



TAL Employee Insurance Plan

Life and Total and Permanent Disablement Cover
For Permanent Employees of TAL Services Limited

Product Disclosure Statement | 1 June 2021

TAL

Important information about this document

This Product Disclosure Statement (PDS) gives you important information about your cover in the TAL Employee Insurance Plan (Plan).

This PDS is jointly issued by:

1. Mercer Superannuation (Australia) Limited (ABN 79 004 717 533, AFSL 235906) (**MSAL**) as trustee for the Mercer Super Trust (ABN 19 905 422 981) (**Fund**); and
2. TAL Life Limited (**Insurer**) (ABN 70 050 109 450, AFSL 237848).

The TAL Employee Insurance Plan (**Plan**) provides Life and Total and Permanent Disablement cover through TAL Super (the **Product**) for the benefit of TAL Permanent Employees. TAL Super is a plan within the Retail Division of the Fund. Contributions made to the Product are only used for the purposes of paying insurance premiums. Members do not have an account balance in the Product and therefore there is no investment component.

The Insurer is the issuer of the life insurance product structured through TAL Super but is not responsible for TAL Super and does not issue, underwrite or guarantee the superannuation interest described in this PDS. MSAL is the trustee (the **Trustee**) for the Product and is responsible for the superannuation interest Members hold in the Fund.

As the insurance cover is structured through the Fund, the Trustee will be noted as the policy owner and will hold the Policy on behalf of all members of the Plan. Your interest in the Fund is governed by the Trust Deed of the Fund as well as the terms and conditions of the policy (**Policy**) issued by TAL Life Limited (ABN 70 050 109 450, AFSL 237848) as the provider of the insurance cover to the Trustee.

Any benefit payable under the Policy will be paid by the Insurer to the Trustee. The Trustee is responsible for paying the benefits out of the Fund. Restrictions may apply to these benefit payments under the Trust Deed, governing rules and superannuation law.

A copy of the Trust Deed can be obtained, free of charge at www.mercersuper.com/documents

The information contained in this PDS is general information only. The Insurer and the Trustee have not taken into account your objectives, financial situation or needs. You should consider the appropriateness of the information in this PDS, taking into account your objectives, financial situation and needs, before acting on any information in this PDS. Information about tax provided in this PDS is a guide only and is based on the Trustee's understanding of the tax laws that were current at the date of the PDS. These laws can change and the Trustee recommends you speak to your tax adviser regarding the tax consequences of holding insurance cover through superannuation.

The information in this PDS may change from time to time. You can obtain updated information that is not materially adverse to you at www.tal.com.au/talsuper. Please contact us if you'd like a free printed copy of the updated information. Changes that are materially adverse to you will be advised as required by law.

The Policy and the policy owner:

The Policy is owned by Mercer Superannuation (Australia) Limited (ABN 79 004 717 533) (AFSL 235906) as the Trustee of the Mercer Super Trust (ABN 19 905 422 981).

The Insurer:

The Policy is issued by TAL Life Limited (ABN 70 050 109 450, AFSL 237848) as the provider of the insurance cover.

The Employer:

TAL Services Limited (ABN 60 076 105 130).

Registered Address of the Trustee:

Mercer Superannuation (Australia) Limited
GPO Box 4303
Melbourne VIC 3001

Registered Address of the Insurer:

TAL Life Limited
Level 16, 363 George Street
Sydney, NSW 2000
www.tal.com.au

Definitions:

In this Product Disclosure Statement:

- 'TAL' means your employer, TAL Services Limited (ABN 60 076 105 130) who pays the cost of your insurance premium by making an employer superannuation contribution.
- 'You', 'your' and 'member' means you as the Permanent Employee of TAL eligible for cover under the TAL Employee Insurance Plan.

Other defined terms are capitalised throughout this document and these definitions are set out under Section 14.

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1 Introduction

This document is the PDS for the Plan which offers Life cover and Total and Permanent Disablement (TPD) cover to Permanent Employees of TAL.

Life cover and TPD cover is provided under the Policy issued to the Trustee by the Insurer.

This PDS is a summary of the Policy terms and conditions for Life cover (including Terminal Illness) and TPD cover that apply to Permanent Employees of TAL or their beneficiaries in the event of a claim.

The terms and conditions of the Policy prevail over any inconsistent information in this PDS.

Insurance benefits will only become payable if the Insurer accepts the relevant claim. Payment of any approved claim will be made by the Insurer to the Trustee and any insured benefit can only be paid to the relevant member by the Trustee when a condition of release under the SIS Act is met.

2 Scope of cover

Subject to the exclusions and limitations referred to in this PDS and stated in the Policy, a benefit is only payable under the Policy if an insured event occurs while you are an Insured Member during the term of the Policy.

