover** would be provided for **Total Permanent Disability** as a result of injuries sustained in a transport accident.

### Illness Cover

You will be **Covered** in the event of **Total Permanent Disability** as a result of Illness, subject to any **Special Conditions** specified in your **Policy Schedule**. For example **Cover** would be provided for **Total Permanent Disability** due to such **Illnesses** as cancer, circulatory disease, heart disease, neurological disease or organ failure.

### Sports Cover

In order to hold this **Cover**, you must also take out **Accident Cover**.

You will be **Covered** in the event of **Total Permanent Disability** as a result of a **Sports Injury**, subject to any **Special Conditions** specified in your **Policy Schedule**. For example, **Cover** would be provided for an **Injury** such as a broken back sustained while playing football, which leaves you **Totally Permanently Disabled**.

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## WHAT YOU'RE NOT COVERED FOR



### Accident Cover

If you select only **Accident Cover**, then no **Cover** is provided if you are **Totally Permanently Disabled** as a result of **Illness**, or as a result of undertaking **Sports**. For example, no **Cover** would be provided as a result of **Total Permanent Disability** due to attempted suicide, or **Illnesses** such as cancer, heart attack or infectious disease, or as a result of undertaking recreational aviation, motor racing or playing football.

### Illness Cover

If you select only **Illness Cover**, then no **Cover** is provided if you become **Totally and Permanently Disabled** due to suffering an **Accident** or as a result of a **Sports Injury**. For example, no **Cover** would be provided for **Total Permanent Disability** as a result of a traffic or skydiving accident.

### Sports Cover

In order to hold this **Cover**, you must also take out **Accident Cover**.

If you select only **Sports Cover** and **Accident Cover**, then no **Cover** is provided if you become **Totally Permanently Disabled** as a result of **Illness**. For example, no **Cover** would be provided as a result of **Total Permanent Disability** due to attempted suicide, or conditions such as cancer, heart attack or infectious disease.

# What's included in Total Permanent Disability Insurance?

## **Total Permanent Disability Benefit**

Total Permanent Disability Insurance provides a lump sum **Benefit Amount** payable if you become **Totally Permanently Disabled**.

## **Inflation Protection**

You can find more information on this feature on page 53.

## **Future Life Events**

You can find more information on this feature on page 17.

## **Cover Pause**

You can find more information on this feature on page 16.

# What options can I add?

## **Life Buy Back Option**

*Only available where you have **Bundled TPD** with **Life Insurance**.*

If you have chosen to **Bundle** your **TPD** with your **Life Insurance**, if a claim is paid for **TPD**, your **Life Insurance Cover** amount will reduce by the same amount.

However, for an additional premium, you can have the option to **Buy Back** any **Life Insurance** that has been reduced after payment of a full claim on your **Bundled TPD** – up to the equivalent of the claim amount paid. This increase in **Cover** is not subject to health and lifestyle assessment. The ability to purchase back this **Cover** is available for 30 days from the first anniversary (12 months) of you notifying us of a claim for which a full claim payment was subsequently made. If you have not notified us in writing during this 30 day period, the **Buy Back Option** will expire. If you are eligible to **Buy Back Cover**, we will remind you about this option 12 months after the **TPD** claim is paid.

If payment of your **TPD** claim occurs more than 12 months after the formal claim notification was made to us, the 30 day period will begin on the date of payment.

The **Life Buy Back Option** will expire at your **Policy Anniversary** prior to age 65.

The premium for the bought back **Life Insurance** will be calculated using our standard premium rates for your age at the time the option is exercised and will take into account any extra premiums charged (**Loadings**) and any **Exclusions** that apply to your **Life Insurance**.

You may not buy back any **Life Insurance**, or **Cover** which has already been bought back under the **Recovery Insurance Life Buy Back option**.

Any **Life Insurance** bought back under the **Buy Back Option** will not be eligible for increases under:

- Inflation Protection; or
- **Future Life Events**.

## **Premium Relief Option**

For more detail please see page 18.

# How we define Total Permanent Disability

It's important to understand how we define **Total Permanent Disability** because you will need to meet the criteria in this definition to be eligible for a TPD payment.

What we consider **Totally Permanently Disabled** differs dependent on whether you chose **Any** or **Own occupation**.

If you select **Any Occupation, Totally Permanently Disabled** (including Home makers) means that:

- solely because of an **Illness** or **Injury**, you have not been working in any occupation for three consecutive months and, after consideration of medical and any other evidence, we are of the opinion that you are incapacitated to such an extent as to render you unlikely ever to be able to work in any occupation for which you are reasonably suited by training, education or experience that would pay remuneration at a rate greater than 25% of your earnings during your last 12 months of work; or
- solely because of an **Illness** or **Injury**, you have suffered at least 25% impairment of **Whole Person Function** and have not been working in any occupation and, after consideration of medical and any other evidence, we are of the opinion that you are incapacitated to such an extent as to render you unlikely ever to be able to work in any occupation for which you are reasonably suited by training, education or experience that would pay remuneration at a rate greater than 25% of your earnings during your last 12 months of work; or
- you are suffering:
  - **Blindness**; or
  - **Loss of Limbs**; or
  - **Loss of a Single Limb** and **Loss of Sight**; or
- your **Medical Practitioner** certifies and we agree that you are unlikely ever to be able to perform at least two of the five **Activities of Daily Living** without the physical assistance of another person; or
- where you have been solely performing Normal Domestic Duties for more than 12 consecutive months immediately prior to the **Illness** or **Injury** that gives rise to the claimable event and, after not performing the Normal Domestic Duties for three consecutive months and after consideration of medical and other evidence, we are of the view that you are incapacitated to such an extent as to render you unlikely ever to be able to perform the Normal Domestic Duties.

“TAL paid \$298 million in TPD claims in 2015, helping Australians live a better quality of life if they are permanently disabled and can't work.”

When **Cover** is structured through a Self-Managed Superannuation Fund (SMSF), you must also satisfy the Superannuation Industry (Supervision) Act (SIS) definition of Permanent Incapacity.

From the **Policy Anniversary** prior to your 65th birthday, '**Total Permanent Disability**', and '**Totally Permanently Disabled**' mean that you suffer:

- **Loss of Independent Existence**; or
- **Loss of Limbs**; or
- **Blindness**.

If you select **Own Occupation**, Totally Permanently Disabled means that:

- solely because of an **Illness or Injury**, you have not been working in your **Own Occupation** for three consecutive months and, after consideration of medical and any other evidence, we are of the opinion that you are incapacitated to such an extent as to render you unlikely ever to be able to work in your **Own Occupation**; or
- solely because of an **Illness or Injury**, you have suffered at least 25% impairment of **Whole Person Function** and have not been working in any occupation and, after consideration of medical and any other evidence, we are of the opinion that you are incapacitated to such an extent as to render you unlikely ever to be able to work in any occupation for which you are reasonably suited by training, education or experience that would pay remuneration at a rate greater than 25% of your earnings during your last 12 months of work; or
- Suffering:
  - **Blindness**; or
  - **Loss of Limbs**; or
  - **Loss of a Single Limb and Loss of Sight**; or

- your **Medical Practitioner** certifies and we agree that you are unlikely ever to be able to perform at least two of the five **Activities of Daily Living** without the physical assistance of another person; or
- where you have been solely performing Normal Domestic Duties for more than 12 consecutive months immediately prior to the **Illness or Injury** that gives rise to the claimable event and, after not performing the Normal Domestic Duties for three consecutive months and after consideration of medical and other evidence, we are of the view that you are incapacitated to such an extent as to render you unlikely ever to be able to perform the Normal Domestic Duties.

From the **Policy Anniversary** prior to your 65th birthday, '**Total Permanent Disability**', and '**Totally Permanently Disabled**' means that you are totally and permanently unable to perform at least two of the five **Activities of Daily Living** without the physical assistance of another person.



## **Total Permanent Disability Benefit**

Total Permanent Disability Insurance provides a lump sum Benefit Amount payable if you become Totally Permanently Disabled.

## WHAT ISN'T COVERED



Specific **Exclusions** will apply to your **Total Permanent Disability Cover** depending on the **Cover** that you have selected. Refer to your **Policy Schedule** for details of any additional **Special Conditions** that apply to your **Policy**.

Some **Exclusions** apply to your **Total Permanent Disability Cover** regardless of the **Cover** options you have selected, these are:

- where **Cover** is **Standalone**, no payment will be made under **TPD Insurance** unless you survive for at least 14 days after suffering the **Illness** or **Injury** that directly or indirectly caused the **Total Permanent Disability**; and
- no payment will be made under **TPD Insurance** if the event giving rise to the claim is caused directly or indirectly by suicide or attempted suicide for the first 13 months.

If you have selected **Accident Cover** only, no claim will be payable in the event of:

- your inability to work as a result of an **Illness**;
- your inability to work as a result of any **Mental Health Related Illness**, or any **Mental Health Related Illness** as a result of an **Accidental Injury, Sports Injury** or **Illness**; or
- your inability to work as a result of a **Sports Injury** or other **Dangerous Pastimes**.

If you have selected **Illness Cover** only, no claim will be payable in the event of:

- your inability to work as a result of an **Accidental Injury**; or
- your inability to work as a result of a **Sports Injury** or other **Dangerous Pastimes**.

If you have selected **Illness Cover** and **Accident Cover** only, no claim will be payable in the event of your inability to work as a result of a **Sports Injury** or other **Dangerous Pastimes**.

If you have selected **Accident Cover** and **Sports Cover** only, no claim will be payable in the event of:

- your inability to work as a result of an **Illness**;
- or
- your inability to work as a result of any **Mental Health Related Illness**.

When **Cover** is structured through a Self-Managed Superannuation Fund (SMSF), you must also satisfy the Superannuation Industry (Supervision) Act (SIS) definition of Permanent Incapacity.

## WHO RECEIVES THE BENEFITS?



The **Total Permanent Disability Benefit** will be paid to you, as the **Policy Owner**.

# Recovery Insurance

## What is it?

We pay a lump sum if you are diagnosed with a specified medical condition or Injury like **Cancer**, **Heart Attack**, **Stroke** or **Loss of a Limb**. There are specific criteria that your diagnosis will need to meet to qualify for payment. We'll discuss these below, but the full details for each condition, and the level of severity required to claim can be found on pages 68-72.

## Who can apply?

Australian citizens, permanent Australian residents, or New Zealand citizens residing permanently in Australia aged 18 to 59 are eligible to apply.

## When does my Cover start and end?

Once your application is accepted by us, your **Cover** continues until the **Policy Anniversary** prior to you turning 70, or 100 when you Bundle with Life Insurance as long as you have complied with the **Duty of Disclosure** and paid the premiums when due.

At the **Policy Anniversary** prior to age 70, if **Recovery Insurance** is **Bundled** with **Life Insurance**, your **Recovery Insurance Cover** reverts to Cover for **Activities of Daily Living**. See page 62 for more information.

Your **Cover** will end when the full **Benefit Amount** is paid, **Cover** is removed from your **Policy**, **Cover** is cancelled through non-payment of premiums or when **Cover** expires at age 69 or 99 when **Bundled**. There may be other reasons **Cover** may end. Please see page 52 for details.

## What would you like to be covered for?

You can choose which cover you'd like for **Recovery Insurance**:

- **Cancer Cover**;
- **Critical Injury Cover**; and
- **Critical Illness Cover**.

If you are **Bundling** your **Recovery Insurance Cover** with **Life Insurance Cover**, you must choose the same type of **Cover** for both. For example, if you wish to take out **Critical Injury Cover** under **Recovery Insurance**, you must also take out **Accident Cover** under **Life Insurance**. If you take out both **Accident Cover** and **Illness Cover** under **Life Insurance**, you must select all **Covers** under **Recovery Insurance**.

See next page for detail.



## How much Recovery Insurance Cover can I have?

**Standalone** Minimum Cover Amount is **\$100,000**. Maximum Cover Amount is **\$500,000**.

**Bundled with Life Insurance** Minimum Cover Amount is **\$10,000**. Maximum Cover Amount Must not exceed Life Insurance Cover amount.\*

\* If you have some Recovery Insurance as Standalone, and some Bundled with your Life Insurance, the total of these covers must not exceed \$500,000.

## WHAT YOU'RE COVERED FOR



### Cancer Cover

You will be **Covered** in the event of **Cancer**, subject to any **Special Conditions** specified in your **Policy Schedule**. For example **Cover** would be provided for **Cancer** such as malignant tumours, skin cancers showing evidence of metastases, **Benign Brain Tumour** or **Early Stage Chronic Lymphocytic Leukaemia**.

As **Cover** is based on the medically-tested severity, you should refer to the Glossary of Recovery Insurance Conditions on page 68 for the full definition and conditions of **Cancer Cover**.

In the case of **Cancer**, **Carcinoma In Situ**, **Diagnosed Benign Brain Tumour**, **Early Stage Chronic Lymphocytic Leukaemia**, **Early Stage Melanoma** or **Early Stage Prostate Cancer**, a three month waiting period applies from the **Cover Commencement Date**, the date of any increase but only in respect if the increase, or the date of any reinstatement before a claim can be made.

### Critical Injury Cover

You will be **Covered** in the event of **Critical Injury** as the result of an **Accident**, subject to any **Exclusions** and **Special Conditions** outlined in your **Policy Schedule**. For example **Cover** would be provided for **Severe Burns** or **Injury** resulting in **Intensive Care** treatment, **Blindness** or **Loss of a Limb**.

You should refer to the Glossary of Recovery Insurance Conditions on page 68 - 72 for the full list of events **Covered** under **Critical Injury**.

### Critical Illness Cover

You will be **Covered** in the event of a **Critical Illness**, subject to any **Exclusions** and **Special Conditions** outlined in your **Policy Schedule**. **Critical Illness** includes the diagnosis of a number of Heart and neurological conditions, permanent conditions and organ disorders. For example **Cover** would be provided for the diagnosis of major heart conditions such as **Heart Attack**, neurological conditions such as **Dementia** or **Stroke**, permanent conditions such as **Loss of Hearing** (other than **Loss of Hearing** as a result of **Accidents**), and organ disorders such as **Chronic Kidney Failure**.

Please turn to the next page to see the full list of all conditions that may be **Covered** depending on the severity of your diagnosis. You should refer to the Glossary of Recovery Insurance Conditions on pages 68 - 72 for the specific definition of each condition.

## Critical Illness Conditions

Please note that these conditions are **Covered** only as the result of **Illness**. If you wish to be covered for conditions as the result of an **Accident**, you will need to select **Critical Injury Cover**.