2.1 Worldwide cover

The Policy provides you with worldwide coverage 24 hours a day, seven days a week.

If you suffer from TPD or are diagnosed with a Terminal Illness whilst temporarily residing or travelling outside of Australia, you may be required to return to Australia at your own expense, for assessment of the claim.

3 How the Plan works

The Plan is designed to provide Life cover (including Terminal Illness) and TPD cover to Permanent Employees of TAL through the Product. The Trustee is the owner of the Policy and pays the premiums for the insurance cover to the Insurer from the Fund.

TAL is the employer and makes employer superannuation contributions to the Product to meet the cost of the premiums for the cover. These contributions are in addition to any superannuation guarantee, salary sacrifice or any other mandated employer contributions TAL makes on an employee's behalf.

The employer superannuation contributions made by TAL to cover the premiums for the cover count towards your annual concessional contributions cap each year. (See Section 10.2 for more details). Please note that as the Plan is only to provide insurance cover as agreed with TAL in the Product, the Trustee cannot accept additional contributions above the amount required to pay the insurance premiums.

A statement will be sent to you each year confirming the cover you have under the Plan and the amount of contributions that have been paid on your behalf for premiums.

3.1 Who is eligible

You are eligible for cover under the Plan if:

- a) you are a Permanent Employee of TAL; and
- b) you are a member of the Fund and the Trustee is satisfied the Employer Sponsor Exception applies in respect of you.

3.2 How you receive cover

Upon commencing employment as a Permanent Employee, TAL will apply for membership of the Product on your behalf and then as a Member of the Product, cover will automatically be provided to you through the Fund (see Section 5.1 for more details) subject to the terms of the Policy as described in this PDS.

You will be notified if any additional information is required.

3.3 Cost of cover

The premiums for the insurance cover are the only costs of the Plan. Premiums are paid by your employer TAL Services Limited and are not an additional cost to you.

4 What are the benefits

4.1 Life cover

The Life cover provides a lump sum payment in the event of your death while you are an Insured Member covered under the Policy. The maximum amount of Life cover available under the Policy is \$5 million.

4.2 Benefit formula

The amount of Life cover applicable to you will be based on a formula which is as follows:

1. If you are under age 65, your sum insured for Life cover is the greater of:
 - i. $PS \times 25\% \times N$; or
 - ii. \$30,000.Where:
 - a. **PS** = TAL Package Salary (which includes your base salary and employer superannuation guarantee contribution amount) at the date of death or Terminal Illness;
 - b. **N** = number of years (calculated to the nearest day) of remaining prospective service from the date of death or Terminal Illness to age 65 subject to a maximum of 25 years
2. If you are still a Permanent Employee at age 65, up to when cover ceases at age 70, subject to the terms of the Policy, your sum insured for Life cover is a fixed amount of \$30,000.

4.3 Terminal Illness benefit

A Terminal Illness benefit provides you with a lump sum payment in the event you become terminally ill while you are covered under the Policy and will be equal to the amount of the Life cover as at the date of Terminal Illness, up to a maximum amount of cover under the Policy of \$5 million.

4.4 Total and Permanent Disablement (TPD) benefit

A TPD benefit provides a lump sum payment in the event you become Totally and Permanently Disabled while you are covered under the Policy. The TPD benefit will be equal to 75% of the Life cover at the Date of Disablement.

Example: Sarah's TAL Package Salary is \$80,000 and she is aged 50 years and 6 months. She has 14 years and 6 months remaining service to age 65 and therefore Sarah's benefit amounts at that date are as follows:

	Formula used for calculation	Benefit
Life	$\$80,000 \times 25\% \times 14.5$	\$290,000
Total and Permanent Disablement	75% of Life benefit	\$217,500
Terminal Illness	Same as Life benefit	\$290,000

5 When your cover will commence

If you are a Permanent Employee, your cover will commence from the day you start permanent employment with TAL.

5.1 Automatic Acceptance

If you are At Work on the day you commence work as a Permanent Employee with TAL (which is also the date you join and become a member of the Fund), you will be automatically covered for Life cover up to the amount calculated by the benefit formula (Section 4.2) up to a maximum of the Automatic Acceptance Limit (AAL) for the Plan which is \$1.2 million.

If the amount calculated by the benefit formula is greater than the AAL, to obtain cover for the amount in excess above the AAL, you will need to complete a Personal Statement in order to be underwritten for the excess subject to the maximum amount of cover available under the Policy.

If accepted by the Insurer, you will be covered to the higher amount. If you are underwritten, your TPD cover will be 75% of the Life Cover. However, if you choose not to supply this information, or the Insurer does not accept your cover above the AAL, your cover will remain limited to the AAL.

If you are **not** At Work on the day you become a Permanent Employee with TAL, you will have Limited Cover (up to a maximum of the AAL) until you are At Work for 60 consecutive days immediately after which full cover will commence. Limited Cover may be removed by being underwritten at any time.