### Heart Conditions

- Angioplasty
- Aortic Surgery
- Cardiomyopathy
- Coronary Artery Bypass Surgery
- Heart Attack
- Heart Valve Surgery
- Primary Pulmonary Hypertension
- Triple Vessel Angioplasty

### Blood Disorders

- Aplastic Anaemia

### Other Events

- Intensive Care

### Neurological Conditions

- Alzheimer's Disease
- Coma
- Dementia
- Encephalitis and Meningitis
- Meningococcal Disease
- Motor Neurone Disease
- Multiple Sclerosis
- Muscular Dystrophy
- Paralysis
- Parkinson's Disease
- Stroke

### Permanent Conditions

- Blindness
- Loss of Hearing
- Loss of Independent Existence
- Loss of a Single Limb
- Loss of Speech

### Organ Disorders

- Chronic Kidney Failure
- Chronic Liver Failure
- Chronic Lung Failure
- Major Organ Transplant
- Pneumonectomy
- Severe Diabetes

Please note that any claim for a **Minor Heart Attack** will be paid at 25% of the **Benefit Amount** to a maximum of \$50,000 and can only be claimed once.

In the case of **Angioplasty, Coronary Artery Bypass Surgery, Heart Attack, Heart Valve Surgery, Minor Heart Attack, Open Heart Surgery, Out of Hospital Cardiac Arrest, Stroke** or **Triple Vessel Angioplasty**, a three month waiting period applies from the **Cover Commencement Date**, the date of any increase but only in respect if the increase, or the date of any reinstatement before a claim can be made.

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## WHAT YOU'RE NOT COVERED FOR



### Cancer Cover

If you select only **Cancer Cover**, then no **Cover** is provided in the event of **Critical Injury** or **Critical Illness**. For example, no **Cover** would be provided for **Severe Burns** or a **Heart Attack**.

### Critical Injury Cover

If you select only **Critical Injury Cover**, then no **Cover** is provided in the event of **Cancer** or **Critical Illness**. For example, no **Cover** would be provided for malignant tumours, **Chronic Kidney Failure** or **Blindness** as a result of **Illness**.

### Critical Illness Cover

If you select only **Critical Illness Cover**, then no **Cover** is provided in the event of **Cancer** or **Critical Injury**. For example, no **Cover** would be provided for skin cancers showing evidence of metastases, **Blindness** or **Severe Burns** as the result of an **Accident**.

# What's included in Recovery Insurance?

## Recovery Insurance

Depending on what **Recovery Insurance Cover** you take out, we pay a lump sum for any of the listed conditions under that **Cover** where they meet the severity criteria specified. Please refer to the Glossary of **Recovery Insurance Conditions** on pages 68-72 for the full list of events Covered.

## Inflation Protection

Full details of this feature can be found on page 53.

## Future Life Events

Full details of this feature can be found on page 17.

## Cover Pause

Full details of this feature can be found on page 16.

## Cancer Advancement Benefit (for Cancer Cover only)

We will make an advance payment to you if you suffer one of the listed conditions:

### Advancement Benefit Event

- Carcinoma In Situ;
- Diagnosed Benign Brain Tumour;
- Early Stage Chronic Lymphocytic Leukaemia;
- Early Stage Melanoma; or
- Early Stage Prostate Cancer

### Amount to be Paid

25% of the **Benefit Amount** up to \$50,000

You should refer to page 69 for a full list of definitions for these conditions. The same **Exclusions** apply as for **Cancer Cover**. You can find these on page 31.

Any **Cancer Cover Benefit** paid under the **Cancer Advancement** will reduce the overall **Recovery Insurance Benefit Amount** by a corresponding amount. If the Cancer Advancement is paid and the **Recovery Insurance** is **Bundled** the payment will reduce the **Benefit Amount(s)** for the other **Bundled Covers**. If this occurs, the corresponding premium will also reduce.





TAL paid over \$40 million in Recovery Insurance Claims in 2015, meaning Australians can still make the most of life if they have a serious illness.



## What options can I add?

### **Life Buy Back Option**

*Only available where you have **Bundled Recovery Insurance with Life Insurance**.*

If you have chosen to **Bundle** your **Recovery Insurance** with your Life Insurance, if a claim is paid for **Recovery Insurance**, your **Life Insurance** amount will reduce by the same amount.

However, for an additional premium, you can have the option to Buy Back any **Life Insurance** that has been reduced after payment of a full claim on your **Bundled Recovery Insurance** – up to the equivalent of the claim amount paid. This increase in **Cover** is not subject to health and lifestyle assessment. The ability to purchase back this **Cover** is available for 30 days from the first anniversary (12 months) of you notifying us of a claim for which a full claim payment was subsequently made. If you have not notified us in writing during this 30 day period, the Buy Back Option will expire. If you are eligible to Buy Back Cover, we will remind you about this option 12 months after the **Recovery Insurance** claim is paid.

If payment of your **Recovery Insurance** claim occurs more than 12 months after the formal claim notification was made to us, the 30 day period will begin on the date of payment.

The **Life Buy Back Option** will expire at your Policy Anniversary prior to age 70.

The premium for the bought back **Life Insurance** will be calculated using our standard premium rates for your age at the time the option is exercised and will take into account any extra premiums charged (Loadings) and any **Exclusions** that apply to your **Life Insurance**.

You may not buy back any **Life Insurance**, or **Cover** which has already been bought back under the **TPD Insurance Life Buy Back option**.

Any **Life Insurance Cover** bought back under the Buy Back Option will not be eligible for increases under:

- Inflation Protection; or
- Future Life Events.

### **Premium Relief Option**

Full details can be found on page 18.

## WHAT ISN'T COVERED



Specific **Exclusions** will apply to your Recovery Insurance depending on the Cover that you have selected. Refer to your **Policy Schedule** for details of any additional **Special Conditions** that apply to your Policy.

Some **Exclusions** apply to your **Recovery Insurance** regardless of the **Cover** options you have selected, these are:

- where **Cover** is **Standalone**, no payment will be made under **Recovery Insurance** unless you survive a **Covered Event** for at least 14 days;
- no payment will be made under **Recovery Insurance** if the event giving rise to the claim is caused directly or indirectly by suicide within the first 13 months of the **Cover Commencement Date** and any increases in **Cover**, but only in respect of the increase; and
- in the case of **Angioplasty, Coronary Artery Bypass Surgery, Cancer, Heart Attack, Heart Valve Surgery, Minor Heart Attack, Open Heart Surgery, Out of Hospital Cardiac Arrest, Triple Vessel Angioplasty, Stroke, Carcinoma In Situ, Diagnosed Benign Brain Tumour, Early Stage Chronic Lymphocytic Leukaemia, Early Stage Melanoma or Early Stage Prostate Cancer**, no payment will be made under **Recovery Insurance** if the condition occurred or was diagnosed, or the signs or symptoms leading to diagnosis became apparent or would have become apparent to a reasonable person in your position:
  - within three months after the **Cover Commencement Date**; or
  - within three months after the date of an increase but only in respect of the increase.

We will waive this three-month period if, immediately prior to the commencement of cover, we or another insurer **Covered** you for the same specified events and you have transferred your **Cover** to **Recovery Insurance** (and the transfer was not within our or the other insurer's three-month period). The waiver will only apply up to the level of similar **Cover** that you had with us or the other insurer. Should you reinstate your **Cover**, the three-month period will recommence from the date of reinstatement.

If you have selected **Cancer Cover** only, no claim will be payable in the event of:

- your diagnosis with an **Illness** that results in a **Critical Illness** event; or
- a **Critical Injury** as the result of an **Accident**.

If you have selected **Critical Illness Cover** only, no claim will be payable in the event of:

- your being diagnosed with **Cancer**; or
- a **Critical Injury** as the result of an **Accident**.

If you have selected **Critical Injury Cover** only, no claim will be payable in the event of your diagnosis with:

- **Cancer**;
- any **Critical Injury** which occurred while undertaking sports, pastimes or activities which carry an inherently higher risk of death or Injury to the participant, including but not limited to recreational aviation, hang-gliding, scuba diving, rock fishing, rock climbing, surfing, skydiving, jet skiing, and motor racing; or
- a **Critical Illness**.

If you have selected **Cancer Cover** and **Critical Injury Cover** only, no claim will be payable in the event of your diagnosis with:

- a **Critical Illness**; or
- any **Critical Injury** which occurred while undertaking sports, pastimes or activities which carry an inherently higher risk of death or Injury to the participant, including but not limited to recreational aviation, hang-gliding, scuba diving, rock fishing, rock climbing, surfing, skydiving, jet skiing, and motor racing.

If you have selected **Cancer Cover** and **Critical Illness Cover** only, no claim will be payable in the event of a **Critical Injury** as the result of an **Accident**.

If you have selected **Critical Injury** and **Critical Illness Cover** only, no claim will be payable in the event of your diagnosis with **Cancer**.

**Recovery Insurance** is not available when structured under a SMSF.

## WHO RECEIVES THE BENEFITS?



Your **Recovery Insurance Benefit** will be paid to you, as the **Policy Owner**.

# Income Protection

## What is it?

**Income Protection Cover** provides a replacement income, paid monthly in arrears in the event that you are **Totally Disabled** or **Partially Disabled**. That means any payment will be made at the end of the month, or part month, to which your claim relates.

TAL Lifetime Protection's **Income Protection** is on an indemnity basis – this means you will be insured for up to 75% of the income you earn at the time you apply, but you'll need to verify your income at the time of claim. If prior to your claim, 75% of your income is lower than your **Cover** amount, your claim may be paid on the reduced amount. More detail about how we assess your income at claim can be found of page 48.

## Who can apply?

Australian citizens, permanent Australian residents, or New Zealand citizens residing permanently in Australia aged 18 to 59 are eligible to apply. You must be working in paid employment for a minimum of 25 hours a week, and can be either employed or self-employed.

For some occupations, generally those with a focus on manual work, eligibility will be limited to age 54.

Examples of manual occupations include: truck and courier drivers, farmers, labourers, gardeners, handymen, carers, enrolled nurses, chefs, waiters, security guards, machine operators and toolmakers.

## When does my Cover start and end?

Once your application is accepted by us your **Cover** continues until the **Policy Anniversary** prior to your 65th birthday as long as you have complied with the **Duty of Disclosure** and paid the premiums when due.

Your **Cover** will end when **Cover** is removed from your **Policy**, **Cover** lapses through non-payment of premiums (where premiums are payable) or when **Cover** expires at age 64. There may be other reasons **Cover** may end. Please see page 52 for details.

## Benefit Periods and Waiting Periods

A choice of **Waiting Periods** applies from the **Date of Disablement** before **Benefits** commence:

- 2 weeks;
- 4 weeks;
- 13 weeks; or
- 2 years (104 weeks).

You can also select the length of your **Benefit Period** (subject to eligibility). This is the length of time we will pay you a **Benefit** once we have accepted your claim and Monthly Benefit payments commence:

- 1 year;
- 2 years; or
- 5 years.

You should note:

- The **Benefit Period** is payable once per claimed condition, including any recurrences;
- Benefit payments expire at the end of the **Benefit Period**; and
- A maximum **Benefit Period** of 2 years applies for claims arising from **Mental Health Related Illnesses** even if a longer **Benefit Period** has been selected.

## What would you like to be Covered for?

You can choose which **Cover** you'd like for **Income Protection**:

- **Accident Cover**;
- **Illness Cover**; and
- **Sports Cover**

See next page for detail.

## How much Income Protection Cover can I have?

The minimum **Benefit Amount** you can apply for is **\$1,000 per month**. The maximum **Benefit Amount** we will pay is limited to the lesser of either \$10,000 per month or 75% of your Monthly Income, less any Adjustments and Offsets. See page 38 for details of how we may adjust your **Income Protection Claim** payments.



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## WHAT YOU'RE COVERED FOR



### Accident Cover

You will be **Covered** in the event of **Total Disability** or **Partial Disability** as a result of **Accidental Injury**, subject to any **Special Conditions** outlined in your **Policy Schedule**. For example **Cover** would be provided for **Accidental Injury** such as a broken leg sustained in a household accident which leaves you **Totally Disabled** or **Partially Disabled**.

### Illness Cover

You will be **Covered** in the event of **Total Disability** or **Partial Disability** as a result of **Illness**, subject to any **Special Conditions** outlined in your **Policy Schedule**. For example, **Cover** would be provided for **Illness** such as a **Heart Attack** which leaves you **Totally Disabled** or **Partially Disabled**.

Any claim as a result of **Mental Health Related Illness** will be limited to a maximum **Benefit Period** of 2 years only.

### Sports Cover

In order to hold this **Cover**, you must also take out **Accident Cover**.

You will be **Covered** in the event of **Total Disability** or **Partial Disability** as a result of a **Sports Injury**, subject to any **Special Conditions** outlined in your **Policy Schedule**. For example, **Cover** would be provided for an **Injury** such as a torn hamstring sustained while playing tennis, or a broken leg sustained while playing football, which leaves you **Totally Disabled** or **Partially Disabled**.

---

## WHAT YOU'RE NOT COVERED FOR



### Accident Cover

If you select **Accident Cover** only, then no **Cover** is provided if you become **Totally Disabled** or **Partially Disabled** due to an **Illness** or due to a **Sports Injury**. For example, no **Cover** would be provided if you were **Totally Disabled** or **Partially Disabled** directly or indirectly as a result of an **Injury** sustained while playing football or as a result of a heart attack.

### Illness Cover

If you select **Illness Cover** only, then no **Cover** is provided if you become **Totally Disabled** or **Partially Disabled** due to an **Accidental Injury** or due to a **Sports Injury**. Additionally, no **Cover** is provided if you become **Totally Disabled** or **Partially Disabled** due to a **Mental Health Related Illness** as a result of **Accidental Injury** or **Sports Injury**. For example, no **Cover** would be provided if you were **Totally Disabled** or **Partially Disabled** directly or indirectly as a result of injuries sustained in a motor vehicle accident, a broken leg sustained while playing football, or depression resulting from a an **Accidental Injury** such as a broken shoulder.

### Sports Cover

If you hold **Accident Cover** and **Sports Cover** but not **Illness Cover**, you will not be **Covered** for **Total Disability** or **Partial Disability** arising from any **Illness**. For example, no **Cover** would be provided for a **Heart Attack** or infection which leaves you **Totally Disabled** or **Partially Disabled**.

# What is included in Income Protection?

## Total Disability Benefit

**Income Protection** pays you a **Benefit**, in the event that you are **Totally Disabled** as a result of something you are **Covered** for.

You must be **Totally Disabled** for the entire **Waiting Period** and solely because of the **Illness** or **Injury** you are **Covered** for you:

- are not working in any **Gainful Occupation**;
- are following the advice of a **Medical Practitioner**; and
- are unable to attend or engage in one or more of the important income-producing duties of your **Own Occupation**.

## Partial Disability Benefit

**Income Protection** pays you a **Benefit** if you are **Partially Disabled** as a result of a **Covered** event. You must be:

- working or capable of working in a **Gainful Occupation**; and
- under the ongoing care of, and following the advice of a **Medical Practitioner**; and
- have suffered a reduction of 20% or more in your ability to generate **Monthly Income**.

You must have been **Totally Disabled** for the entire **Waiting Period**.

The **Benefit Amount** takes into consideration your average income in the 12 months prior to your **Disability** and the **Monthly Income** you received in the claimed period.

## Recurrent Disability

If a **Total Disability** or **Partial Disability** reoccurs from the same or a related cause within 12 months of a claim ending, we treat it as a continuation of the original claim which means no **Waiting Period** applies before payments recommence. Please note all claim periods will be added together to calculate the maximum **Benefit Period** for the **Total Disability** or **Partial Disability**.

## Concurrent Disability

Where you become **Totally** or **Partially Disabled** as a result of two separate and distinct unplanned **Illnesses** or **Injuries**, only one **Benefit** is payable under **Income Protection**. The **Benefit** paid will be the amount that provides the highest payment.

## Inflation Protection

See page 53 for details.

## Waiver of Premium Benefit

We will waive or reimburse your **Income Protection** premiums while you are receiving a **Benefit** payment for **Total** or **Partial Disability**.

- Applies when **Total** or **Partial Disability** payments have accrued (including payments under **Scheduled Injury Benefit**).
- Waiver of Premium starts to accrue from the first day of the **Waiting Period**.
- Waiver of Premium applies immediately after the **Waiting Period** for any premiums paid during the **Waiting Period** and monthly in arrears for subsequent premiums.
- Waiver of Premium will stop on the earlier of:
  - You no longer being **Totally Disabled** or **Partially Disabled**;
  - The end of the **Benefit Period**.

## Rehabilitation Expense Benefit

If you are **Totally Disabled** or **Partially Disabled** we may reimburse the expense of your rehabilitation through an occupational or vocational **Rehabilitation Program** pre-approved by us (less amounts reimbursed from elsewhere). Reimbursement is subject to:

- our prior written approval of the rehabilitation expense; and
- a maximum allowable reimbursement of six times the monthly **Benefit Amount**.

The cost of medical consultations and medical therapy consultations will not be reimbursed.

## Scheduled Injury Benefit

Available for Accident Cover and Sports Cover only.

The Scheduled Injury **Benefit** is paid for a specific period for the Injury events shown below.

Note: Your selected **Waiting Period** for **Income Protection** does not apply to this benefit.

Scheduled Injury Fracture <sup>^</sup> of the:	Payment period (months)
Thigh or pelvis	3
Leg (between the knee and foot), knee cap, upper arm, shoulder bone or jaw	2
Forearm (above the wrist), collarbone or heel	1
Wrist	1
Vertebrae	1
Skull (excluding bones of the nose and face)	2

<sup>^</sup>Fracture means a bone fracture requiring the application of a plaster cast or a similar immobilising device by a Medical Practitioner, or Totally Disabled for 28 days.

**“TAL helped over 11,000 customers and their families in 2015 with Income Protection Claims”**

The **Benefits** will be paid monthly in advance.

The Scheduled Injury **Benefit** will stop on the earlier of:

- the expiry of the payment period as set out in the table above; or
- the date **Cover** ends.

At the expiry of the payment period, you may be eligible for other **Benefits** if you meet the stated conditions.

The Scheduled Injury **Benefit** is not available on **Cover** through a SMSF.

### Cover Pause

For details please see page 16.



## What options can I add?

### Day One Accident Option

*Available for Accident Cover and Sports Cover only.*

You can choose to add the **Day One Accident Option** for an additional premium. If **Covered** under this option, we will backdate your Monthly Benefit payments to the **Date of Disablement** in the event of an **Accidental Injury** resulting in **Total Disability** for the duration of the **Waiting Period**. Payments will be made monthly in arrears.

This option is only available when 2 and 4 week **Waiting Periods** have been selected and will not be available for selected occupations which require individual consideration, for example: construction worker, and road traffic controller.

### Increasing Claims Option

You can choose to add the **Increasing Claims** option for an additional premium if you have selected **Inflation Protection**. **Increasing Claims** ensures your **Benefit** keep up with inflation while you are receiving payments. We will increase Benefit payments in line with the **Indexation Factor** on the anniversary of the commencement of continuous **Benefit** payments. This annual increase is capped at 3%.

**Increasing Claims** will not apply if you have not selected **Inflation Protection**.

## Other things you need to know

Please note the following terms and conditions that apply to your Income Protection Cover:

- The 75% indemnity value is calculated based on your **Pre-Disability Earnings** for the 12 months immediately prior to the **Disability** leading to your claim, inclusive of any adjustments;
- Benefit payments start to accrue when your claim is admitted and your **Waiting Period** has expired. Payments are paid monthly in arrears; and
- Benefit payments will continue for as long as you are **Totally Disabled** or **Partially Disabled** in accordance with the terms and conditions of your Policy but will cease at the end of the **Benefit Period** or **Cover Expiry**, whichever is earlier.

## WHAT ISN'T COVERED



Specific **Exclusions** and **Special Conditions** may apply to your **Income Protection Cover** depending on the **Cover** that you have selected. Refer to your **Policy Schedule** for details of any additional **Exclusions** or **Special Conditions** that apply to your **Policy**.

In addition, some **Exclusions** apply to your **Income Protection** regardless of the **Cover** you have selected:

No payment will be made under **Income Protection** if the event giving rise to the claim is caused directly or indirectly by:

- an intentional, self-inflicted act by you;
- pregnancy, giving birth, miscarrying or having a pregnancy termination unless **Total Disability** or **Partial Disability** continues for longer than 3 months after the pregnancy ends in which case **Disability** will be considered to have started at the date the pregnancy ends;
- war, terrorism, civil commotion or unrest; guerrilla or insurgent activities in countries outside Australia;
- you visiting a country for which the Australian Department of Foreign Affairs and Trade (DFAT) has issued a 'Do Not Travel' warning advice that is in force during the time you stay in that country;
- any **Illness, Injury** or **Sports Injury** that occurs as a result of, or during the course of, committing or attempting to commit a criminal offence; or
- **Mental Health Related Illness** or any **Mental Health Related Illness** as a result of an **Accidental Injury, Sports Injury** or **Illness** after a **Benefit** has been paid for two years.

If you have selected **Accident Cover** only, no claim will be payable in the event of:

- your inability to work as a result of an **Illness**;
- your inability to work as a result of any **Mental Health Related Illness**, or any **Mental Health Related Illness** directly or indirectly as a result of an **Accidental Injury, Sports Injury** or **Illness**;
- or
- your inability to work as a result of a **Sports Injury** or **Dangerous Pastimes**.

If you have selected **Illness Cover** only, no claim will be payable in the event of:

- your inability to work as a result of an **Accidental Injury**;
- your inability to work as a result of a **Sports Injury** or **Dangerous Pastimes**; or
- any claim directly or indirectly as a result of **Mental Health Related Illness**, after a **Benefit** has been paid for two years.

If you have selected **Illness Cover** and **Accident Cover** only, no claim will be payable in the event of:

- your inability to work as a result of a **Sports Injury** or **Dangerous Pastimes**; or
- any claim directly or indirectly as a result of **Mental Health Related Illness**, after a **Benefit** has been paid for two years.

If you have selected **Accident** and **Sports Cover** only, no claim will be payable in the event of:

- your inability to work directly or indirectly as a result of an **Illness**; or
- your inability to work directly or indirectly as a result of any **Mental Health Related Illness**, or any **Mental Health Related Illness** as a result of an **Accidental Injury** or **Illness**.

For **Cover** structured through a SMSF, you must also satisfy the SIS definition of Temporary Incapacity. You should also be aware that due to the definition of "gainfully employed" under superannuation law, if you are unemployed in the period immediately prior to **Total Disability** or **Partial Disability**, no **Benefits** will be payable.

# Adjustments & Offsets

## Other income payments

Adjustments and Offsets reduce your **Income Protection Benefit**, if you receive other income payments, which together with the **Benefit** exceed 75% of your **Average Monthly Income**. Other income payments include payments received from:

- any other income protection or similar policy;
- any workers' compensation, legal judgment, or statute related payment; or
- sick leave greater than 60 days.

Your **Income Protection Benefit** will be reduced to allow for any other compensation for

**Disability** that is in the form of a lump sum or is commuted to a lump sum.

If it can be shown that a portion of the lump sum represents compensation for pain and suffering, or the loss of use of a part of the body, we will not take that portion into account for the purpose of reducing your **Income Protection Benefit**.

Any legal judgement, workers' compensation or statutory payment received as a lump sum where pain and suffering cannot be isolated from loss of earnings will be taken into account for the purpose of reducing your **Income Protection Benefit**.

**For this purpose, the monthly Income Protection Benefit will be reduced by 1% of the lump sum amount. For example:**

Bill is an employed 40 year old electrician earning \$8,000 per month which includes contributions to his superannuation fund. On 1 June, Bill hurts his back after an accident at work where he falls off his ladder. Sadly, Bill is not able to return to work after his **Injury**.

Under **Income Protection**, Bill is entitled to claim 75% of his **Average Monthly Income** for up to 2 years, (his chosen **Benefit Period**) once he meets the **Waiting Period** and definition of **Total Disability**.

On 1 September, Bill decides to lodge a claim for an **Accidental Injury** with us. Once assessed, we approve his claim and he is paid \$6,000 (i.e. 75% of his Average Monthly Income) per month.

In addition to his TAL Lifetime Protection claim, Bill had lodged a claim for worker's compensation. On 1 October, his worker's compensation claim is settled for a lump sum of \$400,000. As this lump sum payment is a 'global settlement' figure and Bill's loss of earnings could not be determined, we offset his entire settlement amount as set out below:

	<b>Ongoing Monthly Offsets</b>	= 1% x Lump Sum Received
	(as at 1 October 2014)	
		= 1% x \$400,000
		= \$4,000
<b>After applying the offset amount against Bill's monthly Income Protection Benefit, his ongoing monthly Benefit would be:</b>	<b>Ongoing Monthly Benefit</b>	= 75% of Pre-disability Income
	(as at 1 October 2014)	(minus) 1% x Lump Sum Received
		= 75% of \$8,000 - \$4,000
		= \$6,000 - \$4,000
		= \$2,000

Bill would be entitled to receive \$2,000 per month for the remaining months he is on claim with us.

The amount of the reduction will not exceed the amount of the other payments.

No **Benefit** will be paid when the other payments, plus your **Monthly Earnings** in the month to be paid, are greater than or equal to 100% of **Pre-Disability Earnings**.

In months where a **Benefit** payment is reduced, a proportionate refund of premiums paid will be made.

**The refund will be A x B, where:**

**A = the percentage reduction in the Benefit payment; and**

**B = the average monthly premium over the 12 months prior to the claim starting.**

The refund will be made for the lesser of 12 months or the number of months your **Income Protection** was in-force prior to the claim starting.

### **Residing outside of Australia**

A maximum **Benefit Period** of 90 days will apply while you reside outside of Australia.

If you are in Australia and become disabled and subsequently travel or reside outside Australia, claim payments will only be made if, in travelling or residing outside Australia, you are following the advice of the treating **Medical Practitioner**, and will cease after 90 days. Your case manager must be advised in advance of your start date of travel.

If you are outside Australia and become disabled, your entitlement to claim will be suspended where we are unable to appraise the medical opinion or data relied upon by you, or after 90 days. Consequently, you will have to return to Australia for medical assistance for the claim to be assessed.

Where time has elapsed between the end of the 90 day period and your return to Australia, the onus will be on you to provide sufficient evidence for us to assess your eligibility for claim payments.

“

TAL paid \$292 million in Income Protection Insurance claims in 2015, providing an income to help Australians continue living their life if they have an injury or illness and can't work for a while.

”

# Premium examples

All examples use monthly premium payments.

Customer	Dave is <b>35, male, a smoker</b> and works as a <b>bus driver</b> (Long distance)			Kate is <b>45, female, a non-smoker</b> and works as a <b>shop owner</b> (Admin/Office duties only)	
Premium Structure	Stepped			Stepped	
Insurance Cover	 Life Insurance	 TPD - Bundled	 RI - Bundled	 Life Insurance	 TPD - Standalone
Benefit Amount	\$1,500,000	\$1,000,000	\$100,000	\$500,000	\$750,000
TPD Definition	Any			Any	
Waiting Period/ Benefit period					
Cover					
Accident	\$75.01	Not selected	N/A	\$18.98	\$46.14
Illness	Not selected	\$90.99	N/A	\$37.96	\$64.59
Sports/Adventure Sports	\$7.58	Not selected	N/A	Not selected	\$3.59
Critical Injury	N/A	N/A	\$10.02	N/A	N/A
Critical Illness	N/A	N/A	\$16.69	N/A	N/A
Cancer	N/A	N/A	\$26.71	N/A	N/A
Options (eligible for discounts)					
Premium Relief Option	\$5.78	\$6.37	\$3.74	\$3.99	Not selected
Increasing Claims Option	N/A	N/A	N/A	N/A	N/A
Life Buy Back Option	N/A	Not selected	Not selected	N/A	N/A
Discounts					
Premium Discounts	-\$8.84	-\$9.74	-\$21.44	-\$12.70	-\$23.25
Options (not eligible for discounts)					
Day One Accident Option	N/A	N/A	N/A	N/A	N/A
Premium Total#	<b>\$202.87</b>			<b>\$139.30</b>	

# Premium totals are for indicative purposes only without health and lifestyle assessment. The actual premiums for you are calculated independently based on your individual selections, health and lifestyle conditions.

Emily is <b>40, female, a non-smoker</b> and works as a <b>nurse</b>		Phil is <b>37, male, a non-smoker</b> and works as a <b>web designer</b> (Admin/Office duties only)		Paul is <b>55, male, a non-smoker</b> and works as a <b>real estate agent</b>		Sophia is <b>42, female, a non-smoker</b> and works as a <b>marketing manager</b>	
Level		Level		Stepped		Stepped	
 Life Insurance	 RI - Bundled	 Income Protection	 Life Insurance	 RI - Standalone	 Income Protection		
\$1,000,000	\$200,000	\$5,000	\$500,000	\$250,000	\$7,000		
		4 weeks / 2 years			2 years / 5 years		
Not selected	N/A	\$58.51	\$91.58	Not selected	\$58.98		
\$99.15	N/A	Not selected	\$183.15	Not selected	\$82.57		
Not selected	N/A	\$0.58	\$2.27	Not selected	\$1.18		
N/A	Not selected	N/A	N/A	\$32.01	N/A		
N/A	\$63.07	N/A	N/A	Not selected	N/A		
N/A	\$100.90	N/A	N/A	\$85.36	N/A		
\$6.94	\$11.48	N/A	\$19.39	\$8.22	N/A		
N/A	N/A	\$1.77	N/A	N/A	Not selected		
N/A	Yes	N/A	N/A	N/A	N/A		
-\$5.30	-\$65.79	Nil	-\$48.99	-\$47.10	-\$23.59		
N/A	N/A	\$79.04	N/A	N/A	Not selected		
<b>\$210.44</b>		<b>\$139.91</b>		<b>\$247.40</b>		<b>\$197.62</b>	

# Structuring the right Policy for you

With TAL Lifetime Protection you can have as much or as little flexibility as you want. If you're tailoring your own Cover, there are a number of choices you'll need to make.