Where your cover is subject to Limited Cover, no Benefit will be payable where the claim is directly or indirectly related to an illness or injury incurred prior to the date your Limited Cover commenced. Where a portion of your cover is subject to Limited Cover, this restricted definition applies only to the portion of cover that is subject to the Limited Cover.

5.2 Increases in salary

If you receive an increase in your TAL Package Salary during the year, your cover will increase from the date of the increase subject to:

1. any increase to your cover under the applicable benefit design will be restricted such that your new cover amount is no more than the AAL or, if you have one, your Forward Underwriting Limit (FUL), unless you apply to be underwritten for the excess above your AAL or FUL; and
2. you being At Work on the date of the salary increase and where you are not At Work on that date, the increased amount will be Limited Cover until you have been At Work for 60 consecutive days. If your possible insured amount of cover as calculated by the benefit formula exceeds the AAL or your FUL if you have one, you will need to complete a Personal Statement in order to be underwritten for the full amount of cover subject to the maximum amount of cover available to you under the Policy.

5.3 Underwriting

Where your cover is subject to underwriting as outlined in 5.1 and 5.2, the underwritten amount of cover will only commence from the date of the Insurer's written acceptance of your application for cover.

5.4 Interim accident cover

If you apply for underwritten cover above the AAL or your FUL, the Insurer will provide you with Interim Accident Cover which will cover you for death and TPD up to the amount that underwriting is being requested for where a claimable event is caused by an Accident.

Interim Accident Cover starts from the later of:

- a) the date we receive your fully completed Personal Statement; or
- b) the date you become eligible to apply for cover above the AAL or your FUL.

Interim Accident Cover ceases on the earlier of:

- a) the Insurer's receipt of your request to withdraw your application for underwritten cover;
- b) the Insurer's advice to you of their decision to decline the application for underwritten cover;
- c) the date the Insurer advises you of their decision to accept your application for underwritten cover, including the terms of that acceptance;
- d) the date you cease to be a Permanent Employee; or
- e) 90 days after the date we receive your completed Personal Statement.

The benefit payable under Interim Accident Cover is the lesser of:

- a) the additional cover applied for above the AAL or FUL; and
- b) \$500,000.

Interim Accident Cover will not be payable if:

- a) death or TPD was not due to an Accident; or
- b) death or TPD was due to an event which would have been excluded under an exclusion that the Insurer would have imposed through the underwriting process; or
- c) you failed to comply with your disclosure obligations under the Insurance Contracts Act 1984 (Cth), as amended from time to time, when applying for underwritten cover.

6 Additional information

6.1 Approved leave without pay

If you are on TAL approved leave without pay, your cover automatically continues for the period of approved leave up to a maximum of 24 months as long as premiums continue to be paid. Should the cover need to continue beyond the initial approved leave period or 24 months, the Insurer's written approval for cover to continue will be required before the expiry of the period.

7 Exclusions

7.1 Benefit Exclusions

Where your cover or a portion of your cover is underwritten cover, no benefit will be payable in respect of the underwritten cover where the claim is directly or indirectly related to:

- a) suicide within the first 13 months of acceptance of underwritten cover;
- b) any deliberate self-inflicted injury or an injury caused by an attempt at suicide at any time; or
- c) any exclusion or condition the Insurer has applied to you as a condition of acceptance of underwritten cover.

8 When your cover will cease

8.1 Cessation events

Your cover will cease on the earliest of any of the following events:

- a) 90 days after the date on which you cease to be a Permanent Employee of TAL;
- b) the date the Insurer receives your request to cancel your cover;
- c) payment of any claim;
- d) expiry of cover while on approved leave without pay subject to the terms of the Policy;
- e) the day you turn age 70;
- f) 30 days after the date that a premium is due and remains unpaid by the Trustee;
- g) the date the Trustee is required to cease your cover in order to meet its obligations under any statutory or legislative requirement; and
- h) the date the Policy is terminated.

9 How to make a claim

You should advise the TAL People and Culture Service Desk in writing as soon as it is reasonably possible to do so in relation to a claim. You can find a Claims Guide on the intranet for more information on how to make a claim and the information you may have to provide in the event of a claim.

Once notified of a claim, TAL will provide you with claim forms, associated documents and authorities. You will be allocated a TAL Senior Case Manager who will assist with submission of your claim.

9.1 Proof of Claims

You must provide the Insurer with fully completed claim forms together with all relevant evidence of the claim and all the information and documentation that they request. These documents must be completed and returned to the Insurer for assessment. In submitting your claim, you are responsible for the completion and payment of any costs associated with completing the forms.

If further medical examinations and tests are required, in addition to the claim forms and associated documents required, the Insurer will be responsible for any expenses incurred.