## Standalone and Bundled Insurance

### Standalone

You can keep your Insurances independent - purchase just one, two, three or all four Insurances independently and receive the full **Benefit Amount** on acceptance of your claim<sup>^</sup>.

You will pay more for **Standalone**, but the advantage is if you make a claim your **Life Insurance Benefit Amount** will not be drawn down unlike Bundled Covers.

<sup>^</sup>Subject to any adjustments (see page 38) and meeting eligibility criteria.



### Bundled

To keep the cost down, you can **Bundle** TPD and Recovery Insurance with your Life Insurance.

## TAL Lifetime Protection

<b>Insurance</b>	Life Insurance
<b>Bundled Insurance</b>	Total Permanent Disability Insurance
	Recovery Insurance

If you make a claim on a **Bundled Cover**, your **Life Insurance Benefit Amount** and the **Benefit Amount** of any other **Cover** in the **Bundle** will be drawn down by the amount of the claim payment. Structuring your **Policy** in this way means that generally the cost of **Cover** will be reduced. Once you have claimed and your **Benefit Amount** is reduced, your premiums will also reduce accordingly.

More information on how **Bundling** works when you make a claim can be found on page 44-45.

Your **Bundled Insurance** needs to have a lower **Benefit Amount** than your **Life Insurance** and any Inflation Protection must be consistently applied across all **Covers**. For example if you wish to turn Inflation Protection off for your **Life Insurance**, it must also be turned off for the **Bundled Covers**.

If your **Life Cover** has been reduced due to a **TPD** or **Recovery Insurance** claim, you can buy back the **Life Cover** to its original level if you have selected the **Life Buy Back Option**. See pages 22 or 30 for information about our **Life Buy Back Option**.

### **Choose your Premium structure**

TAL Lifetime Protection offers the choice of **Stepped** or **Level Premiums** for all insurances.

**Stepped Premiums** means that the amount you pay in premiums increases each year as you get older.

**Stepped Premiums** are re-calculated based on your age at each **Policy Anniversary**. This generally means your premium rate will start lower than the **Level Premium** structure, but will increase each year corresponding with increasing risks.

**Level Premiums** means that the base cost of your **Cover** stays the same year on year, however as your **Cover** increases with Inflation Protection, the cost of that new **Cover** will be added to your premium. For more information on how Inflation Protection works see page 53.

**Level Premiums** can give you more certainty on cost when planning ahead for the future and if you're planning to keep your **Cover** for many years. If keeping your costs stable is important to you, you also have the option of removing Inflation Protection.

When you select our **Level Premium** option, you should note that **Level Premiums** end at age 65 and will revert to the corresponding **Stepped Premium** for your age after age 65 until your **Policy** expiry.

### **Premium increases**

Like all Insurance providers, TAL is able to change the base rates for all customers if conditions change or we receive more claims than expected. However, we cannot single out individual customers for increases once **Cover** is in place. If a change is made to the base rates and your premium is affected, we will give you 30 days' notice of the change.



### How Bundled Cover works at Claim

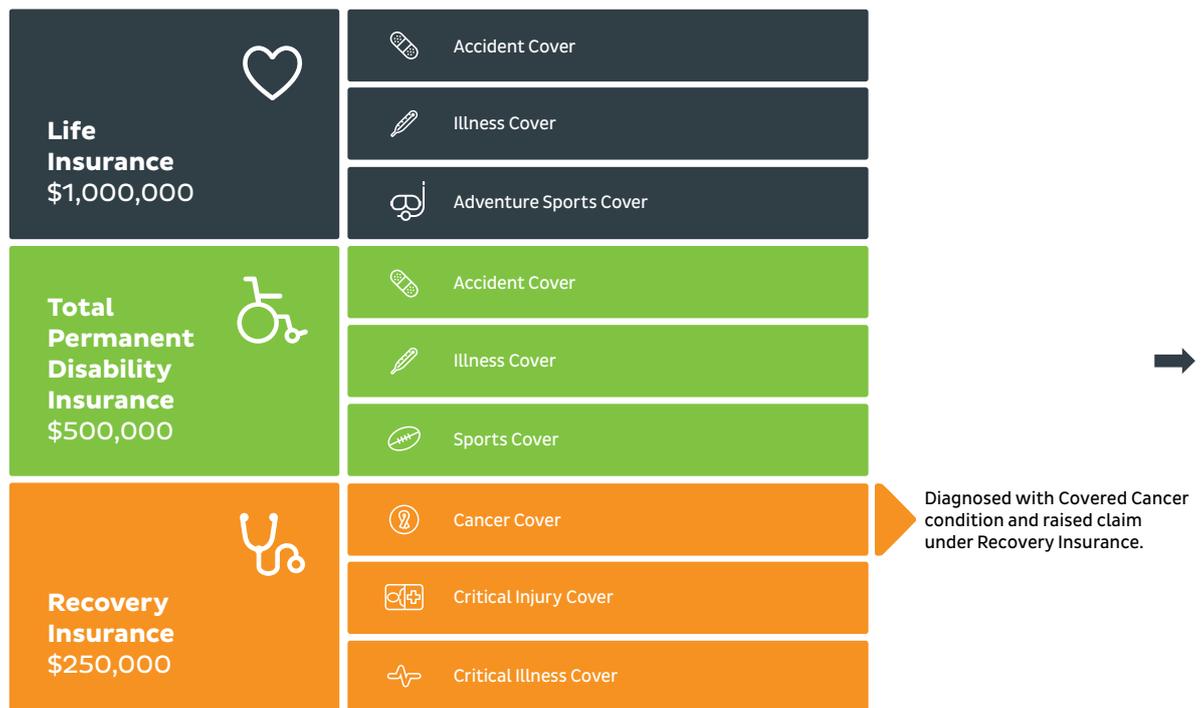
If you **Bundle** TPD or **Recovery Insurance** with **Life Insurance Cover**, the payout of one **Cover** will reduce the **Benefit Amount** of the **Covers** within the **Bundle** by a corresponding amount.

#### Example:

You take out \$1,000,000 of **Life Insurance** and **Bundle** this with \$500,000 TPD and \$250,000 **Recovery Insurance**.

Two years later, you are diagnosed with a Brain Tumour and make a claim on **Recovery Insurance** under **Cancer Cover**.

## Step 1 Policy before claim on Recovery Insurance Cancer Cover

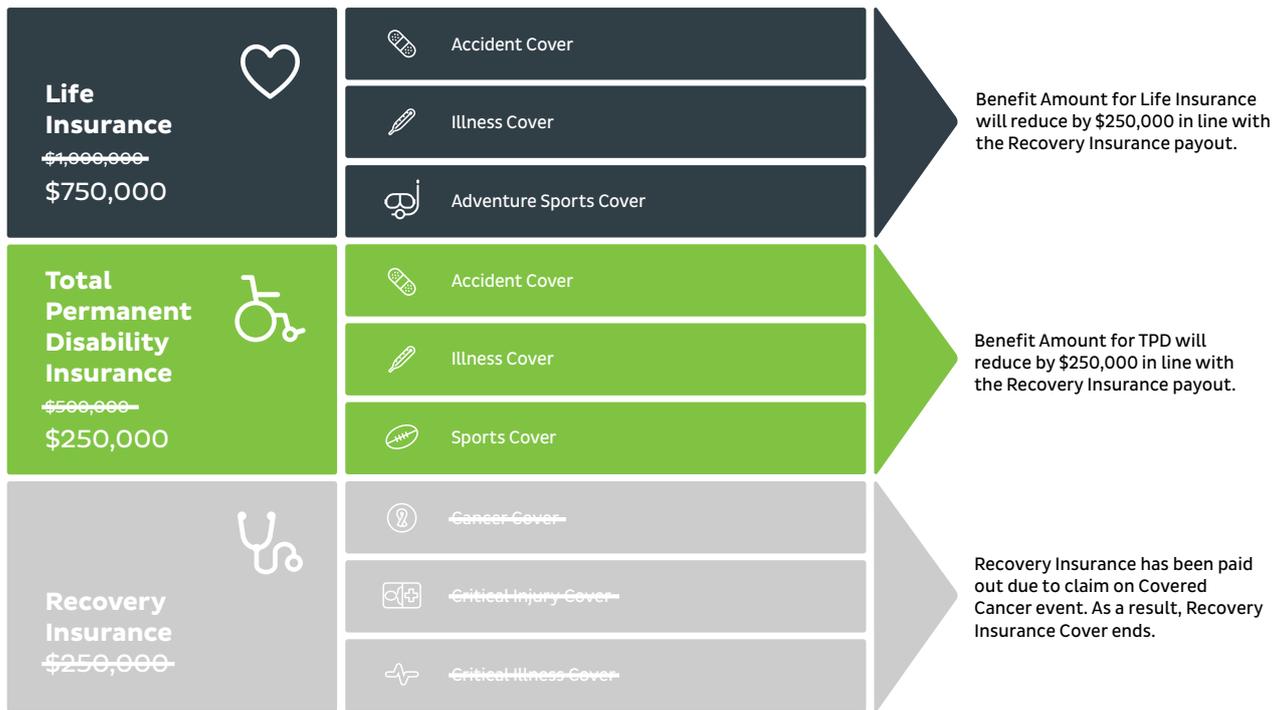


When your claim is approved and \$250,000 has been paid to you, you are no longer **Covered** by **Recovery Insurance** and the **Benefit Amount** for the other **Covers** within the same **Bundle** reduces in line with the **Benefit Amount** paid. In this case:

- your **Life Insurance Cover** amount reduces to \$750,000, and
- your **TPD Cover** amount reduces to \$250,000

## Step 2

### Policy after payout of claim on Recovery Insurance Cancer Cover



Your premium will also reduce in line with the reduced **Benefit Amounts**.

If you hold a **Life Buy Back Option**, you have the opportunity to buy back the \$250,000 sum insured of **Life Insurance Cover** after 12 months from date of claim. For more information about this option, see pages 22 and 30.



# Claims

## How to make a claim

If you wish to make a claim under the **Policy**, you must contact us at the earliest possible opportunity. Our contact details can be found on page 78 of this document. Once a claim has been lodged, we will begin the assessment process and identify any opportunities where further assistance can be provided.

## The claim

The event for which you are claiming must occur at a time while your **Cover** is current. **Benefit** payments will commence once we are satisfied you have met the terms and conditions of your **Policy**.

To ensure we are able to assist you in an efficient manner, you must notify us in writing or by telephone, of any event that gives rise to a claim. This should be done as soon as reasonably possible otherwise claim payments may be reduced to the extent the ability to assess the claim has been prejudiced by the delay in being able to adequately assess the claim.

## Claim requirements at your expense

You must provide us with any requirements we reasonably consider necessary to assess your claim. Upon notification, TAL will provide specific details of these claim requirements.

Our obligation to pay a **Benefit** under the **Policy** is subject to the following information being provided to us:

- notice of any claim or potential claim being provided to us as soon as reasonably possible;
- the initial **Medical Practitioner's** report;
- a certified copy of your identification and proof of age;
- the **Policy Schedule**;
- all standard claim forms and other documentation or reports required by us to continue the initial and ongoing assessment, including but not limited to progress medical reports, records of your income and other personal financial documentation; and
- such other information relating to the claim that we may reasonably request.

### Financial Requirements

For **Income Protection** insurance you will be advised if you are required to provide:

- verification of your **Pre-Disability Earnings**, stated in the application;
- verification of your **Monthly Earnings**, before and after the event giving rise to your claim; and/or
- an audit of your business and personal financial circumstances as often as is required. This may include auditing documents that constitute a legal requirement such as business and personal taxation returns and profit and loss statements.

We will not reimburse any costs incurred by you in obtaining documents to verify your **Pre-Disability Earnings**, **Monthly Earnings** or any auditing of your business or personal financial circumstance as required by us. This includes any translation costs or other associated costs incurred by you in providing documents that we can reasonably rely upon.

## Claim requirements at TAL's expense

If we arrange for you to be medically examined in connection with your claim:

- the person who examines you will be an appropriate registered **Medical Practitioner** or other health practitioner chosen by us at our discretion;
- you must use your best endeavours to attend the examination; and
- we will pay the **Medical Practitioner's** fees.

If we arrange for you to be medically examined and you fail to attend the examination and we incur a non-attendance fee, this fee must be paid by you.

### We may also require you to:

- attend interviews with a member of our staff or someone appointed by us as often as is reasonably required to fully consider your claim; and
- attend and engage with occupational rehabilitation services by an appropriately qualified person selected by us.

If you are outside Australia and become **Disabled**, the entitlement to your claim may be suspended where we are unable to appraise the medical opinion or data relied upon by you. Consequently, you may have to return to Australia for the claim to be assessed, at no expense to us, before we are able to determine our liability for the claim.

### **We may cancel a Policy for a fraudulent claim**

If you make a fraudulent claim under your **Policy** or another policy you have with us, we may cancel your **Policy**.

### **Your obligation regarding Disability duration and severity**

In providing you with this **Policy**, TAL insures you on the basis of the agreed **Cover**. While TAL has accepted the risks associated with any potential loss, you must not knowingly contribute to the severity or longevity of your **Disablement**. For **Income Protection** claims, TAL will continually assess your claim and will make a decision to cease paying your **Benefit** if we determine that you no longer meet the terms and conditions for the payment of the **Benefit**.

### **Claims assessment**

Both the eligibility and extent of any claim payments relating to your **Illness, Injury** or **Disablement** will be based solely on the medical factors contributing to the **Illness, Injury** or **Disablement**. Under the terms of this **Policy**, we will exclude any claims made on the basis of additional impact due to economic, seasonal or any other non-medical factors.

If **Cover** is provided under **Income Protection** and a claim is made for a period of **Disability** of less than one month, it will be paid on a pro-rata basis. The payment will be made at a rate of 1/30 of the **Benefit Amount** for each day you are **Disabled**, excepting any Adjustments or Offsets.

### **Payment of claim**

If you are judged not to be legally competent, we will pay any **Benefits** to whomever we are legally permitted to make payments.

We will not be liable to you for any loss you suffer (including consequential or special loss) caused by the fact that we are required by law to delay, block, freeze or refuse to process a transaction, where applicable.



## **Helping more Australians keep living the life they love**

People often think claims are all about payments to families when a loved one passes away. And of course, that's part of what we do. But more than half of the claims payments we made last year were to help customers keep living the lives they love, after an accident or illness.



### **Claims contact details**

 GPO Box 5380 Sydney NSW 2001

 Customer Service 1800 101 016

 [www.tal.com.au](http://www.tal.com.au)

 [claims@tal.com.au](mailto:claims@tal.com.au)



## Things you need to know

### What are the costs?

The cost of your **Policy** depends on a range of factors, including your age and gender, the type and amount of **Cover**, the number of **Cover** types you hold, the length of time you've held **Cover** with us and whether or not you smoke.

We also take your occupation, health, income and personal pastimes into account. Once we know a little bit about you and the **Cover** you require, we can then determine the basic costs involved.

When you take out a **Policy** you will receive welcome documentation and a **Policy Schedule**, you should read it carefully. The welcome documentation will show you the first premium payable and due date. The premium amount will also include any extra amounts charged to you when we accepted your application or re-issued you a **Policy**.

## **Your health and lifestyle assessment – Loadings and Exclusions**

When you apply for TAL Lifetime Protection, you will be asked a number of questions. These questions relate to your **Duty of Disclosure**, which is described on page 10.

Your answers to the questions may mean that you have increased risk factors under the **Policy**. In some cases we will be unable to provide you with all or some parts of the **Cover** for which you have applied. In other cases, **Cover** may be subject to conditions such as a premium loading, or an **Exclusion**. A premium loading will mean that you pay a higher premium for the **Cover**, an **Exclusion** will mean that you will not be **Covered** if you suffer a specified excluded medical condition, or you are injured or die as a result of participating in an excluded pastime or activity.

## **Premium payable**

All premiums are payable by the due date shown in your **Policy Schedule** (unless otherwise advised). For subsequent years, we'll advise you of your new premium before each **Policy Anniversary**.

## **Payment methods and frequency**

Premiums are payable monthly, quarterly, half-yearly or yearly by Direct Debit or Credit Card (MasterCard or Visa).

Cheque and BPAY payments may be available if requested over the phone.

## **Non-payment or late payment of premiums**

If we do not receive premiums by the due date, you will be sent a payment not received notice and we may attempt to collect your outstanding premium on your next due date. If we do not receive the payment by the final due date shown in your payment not received notice, you will be sent a reminder notice and your **Policy** may end on the date specified and you will not be insured. If this happens, you will receive a final notice informing you that your **Cover** has ended. You may need to apply to reinstate or have a new **Policy** issued if you require **Cover** at a later time, and a new premium may be calculated.

## **Cover changes and expiry**

Some **Cover** is not able to be kept on its own. If certain **Covers** expire or are removed from your TAL Lifetime Protection so that a **Cover** remains which cannot be held on its own then that **Cover** must be cancelled. We will notify you if this is the case.

Level Premiums for all Life Insurance, **TPD** and **Recovery Insurance Covers** end at your **Policy Anniversary** prior to turning age 65. These **Covers** will then change to **Stepped Premiums**.

If **TPD** is still active, at the anniversary prior to your 65th birthday, it will convert to **Cover** for **Activities of Daily Living** only.

If **Recovery Insurance** is still active, it will convert to **Cover** for **Activities of Daily Living** at the **Policy Anniversary** prior to turning 70.

## **Premium changes**

We can change the premium rates applying to all TAL Lifetime Protection Policies. If we do change them you will be advised of the change 30 days prior to it taking effect.

No one individual **Policy** can be singled out for an increase in premium rates because of an adverse change in your health or circumstances, once your **Cover** is in place.

## **Changes to Policy Terms and Conditions**

The terms and conditions of the **Policy** may be changed if required, but only if agreed to by both you and us (or the Trustee if applicable). Any change must be confirmed in writing by us.

## **Obsolete Terms**

Where a measure, scale or other diagnostic technique or methodology used in this PDS (the obsolete term) has been superseded by a new measure, scale or other diagnostic technique or methodology (the new term) that is common usage, this document is to be read so the new term replaces the obsolete term unless to do so would, in our reasonable opinion, materially disadvantage us.

## Inflation Protection

You can also choose whether you want your **Cover** to increase each year in line with the cost of living – this will mean that your premium will increase each year as the **Cover** is increased through a process called indexation. If you have a **Stepped Premium Policy**, it will mean that there are two reasons your **Policy** will increase each year.

The default setting for all TAL Lifetime Protection Policies is for those Policies to have indexation applied to them but can be turned off on request. If you are Bundling **TPD** or **Recovery Insurance** with your Life Insurance, you will need to have Inflation Protection switched on or off for all insurances.

Indexation can be declined on any number of occasions or switched off permanently at any time, otherwise indexation continues on **Life Insurance**, and on **TPD** or **Recovery Insurance Bundled** with **Life Insurance** until **Policy** expiry. For **TPD** which is **Standalone**, indexation ends at the **Policy** Anniversary prior to your 65th birthday. For **Recovery Insurance** which is **Standalone**, indexation ends at the **Policy** Anniversary prior to your 70th birthday.

Indexation applies to both **Stepped** and **Level Premiums**. For **Level Premiums**, the additional premium for the increased **Cover** is based on your age at the time of the increase – not at the time the **Policy** started. Indexation does not apply to **Cover** due to **Life Insurance Buy Back Options**, and **Future Life Event** increases.

The indexation rate is the CPI or 5%, whichever is the greater for **Life Insurance**, **TPD** and **Recovery Insurance**. For **Income Protection**, the indexation rate is 3% or CPI, whichever is the greater. The CPI rate is published each October and applies from the beginning of the following calendar year. Indexation applies to the Anniversary Statement issued for the next **Policy Anniversary** (i.e. after 1 January.) Indexation will cease on the anniversary prior to the **Policy Expiry Date**. Indexation continues through the maximum **Cover** allowable at the time of taking out the **Policy**.

While you have an active **Income Protection** claim, and you are receiving payments from TAL, the **Benefits** are not indexed unless the **Policy** has the “increasing claims” optional extra. Indexation of these **Benefit Amounts** is the lower of CPI and 3%.

Indexation increases can be reversed on request. In this case only the most recently increased portion of the **Cover** is cancelled. The rest of the **Cover** (pre indexation) remains the same, and the premium relating to this **Cover** is the premium based on the recently calculated anniversary.

Inflation Protection will not apply if premiums are being waived under the Premium Relief Option.

### What is CPI?

It measures the changes, over time, in retail prices of a basket of goods and services purchased by the average metropolitan household



## General Information

### Can TAL cancel your Policy?

As long as your premium payments are up-to-date, your **Policy** will remain current until the date **Cover** ends. This means your **Policy** will continue regardless of any changes in your health, occupation, pastimes or income. We will honour claim payments in line with the **Policy** terms and conditions if:

- you have complied with the **Duty of Disclosure**; and
- you have answered all questions in your application honestly and accurately.

### Reinstatement

If we reinstate your **Policy** or any **Cover** under it after it ends, no claim payment will be made for any:

- **Injury** or death which occurred while your **Policy** or **Cover** had ended; or
- **Illness**, including **Terminal Illness**, that became apparent while your **Policy** or **Cover** had ended.

In order for a claim to be paid, an event giving rise to a claim must occur while the **Policy** or **Cover** is in force. Any application for reinstatement is subject to your **Duty of Disclosure**.

If a claim is payable after your premium is due, but before your **Policy** ends, we will pay the claim in line with the respective **Policy** conditions. When this occurs, any outstanding premiums will be deducted from the claim amount.

If your premiums are not paid yearly, we will deduct the balance of the current year's premium when a claim payment results in the insurance ending.

## Risks

There are risks involved with taking out TAL Lifetime Protection that you should be aware of. These include:

Insurance type	Risk of not taking out all three Covers
<p data-bbox="469 663 639 685"><b>Life Insurance</b></p> 	<p>You need to consider that if you take out fewer than the three types of <b>Life Insurance Cover</b> available, you will not receive any <b>Benefit</b> if your death is a result of an event you do not have <b>Cover</b> for. For example, if you decide to take out <b>Illness Cover</b> only and you die of injuries sustained in a motor vehicle accident, then no <b>Life Insurance Benefit</b> would be payable. Similarly, if you decide to take out <b>Accident Cover</b> only and you die of a heart attack, no <b>Life Insurance Benefit</b> would be payable.</p>
<p data-bbox="331 1014 777 1037"><b>Total Permanent Disability Insurance</b></p> 	<p>You need to consider that if you take out fewer than the three types of <b>TPD Cover</b> available, you will not receive any <b>Benefit</b> if your <b>Total Permanent Disability</b> is a result of an event you do not have <b>Cover</b> for. For example, if you decide not to take out <b>Accident Cover</b> and you become <b>Totally Permanently Disabled</b> as a result of injuries sustained in a motor vehicle accident, then no <b>TPD Benefit</b> would be payable.</p>
<p data-bbox="437 1323 671 1346"><b>Recovery Insurance</b></p> 	<p>You need to consider that if you take out fewer than the three types of <b>Recovery Insurance Cover</b> available, you will not receive any <b>Benefit</b> if your <b>Critical Illness, Critical Injury</b> or <b>Cancer</b> is a result of an event you do not have <b>Cover</b> for. For example, if you decide not to take out <b>Critical Injury Cover</b> and you suffer paraplegia as a result of injuries sustained in a motor vehicle accident, then no <b>Recovery Insurance Benefit</b> would be payable.</p> <p>If you select only <b>Critical Illness Cover</b>, then no <b>Cover</b> is provided in the event of <b>Cancer</b> or <b>Critical Injury</b>. For example, no <b>Cover</b> would be provided for skin cancers showing evidence of metastases, <b>Blindness</b> or <b>Severe Burns</b> as the result of an <b>Accident</b>.</p>
<p data-bbox="448 1789 676 1812"><b>Income Protection</b></p> 	<p>You need to consider that if you take out fewer than the three types of <b>Income Protection Cover</b> available, you will not receive any <b>Benefit</b> if your <b>Total Disability</b> or <b>Partial Disability</b> is a result of an event you do not have <b>Cover</b> for. For example, if you decide not to take out <b>Accident Cover</b> and you suffer <b>Total Disability</b> as a result of injuries sustained in a motor vehicle accident, then no <b>Income Protection Benefit</b> would be payable.</p>

### **In addition, when choosing life insurance you should take into account:**

- that the insurance you have chosen might be inadequate to protect your circumstances, for example you may not have selected **Cover** suitable for your circumstance or not selected sufficiently high **Benefit Amount**;
- if you are replacing another insurance policy, you should consider the terms and conditions of each insurance policy before deciding to make the change as, for example, the coverage may be different;
- that claims may not be paid and this **Policy** may be cancelled where you have failed to comply with the **Duty of Disclosure** set out on page 10, or you have made a fraudulent claim;
- that the **Policy** may be cancelled if you have failed to pay your premium by the due date, in the circumstances described on page 52; and
- If you structure TAL Lifetime Protection through a SMSF:
  - the cost of premiums paid may gradually reduce your superannuation over time, leading to a lower balance at retirement.
  - TAL Lifetime Protection has been designed primarily for ordinary business, i.e. paid for out of your general accounts and has not considered the requirements of SIS in its design.

Accordingly, both your retirement and protection objectives should be kept in mind when structuring insurance through a SMSF. Accordingly, both your retirement and protection objectives should be kept in mind when structuring insurance through a SMSF.

You should consider if the **Policy** meets your needs both now and in the future. You may need to seek assistance from a financial adviser to assist you to determine if the terms are consistent with your objectives, financial situation and needs.

### **No Cash Value**

None of the benefits outlined in this document have a cash value (including any surrender value) if cancelled. The premiums paid represent the amounts due for undertaking the risk of the insured event occurring.

### **Misstatement of age**

If your age has been understated on the application for this **Policy**, then the **Benefit** will be recalculated based on the **Benefit** that the premium you paid would have purchased if the correct age had been provided. If your age has been overstated we will refund any excess premium paid. Where the terms and conditions of **Cover** vary depending on age, your correct age, if applicable, will be used to determine whether a **Benefit** is payable. We may also vary the end date of the **Policy** to what it would have been had the correct date of birth been provided by you.

### **Taxation**

If you are considering the tax implications of purchasing **Cover**, it is important you seek independent, professional taxation advice. The complexity of taxation laws and rulings is such that this advice should be specific to your circumstances.

The following information regarding the Australian taxation rules in force at the date of this statement is provided as a general guide only and relates to our interpretation of the rules for individuals who are the **Policy Owner** and are residents of Australia for income tax purposes and to self-managed superannuation funds (SMSFs) that are complying superannuation funds as defined in sections 42A and 45 of the Superannuation Industry (Supervision) Act 1993. No guidance in relation to the application of foreign tax rules or the application of the Australian tax rules to individuals who are not residents of Australia for income tax purposes, or non-complying superannuation funds, is provided. As recommended above, it is important you seek independent, professional taxation advice that is specific to your circumstances.

We reserve the right to make changes to TAL Lifetime Protection and premium rates in response to any taxation, duty, government charge or other legal changes.

### **Who receives the Benefit**

All payments made by us under the **Policy** will be made to the **Policy Owner**, or if you have died, to your Nominated Benefit Recipients or legal personal representative or a person we are permitted to pay under any relevant law.



**Goods and Services Tax**

TAL Lifetime Protection is treated as input taxed under the Goods and Services Tax Act 1999 (Cth) and any cost of GST will be included in the premium rates. No input tax credit will be available to you.

**Stamp duty**

Any cost of stamp duty will be included in the premium rates.

**Tax treatment of insurance premiums and benefits for Australian resident individuals**

For Income Protection, premiums are generally tax deductible and benefits paid are generally assessable as income. This is not the case for Life, TPD and Recovery Insurance Cover. This may vary if insurance is affected for business purposes and you should seek professional taxation advice.

**Capital Gains Tax for Australian resident individuals**

Benefits payable under this Policy may be assessed under the capital gains provisions if you are not the original beneficial owner of the Policy (as defined under the Income Tax Assessment Act 1997), and you acquired TAL Lifetime Protection for consideration.

**Tax treatment of insurance for SMSFs that are complying superannuation funds and their members**

If you are the trustee of a complying superannuation fund, the premiums you pay under this product may be deductible. The proceeds payable under the Policy to you as trustee to facilitate the provision of benefits to members should not form part of the assessable income of the SMSF. Payments out of the SMSF in respect of such members are not deductible to the SMSF.

When the proceeds are paid out of the SMSF to or in respect of a member those proceeds may be assessable to the recipient.

**Death benefits**

In the event of the death of a member who is a Life Insured and where a lump sum benefit is paid by the SMSF, no tax is payable where that benefit is paid to a death benefit dependant as defined under the taxation law. Note that the definition of a death benefit dependant under the taxation law is slightly different to the definition under the superannuation law. Death benefits paid to a non-death benefit dependant for tax purposes may be taxed at up to 30% plus the Medicare Levy.

**Terminal Illness benefits**

Terminal Illness benefits paid to members are tax free.

**TPD benefits**

Total Permanent Disability benefits are taxed at different rates, depending on the member's age when they were disabled and their age at the date of payment. These provisions are complex and you should consult your taxation adviser if you require more detail.

**Income Protection benefits**

When an Income Protection benefit is paid, this constitutes assessable income in the hands of the recipient and will be taxed at the recipient member's marginal tax rate (plus Medicare Levy where applicable).

**Tax Withholding**

Where TAL is required by law to deduct any tax, duty, impost or the like in connection with the payment of a benefit, TAL will deduct the required amount from the payment and forward it to the relevant authority.

## Statutory Fund

The assets of TAL's Statutory Fund Number 1 will alone be liable for the payment of the benefits under this **Policy**. Your **Policy** will not participate in any distribution of any surplus of TAL's Statutory Fund Number 1. You also have no rights in or in connection with the assets of any other TAL Statutory Fund.

## Privacy

The way in which we collect, use and disclose your personal and sensitive information is explained in our Privacy **Policy**. Our Privacy **Policy** is available at [www.tal.com.au/privacy-policy](http://www.tal.com.au/privacy-policy) or is free of charge on request.

Our Privacy Policy contains details about the following:

- the kinds of personal information that TAL collects and holds;
- how TAL collects and holds personal information (including sensitive information);
- the purposes for which TAL collects, holds, uses and discloses personal information (including sensitive information);
- how our customers may access personal information about them which is held by TAL and how they can correct that information; and
- how we deal with any complaints that our customers may have regarding privacy issues.

If you would like a copy or if you have any questions about the way in which we manage your information please contact us using the details on the last page of this document.

Personal and sensitive information will be collected from or in respect of you to enable us to provide or arrange for the provision of this insurance product. We may request further personal information in the future, for example, if you want to make a claim and we need to collect health or financial information. If you do not supply the required information, we may not be able to provide the requested product or service or pay the claim.

In processing and administering your insurance (including at the time of claim) we may disclose your personal information to other parties such as organisations to whom we outsource our mailing and information technology, Government regulatory bodies and other companies within the TAL Group and accountants (if applicable). We may also disclose

your personal information (including health information) to other bodies such as reinsurers, health professionals, investigators, lawyers and external complaints resolution bodies.

Generally we do not use or disclose any customer information for a purpose other than providing our products and services unless:

- you consent to the use or disclosure of the customer information;
- the use or disclosure is required or authorised under an Australian law or a court/tribunal order; or
- the use or disclosure of the information is reasonably necessary for one or more enforcement related activities conducted by, or on behalf of, an enforcement body e.g. the police.

From time to time TAL or its related parties or business partners may wish to contact you to provide you with information about other products and services in which you may be interested. If you prefer not to receive direct marketing communications from our organisation or if you would prefer to receive telephone calls at certain times or days then please contact us using the details on the last page of this document.

We rely on the accuracy of the information you provide. If you think that we hold information about you that is incorrect, please let us know.

Under the current privacy legislation, you are generally entitled to access the personal information we hold about you. To access that information, simply make a request in writing. This process enables us to confirm your identity for security reasons and to protect your personal information from being sought by a person other than yourself.

There are some limited exemptions where TAL would be unable to provide the personal information that we hold about you. These include, but are not limited to the following circumstances:

- we reasonably believe that giving access would pose a serious threat to the life, health or safety of a person;
- the request for access is frivolous or vexatious;
- the information relates to existing or anticipated legal proceedings between TAL and you and the information would not be accessible by the process of discovery in those proceedings; or
- giving access would be unlawful.

If, for any reason we decline your request to access and/or update your information, we will provide you with details of the reasons. In some circumstances it may be appropriate to provide copies of complex medical information to a treating **Medical Practitioner** rather than directly to you so that the medical terminology can be explained.

Additional information about privacy legislation can be found at the website of the Privacy Commissioner at <http://www.oaic.gov.au/> including sensible steps that individuals can take to protect their information when dealing with organisations and when using modern technology.

### Life Insurance Code of Practice

We support the voluntary Life Insurance Code of Practice. This is a self-regulatory code which sets the standards for the conduct of life insurance business in Australia. These standards include appropriate procedures for resolving any dispute that could occur while your **Policy** is current. Should you need further information regarding the Life Insurance Code of Practice, please call us.

### Complaints process

If you have a complaint in relation to TAL Lifetime Protection, you can write to:

 The Manager,  
Internal Dispute Resolution Team  
TAL Life Limited  
GPO Box 5380, Sydney NSW 2001

 [www.tal.com.au/contact-tal](http://www.tal.com.au/contact-tal)

We will attempt to resolve your complaint within 45 days of the date it is received by us. If we are unable to resolve your complaint within that period, we will inform you of the reasons for the delay and ask for your consent to resolve the complaint within 90 days of the date it was received.

If your complaint has not been resolved to your satisfaction within 45 days of lodging your initial complaint to TAL (or, if you have agreed, within 90 days) you may contact the Financial Ombudsman Service (FOS). FOS is an industry funded scheme, which provides free advice and assistance to consumers with complaints against financial services companies, including assisting the **Policy** Owner, to resolve complaints with their life insurance company. FOS is an independent and impartial body. Decisions made by FOS are binding on us.

### FOS can be contacted at:

 1800 367 287

 (03) 9613 6399

 [info@fos.org.au](mailto:info@fos.org.au)

 Financial Ombudsman Service  
GPO Box 3  
Melbourne VIC 3001



# Glossary

# Glossary

## A

**Accident** means an event where Injury or death is caused directly and solely by accidental, violent, external and visible means.

**Accidental Injury** means a new physical Injury caused by an Accident, as confirmed by a Medical Practitioner, while Cover is in force. It does not include Injury arising from:

- attempted intentional self-injury or suicide;
- sickness, medical or surgical treatment;
- the taking of intoxicating liquor or drugs other than those prescribed to you and taken in the correct dosage.

It also excludes Accidents which occur through undertaking Sports unless Sports Cover has been selected by you.

**Accidental Death** means a death caused solely and directly by an Accident while Cover is in force. It does not include death arising from:

- actual or attempted intentional self-injury or suicide;
- sickness, medical or surgical treatment;
- the taking of intoxicating liquor or drugs other than those prescribed for you and taken in the correct dosage.

It does not include death as a result of participating in an Adventure Sport, unless Adventure Sports Cover has been selected by you.

**Activities of Daily Living (ADL)** are:

- Bathing - the ability to shower and bathe;
- Dressing - the ability to put on and take off clothing;
- Toileting - the ability to get on and off and use the toilet;
- Mobility - the ability to get in and out of bed and a chair; and
- Feeding - the ability to get food from a plate into the mouth.

**Adventure Sports** means sports, pastimes or activities which carry an inherently higher risk of death or Injury to the participant and include but are not limited to recreational aviation, hang-gliding, scuba diving, rock fishing, rock climbing, surfing, skydiving, jet skiing, and motor racing.

**Average Monthly Income** means the average of your Monthly Income calculated on the 12 months immediately prior to the Accidental Injury, Illness or Sports Injury that led to the claimable event.

## B

**Benefit or Benefit Amount** means the monthly amount or lump sum amount, as shown on your Policy Schedule, that we will pay you upon receipt of and acceptance by us of a valid claim for the respective Cover type on your Policy.

**Benefit Period** means the maximum time period for which an Income Protection Benefit is payable, as shown in your Policy Schedule.

**Blindness** means the permanent Loss of Sight of both eyes.

**Bundled, Bundle or Bundling** means where under one Policy:

- TPD Insurance is added to Life Insurance; or
- Recovery Insurance is added to Life Insurance.

A payment under one will effect a corresponding reduction in the Benefit Amount payable under the other (Bundled) Covers and a reduction in the total premium payable.

**Commencement Date** means the date your Policy started or Cover was added to your Policy.

**Cover or Covered** refers to the circumstances in which a Benefit Amount is payable in accordance with your Policy. The Cover your Policy provides is shown in your Policy Schedule.

**Critical Illness** means the diagnosis or undergoing of the following specified medical condition events, or the underlying Illness becoming apparent after the Commencement Date or, in the case of an increase to a Benefit, after the commencement of the increase:

- heart conditions including Angioplasty, Aortic Surgery, Cardiomyopathy, Coronary Artery Bypass Surgery, Heart Attack, Heart Valve Surgery, Open Heart Surgery, Primary Pulmonary Hypertension, or Triple Vessel Angioplasty; or
- neurological conditions including Alzheimer's Disease, Coma, Dementia, Encephalitis and Meningitis; or Meningococcal Disease, Motor Neurone Disease, Multiple Sclerosis, Muscular Dystrophy, Paralysis, Parkinson's Disease or Stroke; or
- permanent conditions of Blindness, Loss of Hearing, Loss of Independent Existence, Loss of a Single Limb or Loss of Speech; or
- organ disorders including Chronic Kidney Failure, Chronic Liver Failure, Chronic Lung Failure, Major Organ Transplant, Pneumonectomy or Severe Diabetes; or
- Aplastic Anaemia or Intensive Care.

## C

**Critical Injury** means a specified Accidental Injury suffered by you after the Commencement Date or, in the case of an increase to a Benefit, after the commencement of the increase which results in:

- Severe Burns;
- Major Head Trauma;
- Intensive Care; or
- the permanent conditions of Blindness, Loss of Hearing, Loss of Independent Existence, Loss of a Single Limb and Loss of Speech.

## D

**Dangerous Pastimes** are those pastimes, sports and activities that involve an inherent degree of danger and increased risk, including but not limited to:

- engaging in or training for sporting activities or stunts that are undertaken professionally;
- engaging in or training for sporting activities involving animals or the use of weapons; boxing, competitive fighting, martial arts or combative sports of any kind;
- solo hang gliding, skydiving or parachuting;
- flying in an aircraft, except as a fare-paying passenger on a commercial airline;
- being at depths below 30 metres underground or underwater;
- speed racing or contests of any kind involving any type of motor vehicle, motor cycle, or power boat;
- the riding of trail, dirt, pit or motocross bikes; quad bike riding; or riding any other type of power-assisted off-road buggy, kart or other vehicle; and
- rock fishing, back-country skiing or snowboarding, extreme white-water canoeing or kayaking, mountain climbing, BASE (buildings, antennas, spans and earth) jumping.

**Date of Disablement** means the later of:

- (a) the date the Insured Person ceases work due to Illness or Injury; or
- (b) the date a Medical Practitioner examines the Insured Person and certifies in writing that he or she suffers from the Illness or Injury that is the principal cause of their inability to work.

**Day One Accident Benefit** has the meaning given to that term on page 36.

**Disability or Disablement** means either Total Disability or Partial Disability.

**Disability Benefit** means either Total Disability Benefit or Partial Disability Benefit.

**Duty of Disclosure** means your duty as set out on page 10.

## E

**Exclusion or Exclusions** means an event or circumstances leading to a claim which are not Covered under your Policy. Exclusions can be found under the heading 'What isn't Covered' on page 15 for Life Insurance, page 21 for TPD, pages 26 to 28 for Recovery Insurance, page 33 for Income Protection, and on your Policy Schedule.

## F

**Future Life Event or Future Life Events** refers to a specified event or circumstances that may allow you to increase your Life Insurance Benefit without the need for evidence of health or pastimes. Refer to page 17 for more details.

## G

**Gainful Occupation** means an occupation in which you are working and as a result your physical exertion generates Monthly Income.

## I

**Illness** under Income Protection and TPD means sickness or diseases such as cancer, trauma such as heart attack, degenerative conditions and infections that have not resulted from Accidental Injury, Sports Injury or any additional Exclusions as shown on your Policy Schedule.

**Illness** under Life Insurance means sickness or diseases such as cancer, trauma such as heart attack, degenerative conditions and infections that have not resulted from Accidental Injury, Accidental Death or death occurring due to your participation in Adventure Sports, or any additional Exclusions as shown on your Policy Schedule.

**Immediate Family Member** means a spouse, de facto, partner (same or opposite sex), child, grandchild, parent, grandparent, sibling, aunt, uncle, cousin, niece or nephew.

**Income Protection** means TAL Lifetime Protection income protection insurance, the terms and conditions of which are detailed on page 32-35.

**Increasing Claims** has the meaning given to that term on page 36.

**Indexation Factor** is the percentage change in the Consumer Price Index (Weighted Average All Capital Cities) as last published by the Australian Bureau of Statistics in respect of the 12 month period finishing on 30 September of each year. This factor will be determined at 30 November each year and applied, where indicated, for the following year. If it is not published by 30 November, the Indexation Factor will be calculated based upon a retail price index we consider replaces it. If the percentage change in the Consumer Price Index, or any substitute for it, is negative, the Indexation Factor will be taken as zero.

**Injury** means an Accidental bodily Injury suffered by you after the Commencement Date or in the case of an increase to a Benefit, after the commencement of the increase. The Injury must be caused directly and solely by an Accident.

## L

**Level Premiums** means the amount you pay will be based on your age at the Policy Commencement Date and the premium rate will remain the same until the Policy Anniversary immediately preceding your 65th birthday, at which point Level premiums revert to Stepped Premiums. If your Benefit Amount increases for any reason, including increases arising from Inflation Protection, then, while Level premiums apply, the part of the amount you pay in relation to each increase will be based on your age when each respective increase occurred.

If you select Level Premiums, the amount you pay will be based on your age at the Cover start date. This generally means your premium will only increase if:

- you include a new Cover or option in your Policy;
- your Benefit Amount increases, including through Inflation Protection;
- Level Premiums revert to Stepped Premiums due to your age;
- the Policy fee increases;
- the rates in the premium rate table increase;
- Policy discounts no longer apply; or
- Government duties or charges increase.

Where you choose to increase your Cover, the rates used to calculate premiums for the alteration will be based on your age at that time.

Where Level Premium to age 65 is shown in Your Policy Schedule, they will revert to Stepped Premiums on the Policy Anniversary preceding your 65th birthday.

**Life Buy Back Option** means the option to buy back your Life Insurance Cover that has been drawn down as a result of the payment of a claim on a Bundled Cover.

**Life Insurance** means TAL Lifetime Protection life insurance, the terms and conditions of which are detailed on page 14 to 17.

**Life Insured** means you, the insured person under your Policy.

**Limb** means an arm, leg, hand or foot. In respect of this definition, the hand or foot starts from the wrist or ankle joint, respectively.

**Loss of Independent Existence** means Significant Cognitive Impairment or the total and irrecoverable loss of ability, due to Illness or Injury, to perform at least two of the Activities of Daily Living without the physical assistance of another person.

**Loss of a Single Limb** means the total and irrecoverable loss of use of one Limb.

**Loss of Limbs** means the total and irrecoverable loss of use of two or more Limbs.

**Loss of Sight** means the total and irrecoverable loss of sight (whether aided or unaided) in an eye, as a result of Illness or Injury to the extent that visual acuity in the eye, on a Snellen Scale after correction by a suitable lens is less than 6/60, or to the extent that the visual field is reduced to 10 degrees or less of arc.

## M

**Medical Practitioner** means a person who is registered in Australia as a Medical Practitioner by the Medical Board of Australia, other than:

- you;
- your business partner; or
- your Immediate family members.

If practicing other than in Australia, the Medical Practitioner must be approved by us and have qualifications equivalent to Australian standards.

Note – a chiropractor, physiotherapist and/or alternative therapy provider is not a Medical Practitioner unless registered as a Medical Practitioner by the Medical Board of Australia.

**Mental Health Related Illnesses** means any clinically recognised mental illness, Injury or disorder, the symptoms or any physical complications thereof, as confirmed by a Medical Practitioner.

**Monthly Income or Monthly Earnings** when you do not directly or indirectly own any part of the business in which you work (ignoring shares in publically listed companies) is the monthly value of the remuneration paid by the employer in respect of the work performed by you and includes salary, superannuation guarantee contributions, bonuses, commission, fees, fringe benefits and overtime payments. This will be determined by calculating the amount you would have to receive if total remuneration was received as a salary or wage (before income tax is deducted).

When you directly or indirectly own all or part of the business in which you work (ignoring shares in publicly listed companies), Monthly Income is:

- the monthly value of remuneration paid by the business to you as a result of your personal exertion; and
- your share of the profits of the business, generated as a result of your personal exertion, after the deduction of business expenses, both of which are determined in line with the usual manner that the profits and losses of the business are divided between you and any co-owners of the business.

## N

**Nominated Benefit Recipient** means the person or persons nominated by you to receive all or part of the Death Benefit. Any nomination is binding on us. However, you may revoke or change a nomination at any time. Any nomination, revocation or change in the details of a Nominated Benefit Recipient has no effect unless it is in writing and we have issued a written confirmation to you.

## O

**Own Occupation** under Income Protection is the occupation in which you were working immediately prior to the Illness or Injury causing Disability, unless you:

- were working in that occupation for less than ten hours a week; or
- were unemployed or on sabbatical, long service, maternity or paternity leave for more than 12 months,

in which case 'Own Occupation' will be any occupation for which you are reasonably suited by training, education or experience.

If you have been working in more than one occupation that meets these criteria, 'Own Occupation' will include all of those occupations.



## P

**Partial Disability and Partially Disabled** under Income Protection mean that, solely because of a Covered event, you are:

- working or capable of working in a Gainful Occupation; and
- under the ongoing care of, and following the advice of a Medical Practitioner; and
- have suffered a reduction of 20% or more in your ability to generate Monthly Income.

To be eligible for a Partial Disability Benefit, you must be Totally Disabled for the entire Waiting Period.

The Partial Disability Benefit Amount to be paid will be:

$$\frac{A - B \times \text{the Benefit Amount}}{A}$$

subject to any adjustments, where:

A = the lesser of your Benefit Amount or 75% of your Pre-Disability Earnings; and

B = your Monthly Income in respect of the month to be paid.

If you are not working solely because of Illness or Injury, but are able to perform an important income producing duty of your Own Occupation to earn income, 'B' will be calculated on the monthly income for which it would be reasonable for you to earn if working. We will take into account all medical and other appropriate evidence.

**Policy** means the legal contract between the Policy Owner and us. This document, the application (whether in writing, verbally or online), the Policy Schedule and any Special Conditions or endorsements make up the Policy.

**Policy Anniversary** means each anniversary of the Policy Commencement Date.

**Policy Owner** means the person shown in the Policy Schedule as the person to who the Policy has been issued. If your Policy is structured through a SMSF, the Trustee of the fund is the Policy Owner.

**Policy Schedule** means the document which will be provided to you by us, containing details of your Cover under a Policy. Your Policy Schedule will be updated by us as a result of:

- any changes you make to your Policy and agreed to by us; and/or
- any changes made by us in accordance with the conditions contained in this document.

**Pre-Disability Earnings** means your highest average Monthly Earnings for the consecutive 12 month period immediately prior to the start of the Waiting Period. When you are disabled, Pre-Disability Earnings will be increased by the Indexation Factor after every 12 consecutive payments under Total Disability or Partial Disability, following the date Disability started.

## R

**Recovery Insurance** means TAL Lifetime Protection recovery insurance, the terms and conditions of which are detailed on page 26.

**Rehabilitation Program** means a program or plan:

- designed to assist you in returning to work in your Own Occupation; and
- developed by an appropriately qualified vocational or occupational rehabilitation specialist.

General medical consultations and medical therapy consultations, including but not limited to, physiotherapy, psychotherapy and hydrotherapy, are excluded.

## S

**Scheduled Injury Benefit** means those Benefits and Benefit Periods set out at page 35.

**Significant Cognitive Impairment** means a deterioration or loss of intellectual capacity that results in a requirement for a full-time permanent caregiver.

**Special Conditions** means events or circumstances leading to a claim which need to be satisfied for a Benefit to be payable under your Policy. Special Conditions are specific to your Policy and can be found on your Policy Schedule.

**Sport** means a regular activity involving physical exertion and skill which an individual or team participates in, or competes against another or others for entertainment, enjoyment or fitness. It includes but is not limited to football, cricket, running, cycling, tennis, golf, basketball, surfing, wind-surfing, recreational aviation, rock climbing, martial arts, horse riding and yoga.

**Sports Injury** means an Injury that you suffer during the participation in, or training for, any Sport.

**Standalone** means either Life Insurance, TPD, Recovery Insurance or Income Protection which is not Bundled with any other insurance.

**Stepped Premiums** means the amount you pay will generally increase at each Policy Anniversary.

## T

**Terminal Illness** means an Illness where, after having regard to the current treatment or such treatment as you may reasonably be expected to receive, you will not survive more than 12 months (or 24 months for policies under superannuation including SMSFs).

Two Medical Practitioners, at least one who is a specialist Medical Practitioner who specialises in your Illness, or an area related to your Illness, must certify in writing (either jointly or separately), that despite reasonable medical treatment, you are suffering a Terminal Illness which will lead to your death within 12 months (or 24 months when under superannuation including SMSFs) of the date of the certification.

The Terminal Illness and certification must occur while you have Cover under your Policy.

A Benefit payable in respect of Terminal Illness applies only to Illness Cover for Life Insurance. The Life Insurance Benefit Amount will be paid in full where this definition is met, if Illness Cover is shown on your Policy Schedule.

**Total Permanent Disability** has the meaning given to that term on page 23.

**Total Permanent Disability Insurance or TPD** means TAL Lifetime Protection total permanent disability insurance, the terms and conditions of which are detailed on page 20.

**Total Disability and Totally Disabled** under Income Protection mean that, solely because of a Covered event, you are:

- not working in any Gainful Occupation; and
- following the advice of a Medical Practitioner; and
- unable to perform one or more of the important income-producing duties in your Own Occupation.

To be eligible for a Total Disability Benefit, you must meet this definition for the entire Waiting Period.

## W

**Waiting Period** means the period of time between you suffering Total Disability or Partial Disability and Benefits starting to accrue. The Waiting Period commences on the Date of Disablement.

**Whole Person Function** means where a payment depends on you meeting criteria based on the Whole Person Function, the calculation is to be based on the current edition of the American Medical Association publication entitled Guides to the Evaluation of Permanent Impairment until an equivalent Australian guide, sanctioned by the Australian Medical Association, has been produced, at which time the calculation in the relevant Australian guide will apply.

# Recovery Insurance Event Definitions

## A

**Alzheimer's Disease** means the unequivocal diagnosis of Alzheimer's Disease by a consultant neurologist or geriatrician. The diagnosis must confirm dementia due to failure of brain function with cognitive impairment for which no other recognisable cause has been identified. A Mini-Mental State Examination score of 24 or less is required.

**Angioplasty** means the actual undergoing of Coronary Artery Angioplasty to correct a narrowing or blockage of one or more coronary arteries.

**Aortic Surgery** means surgery to repair or correct an aortic aneurysm, an obstruction of the aorta, a coarctation of the aorta or traumatic injury to the aorta. For the purpose of this definition, aorta means the thoracic and abdominal aorta but not its branches.

**Aplastic Anaemia** means bone marrow failure, which results in anaemia, neutropenia and thrombocytopenia requiring treatment, with at least one of the following:

- blood product transfusions;
- marrow stimulating agents;
- immunosuppressive agents; or
- bone marrow transplantation.

## B

**Benign Brain Tumour** means a non-cancerous tumour in the brain, resulting in an irreversible neurological deficit which has caused:

- a permanent impairment of at least 25% of the Whole Person Function; or
- you to be totally and permanently unable to perform any one of the Activities of Daily Living.

The presence of the underlying tumour must be confirmed by CT Scan, MRI or other imaging studies.

**Blindness** means the permanent Loss of Sight of both eyes.

## C

**Cancer** means the presence of one or more malignant tumours. The malignant tumour is to be characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue.

The following tumours are excluded:

- tumours showing the malignant changes of carcinoma in situ (including cervical dysplasia CIN-1, CIN-2 and CIN-3#) or which are histologically described as premalignant\*;
- all skin cancers, unless
  - there is evidence of metastases; or
  - the tumour is a melanoma of at least Clark level 3; or
  - the tumour is a melanoma showing signs of ulceration; or
  - the tumour is a melanoma of greater than 1.0mm maximum thickness as determined by examination using the Breslow method.
- prostatic cancers which:
  - are histologically described as TNM Classification T1a or T1b; and
  - are characterised by Gleason Score of 5 or less; unless major intervention therapy including radiotherapy, chemotherapy, biological response modifiers or any other major treatment has been required to arrest the spread of malignancy.
- chronic Lymphocytic Leukaemia less than Rai Stage 1.

# CIN-1, CIN-2, and CIN-3 may also be referred to or known as mild dysplasia, moderate dysplasia, and severe dysplasia; or low grade squamous intraepithelial lesion (CIN-1) and high grade squamous intraepithelial lesion (CIN-2 and CIN-3).

\* Carcinoma in situ of the breast is covered if a procedure is required for:

- the removal of the entire breast; or
- breast conserving surgery together with radiotherapy or chemotherapy.

Carcinoma in situ of the testicle is covered if a procedure is required for the removal of the entire testicle.

The procedure must be performed specifically to arrest the spread of malignancy, and be considered the appropriate and necessary treatment

**Carcinoma In Situ** means you have a carcinoma in situ, characterised by a focal autonomous new growth of carcinomatous cells, which has not yet resulted in the invasion of normal tissues.

‘Invasion’ means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO Stage 0.

Only Carcinoma In Situ of the following sites is covered:

- Breast
- Cervix Uteri (Excluded are Cervical Intraepithelial Neoplasia (CIN) classifications including CIN-1 and CIN-2).
- Corpus Uteri
- Fallopian Tube (the tumour must be limited to the tubal mucosa)
- Ovary
- Penis
- Perineum
- Prostate
- Testicle
- Vagina
- Vulva

Note: FIGO refers to the staging method of the Fédération Internationale de Gynécologie et d’Obstétrique.

**Cardiomyopathy** means impaired ventricular function of variable aetiology resulting in permanent and irreversible physical impairment to the degree of at least Class 3 of the New York Heart Association classification of cardiac impairment.

**Chronic Kidney Failure** means end-stage renal failure presenting as chronic irreversible failure of both kidneys to function, resulting in renal transplantation or the permanent requirement for renal dialysis.

**Chronic Liver Failure** means end-stage liver failure resulting in permanent jaundice, ascites and/or encephalopathy.

**Chronic Lung Failure** means end-stage lung disease with a consistent pulmonary function test result of FEV1 less than 40% predicted and requiring permanent oxygen therapy.

**Coma** means a state of unconsciousness with no reaction to external stimuli or internal needs, resulting in a documented Glasgow Coma Scale of 6 or less, for a continuous period of at least 72 hours.

**Coronary Artery Bypass Surgery** means bypass grafting performed to correct or treat coronary artery disease.

## D

**Dementia** means the unequivocal diagnosis of Alzheimer’s Disease or other dementia by a consultant neurologist or geriatrician. The diagnosis must confirm permanent irreversible failure of brain function with cognitive impairment for which no other recognizable cause has been identified. A Mini-Mental State Examination score of 24 or less is required.

**Diagnosed Benign Brain Tumour** means a non-cancerous tumour in the brain, giving rise to symptoms of increased intracranial pressure such as papilloedema, mental symptoms, seizures, sensory impairment and motor impairment.

The presence of the underlying tumour must be confirmed by CT Scan, MRI or other imaging studies.

## E

**Early Stage Chronic Lymphocytic Leukaemia** means the presence of chronic lymphocytic leukaemia diagnosed as Rai Stage 0, which is defined to be in the blood and bone marrow only.

**Early Stage Melanoma** means the presence of one or more malignant melanomas of 1.0mm or less maximum thickness as determined by histological examination using the Breslow method, or less than Clark Level 3 depth of invasion as determined by histological examination. The malignancy must be characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue.

**Early Stage Prostate Cancer** means the presence of a tumour confined within the prostate, which is histologically described as TNM Classification T1 or a Gleason Score of either 2, 3, 4 or 5 where major medical intervention therapy is not required.



**Encephalitis and Meningitis** means the unequivocal diagnosis of encephalitis or meningitis where the condition is characterised by severe inflammation of the brain or the meninges of the brain resulting in permanent neurological deficit causing:

- at least a permanent 25% Impairment of Whole Person Function; or
- you to be totally and permanently unable to perform any one of the Activities of Daily Living.

## H

**Heart Attack (myocardial infarction)** means the death of a portion of heart muscle as a result of inadequate blood supply to the relevant area. The basis of diagnosis will be:

- a confirmatory new electrocardiogram (ECG) changes; and
- a diagnostic rise and fall (other than as a result of cardiac or coronary intervention) in either Troponin I in excess of 2.0µg/L or Troponin T in excess of 0.6µg/L or cardiac enzyme CK-MB.

If the above criteria are not met, we will pay a claim based on satisfactory evidence that you have unequivocally been diagnosed as having suffered a myocardial infarction resulting in:

- a permanent reduction in the Left Ventricular Ejection Fraction to less than 50%, measured three months or more after the event; or
- new pathological Q waves.

At our discretion, we will also consider any other medical test result provided by a cardiologist that unequivocally diagnoses myocardial infarction of the degree of severity or greater as documented above.

**Heart Valve Surgery** means surgery to replace or repair a cardiac valve as a consequence of a cardiac valve abnormality or a cardiac aneurysm or other cardiac defects.

## I

**Intensive Care** means an illness or injury has resulted in you requiring continuous mechanical ventilation by means of tracheal intubation for ten consecutive days (24 hours per day) in an authorised intensive care unit of an acute care hospital.

No amount will be paid where your Intensive Care results from the consumption of alcohol or the use of non-prescribed drugs.

## L

**Limb** means an arm, leg, hand or foot. In respect of this definition, the hand or foot starts from the wrist or ankle joint, respectively.

**Loss of a Single Limb** means the total and irrecoverable loss of use of one Limb.

**Loss of Hearing** means the total and irrecoverable loss of hearing, both natural and assisted, in both ears as a result of Illness or Injury.

**Loss of Hearing** in one ear means the total and irrecoverable loss of hearing in one ear, both natural and assisted, as a result of Illness or Injury.

**Loss of Independent Existence** means Significant Cognitive Impairment, or the total and irrecoverable loss of ability, due to Illness or Injury, to perform at least two of the Activities of Daily Living without the physical assistance of another person.

**Loss of Limbs** means the total and irrecoverable loss of use of two or more Limbs.

**Loss of Limbs and Sight** means the total and irrecoverable loss of use of one Limb and the permanent Loss of Sight in one eye.

**Loss of Sight** means the total and irrecoverable loss of sight (whether aided or unaided) in an eye, as a result of Illness or Injury to the extent that visual acuity in the eye, on a Snellen Scale after correction by a suitable lens is less than 6/60, or to the extent that the visual field is reduced to 10 degrees or less of arc.

**Loss of Speech** means the total and irrecoverable loss of the ability to produce intelligible speech, as a result of permanent damage to the larynx or its nerve supply or to the speech centres of the brain, due to Illness or Injury.

## M

**Major Head Trauma** means Accidental head Injury resulting in neurological deficit causing:

- at least a permanent 25% impairment of Whole Person Function; or
- you being totally and permanently unable to perform any one of the Activities of Daily Living.

**Major Organ Transplant** means either the undergoing of, or upon the advice of a specialist Medical Practitioner the placement on a waiting list of a Transplantation Society of Australia and New Zealand recognised transplant unit for, the human to human transplant from a donor to you of:

- bone marrow;

or one of the following organs or a permanent mechanical replacement of one of the following organs:

- kidney;
- heart;
- lung;
- liver;
- pancreas; or
- small bowel.

The transplant of all other organs, parts of organs or any other tissue transplant is excluded.

**Meningococcal Disease** means the unequivocal diagnosis of meningococcal septicaemia resulting in:

- at least a permanent 25% impairment of Whole Person Function; or
- you being totally and permanently unable to perform any one of the Activities of Daily Living.

**Minor Heart Attack** means the death of a portion of heart muscle as a result of inadequate blood supply to the relevant area. The basis of the diagnosis will be:

- a confirmatory new electrocardiogram (ECG) changes; or
- a diagnostic rise and/or fall of cardiac biomarkers with at least one reading above the 99th percentile of the upper reference limit.

At our discretion, we will also consider any other medical test result provided by a cardiologist that unequivocally diagnoses myocardial infarction of the degree of severity documented above.

If the clinical diagnosis and disease management on hospital discharge for any medical event or investigation is not consistent with an acute myocardial infarction as confirmed by a consultant cardiologist, then a claim is not payable under this Policy. Myocardial infarctions arising from percutaneous procedures are excluded.

**Motor Neurone Disease** means the unequivocal diagnosis of a progressive form of debilitating Motor Neurone Disease.

**Multiple Sclerosis** means a disease characterised by demyelination in the brain and/or spinal cord. Multiple Sclerosis must be unequivocally diagnosed. There must be more than one episode of well-defined neurological deficit with persisting neurological abnormalities.

Neurological investigations such as lumbar puncture, MRI (Magnetic Resonance Imaging) evidence of lesions in the central nervous system, evoked visual responses, and evoked auditory responses are required to confirm diagnosis.

**Muscular Dystrophy** means the unequivocal diagnosis of muscular dystrophy.

## O

**Open Heart Surgery** means the undergoing of open chest surgery for the surgical treatment of a cardiac defect, cardiac aneurysm or benign cardiac tumour.

## P

**Paralysis** means the total and permanent loss of function of two or more limbs through illness or injury causing permanent damage to the nervous system. This includes, but is not limited to, quadriplegia, paraplegia, diplegia and hemiplegia.

**Parkinson's disease** means the unequivocal diagnosis of degenerative idiopathic Parkinson's disease as characterised by the clinical manifestation of one or more of the following:

- rigidity;
- tremor; and
- akinesia

resulting in the degeneration of the nigrostriatal system.

All other types of Parkinsonism are excluded (e.g. secondary to medication).

**Pneumonectomy** means the undergoing of surgery to remove an entire lung. This treatment must be deemed the most appropriate treatment and medically necessary.

**Primary Pulmonary Hypertension** means the unequivocal diagnosis of Primary Pulmonary Hypertension with right ventricular enlargement established by investigations including cardiac catheterisation.

## S

**Severe Burns** means tissue injury caused by thermal, electrical or chemical agents causing third degree or full thickness burns to at least:

- 20% of the body surface area as measured by the Lund and Browder Body Surface Chart;
- 50% of both hands, requiring surgical debridement and/or grafting; or
- 50% of the face, requiring surgical debridement and/or grafting.

**Severe Diabetes** means that a certified consultant endocrinologist has confirmed that at least two of the following complications have occurred as a direct result of diabetes:

- severe diabetic retinopathy resulting in visual acuity (whether aided or unaided) and corrected of 6/36 or worse in both eyes;
- severe diabetic neuropathy causing motor and/or autonomic impairment;
- diabetic gangrene leading to surgical intervention; or
- severe diabetic nephropathy causing chronic irreversible renal impairment as measured by a corrected creatinine clearance less than 28ml/min (CKD stage 4, International Chronic Kidney Disease Classification).

**Stroke** means a cerebrovascular event producing neurological deficit. This requires clear evidence on a CT, MRI or similar, appropriate scan or investigation that a stroke has occurred and of infarction of brain tissue, intracranial and/or subarachnoid haemorrhage. Transient ischaemic attacks, reversible neurological deficit, cerebral symptoms due to migraine, cerebral injury resulting from trauma or hypoxia and vascular disease affecting the eye, optic nerve or vestibular functions are excluded.

**Triple Vessel Angioplasty** means the actual undergoing for the first time of coronary artery Angioplasty to correct a narrowing or blockage of three or more coronary arteries within the same procedure.

In the event that not all coronary arteries can be corrected in a single procedure and a second procedure is required, a benefit will be payable provided the second procedure occurs no more than one month after the first.

# Direct Debit Request Service Agreement

# Direct Debit Request Service Agreement

This Agreement is issued by TAL, to enable you to understand your rights and responsibilities as a new customer when making premium payments by direct debit. It allows TAL to debit your nominated account to meet the premiums for your Policy. Please keep this Agreement in a safe place for future reference.

## **Our Commitment to you**

We will ensure that we:

- will give you at least 14 days written notice if there are any changes to the terms of this Agreement: and
- will keep all information relating to your nominated financial institution account confidential, except where required for the purposes of conducting direct debits with your financial institution, or otherwise as required by law.

## **Your Commitment to us**

Please ensure that:

- the account you have nominated can accept direct debits;
- all account holders for this nominated account agree to this Agreement; and
- that there are sufficient funds available in the nominated account, on the due dates, to Cover the premiums. If there isn't, you may incur dishonour fees from your financial institution and your Policy may lapse. Dishonour fees will not be charged by TAL.

If a premium due date falls on a weekend or a public holiday, we will automatically debit the payment on the next business day.

## **How to make changes**

Please give us at least 7 days' notice before your next premium due date for either:

- altering any of your direct debit or financial institution details, or
- stopping or suspending any debits, or cancelling the Agreement completely. If you do any of these, you will need to make alternative arrangements for future premiums to continue your Policy.

If you want to change or cancel this agreement, or dispute a debit, please contact our Customer Service Centre on 1300 886 802. We will always respond to your query or dispute in the first instance.

# Financial Services Guide

# Financial Services Guide

This financial services guide is provided by TAL Direct Pty Limited ABN 39 084 666 017 ('TAL Direct', 'the Licensee', 'we', 'us' and 'our'). TAL Direct holds an Australian Financial Services Licence (AFSL 243260) and is related to the insurer TAL Life Limited ABN 70 050 109 450 AFSL 237848 ('TAL Life'). TAL Direct and TAL Life are part of the TAL Dai-ichi Life Australia Pty Limited ABN 97 150 070 483 group of companies ('TAL').

## Purpose of this Financial Services Guide

We are required by law to provide you with this Financial Services Guide (FSG). This document outlines important legal information as required by the Corporations Act 2001. It contains important information about the authorised services we offer, the remuneration received by us, our service providers and our internal and external dispute resolution services. This FSG is designed to assist you in deciding whether to use any of the authorised services. TAL Direct is responsible for the content of this FSG and has authorised its distribution.

## Our services

TAL Direct is authorised and responsible under its Australian Financial Services Licence to:

- Provide financial product advice on life risk, and superannuation to retail clients;
- Provide general advice only on general insurance products to retail clients;
- Deal in life risk, superannuation and general insurance products to retail clients; and
- Arrange superannuation products for retail clients.

## Who are our representatives?

A number of representatives have been appointed by TAL Direct to provide a financial service over the telephone and via web chat. These people have received specialist training to discuss the products we offer.

## What does general financial product advice mean?

It is important that you understand that we only provide general advice. We do not provide personal advice or make recommendations about the suitability of the product for you.

Therefore, you should carefully review the Product Disclosure Statement (PDS), having regard to your own objectives, financial situation and needs before deciding to purchase a product.

The PDS sets out the important information you should consider when deciding to acquire a certain product, including the insurer and the benefits, features and associated costs of the product.

You can find this online at [tal.com.au](http://tal.com.au).

## Who we act for

TAL Direct is acting for itself when it provides a financial service.

When our representatives provide general financial product advice, or arrange for the insurer to issue policies, they act for TAL Direct.

The insurer's registered address is:

TAL Life – Level 16, 363 George Street, Sydney NSW 2000

## Dispute resolution process

We offer an internal dispute resolution service in relation to any concerns you may have about us or any of our representatives. If a dispute is not resolved to your satisfaction through our internal dispute resolution service, you may then refer your concern to an external dispute resolution service. These services are free of charge to you.

### INTERNAL DISPUTE RESOLUTION SERVICE

In the first instance, we hope that our representatives can handle any concern you may have. Please call or write to us first. If you are not satisfied with our initial response, please ask to speak to the Complaints Officer who will handle your matter personally, or write to our Complaints Officer at the address shown at the end of this FSG.

### EXTERNAL DISPUTE RESOLUTION SERVICE

In the event that we are unable to resolve your concern, you have the right to contact the Financial Ombudsman Service (FOS) which is an independent complaints resolution body. Call FOS on 1800 367 287, (03) 9613 6399 or write to [info@fos.org.au](mailto:info@fos.org.au) or G.P.O Box 3, Melbourne Victoria 3001. FOS is an independent body and its service to you is free. Different terms of reference are applied by FOS depending on whether your complaint relates to a life

insurance product or a general insurance product. Please refer to FOS for details.

To use FOS, you must have firstly attempted to use our internal dispute resolution service.

This is an external, independent body offering free and accessible dispute resolution services to customers who have tried to resolve their complaint with their financial institution but for whatever reason have been unable to do so. TAL is bound by their decisions.

### **Personal Information**

Personal and sensitive information is collected from you to enable TAL Direct and the insurer to provide their products or services to you. Further information may be requested from you at a later time, such as if you want to make alterations to your insurance policy or at claim time.

The way in which we collect, use and disclose your information is described in our Privacy Policy which is available at [tal.com.au](http://tal.com.au), and is free of charge on request. If you have any questions relating to your privacy, please contact us. You may be entitled to gain access to information we have on file about you. If you wish to request access, please contact us in writing.

If you do not supply the requested information to us we may not be able to provide our products and services to you or pay your claim. In processing and administering your insurance (including at the time of claim) your personal information may be disclosed to the insurer as well as any related bodies corporate including the following third parties, where necessary: your employer, general practitioners or health professionals to verify any health information you may provide, your (or your employer's, if relevant) financial adviser, other companies within the TAL group of companies or partner organisations including companies based overseas; organisations to whom we outsource our mailing, administration and information technology, the Insurance Reference Service, investigators, the Trustee (if relevant), the administrator of the product or fund, reinsurers, Government departments if required or authorised to do so, or any person acting on your behalf such as a lawyer or accountant. Information regarding the privacy rights of individuals is available at [oaic.gov.au](http://oaic.gov.au) which is the website of the Office of the Australian Privacy Commissioner.

### **Opt-out**

From time to time we may use your information to promote and market our products and services to you. If you do not want to receive telemarketing calls, or would prefer to receive telemarketing calls at certain times or days, please call us on 1300 209 088. If you do not want to receive any information on other products or services offered by us or the insurer, please contact us.

### **Disclosure of remuneration**

When insurance is arranged for you, you will be required to pay a premium and this will be paid to the insurer of the product. The premium includes any commission payable by the insurer for distributing the product so you do not need to pay any extra.

Where a representative arranges a policy for you over the telephone, that representative may in addition to their salary receive a commission from TAL. The amount of commission is dependent on a number of factors including the number of policies issued and the quality of the representative's conduct.

If we provide you with a financial service you are entitled to request details of this remuneration, and may do so by contacting us on the number specified in this FSG. There may be circumstances where additional commissions, bonuses and non-cash incentives are paid and these will accrue from time to time. These are not an additional cost to you. TAL may also pay referral fees or commissions to people or organisations that refer new customers to us. The referral fee may be paid in the form of an upfront commission fee and/or periodical trail fees. This will be at no additional cost to you. In addition to paying referral fees, TAL may from time to time give other non-cash benefits to referral partners.

### **Direct debit request summary**

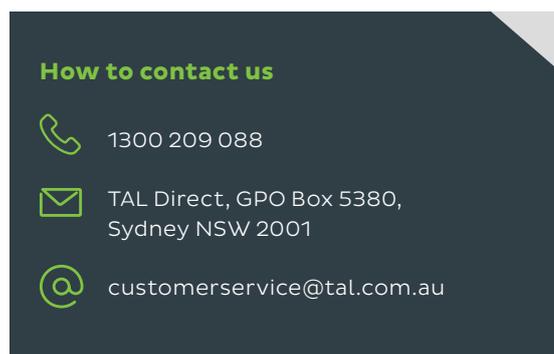
This summary describes how the Direct Debit Request system works. The full Direct Debit Request Agreement (Agreement) is available to you at [tal.com.au](http://tal.com.au). You should read the Agreement carefully as it explains your rights and obligations relating to your ongoing direct debits.

When you complete your bank details and sign the authority, you are authorising the direct debit of the appropriate premiums from your nominated account. Your authority will be kept confidential at all times. If your premium cannot be paid (for example there's not enough money in your nominated account) your bank may dishonour that payment, in which case your policy may lapse. Insurance Cover ceases when the policy has lapsed.

If you have concerns about its operation or you subsequently need to change any aspects of the authority, please contact us. From time to time updates about our services which are subject to change and which are not materially adverse to you may be found on the TAL website at [tal.com.au](http://tal.com.au) and if you request a paper copy of any updated information, this will be provided to you without charge.

#### **PI Insurance**

TAL Direct is part of TAL and we confirm that TAL retains professional indemnity (PI) insurance to cover the activities of licensees within TAL, including TAL Direct. This PI cover is maintained in accordance with the law, is subject to its terms and conditions and provides indemnity up to the sum insured for the activities of the representatives of TAL and TAL Direct.



**How to contact us**

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#### **Issuer**

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