9.2 Assessment of claims

The Insurer will assess your claim and any benefit payable will be paid by the Insurer to the Trustee on your behalf.

In the case of a TPD claim, provided your Date of Disablement occurs while you have cover, the applicable TPD Definition you must satisfy to receive a benefit will be determined by:

Definition 1 (Any occupation suited by education, training or experience) or Definition 2 (Everyday Working Activities) if:

- a) as at the Date of Disablement you are:
 - i) below age 60; and
 - 1. working 15 or more hours per week immediately prior to the Date of Disablement averaged over the three consecutive months prior to the Date of Disablement (or shorter period if you have been employed for less than three consecutive months); and
 - 2. your claim is notified to the Insurer in writing within five years immediately following the Date of Disablement; or
 - b) Definition 2 (Everyday Working Activities) if:
 - i) as at the Date of Disablement you are:
 - 1. age 60 or more; and/or
 - 2. working less than 15 hours per week immediately prior to the Date of Disablement averaged over the three consecutive months prior to the Date of Disablement (or shorter period if you have been employed for less than three consecutive months); and/or
 - ii) your claim is notified to the Insurer in writing more than five years immediately following the Date of Disablement.

10 Important regulatory information

The laws governing the application of superannuation are complex and the statements provided here are general in nature and based on current law at the date of issuing this PDS. As your circumstances change, so may the tax treatment of contributions and any other payments made through the Product. Where required, you should obtain your own independent advice on the taxation implications of joining the Product and in maintaining insurance cover through the Product, such as the impact on your concessional contributions cap – see section 10.2.

10.1 Taxation

Unless otherwise stated, the taxation information provided in this PDS is general information only and is based on the Trustee's understanding of legislation, the continuance of present taxation laws and rulings and their interpretation as at the date this document was prepared. Your specific circumstances may be different and have not been taken into account in providing this information. 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.

In the 2021-22 Federal Budget, proposed changes to the eligibility age for downsizer contributions and in respect of the work test for personal superannuation contributions were announced. At the date of issue of this PDS, these announced changes have not been legislated and for this reason they have not been included in the information below.

The Policy is treated as input taxed under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) ("GST") Act and any applicable cost of GST will be included in the premium rates charged by the Insurer. An input tax credit will not be available to the Trustee as policy owner. The Trustee and the Insurer may make changes to the Plan and Policy (including premium rates) in response to any taxation or other legal changes.

10.1.1 Tax paid on benefit payments

If the Trustee is required by law to pay any tax, duty or other charges in connection with a benefit paid to you or your beneficiary, the Trustee will deduct the relevant amount from the benefit and pay it to the proper authority.

10.1.2 Tax on Life cover

Lump sum death benefits are tax free if paid to a dependant for tax purposes or the Member's estate where the beneficiaries of the estate are dependants of the Member for tax purposes. Lump sum death benefits paid to non-dependants for tax purposes or the Member's estate to the extent the beneficiaries are not dependants

for tax purposes, are taxed at different rates depending on whether the elements are from taxed or untaxed sources. For elements taxed in the Fund, the rate is the lower of the recipient's marginal tax rate and 15%, plus the Medicare levy. For elements untaxed in the Fund, the rate is the lower of the recipient's marginal tax rate and 30%, plus the Medicare levy. The trustee of the Member's estate does not bear the Medicare levy.

10.1.3 Tax on Terminal Illness benefits

Where you receive a Terminal Illness benefit, the amount paid is tax free. You should obtain your own independent advice in relation to this.

10.1.4 Tax on Total and Permanent Disablement benefits

TPD benefits are taxed at different rates, depending on the amount, the member's age when they were disabled and their age at the date of payment.

Where you receive a TPD benefit, it will be taxed as a superannuation lump sum. This lump sum may be made up of two components:

- a) Tax-Free the tax-free amount depends on factors including the number of days between the day when you ceased being capable of being gainfully employed and either, the day on which you would turn 65 years of age, or the date on which your employment would terminate if your employment arrangement provides a termination date based on age or period of service; and
- b) Taxable taxed element. The tax treatment of the taxable component (taxed) depends on your age at the date of payment and the amount paid, as follows:

Age	Tax 2021/2022 Financial Year
Aged 60 and above	Tax Free
Your preservation age up to age 59	The first \$225,000* is tax free. The amount over \$225,000* is taxed at your marginal tax rate up to a maximum tax rate of 15% (plus Medicare Levy).
Below preservation age	The whole amount is taxed at your marginal tax rate up to a maximum tax rate of 20% (plus Medicare Levy)

* This amount is indexed annually. It is a lifetime cap which is reduced for the taxable component of all superannuation lump sum payments received by you and is increased by the indexation amount at the start of each income year.

10.2 Contributions

Contributions made by TAL as your employer, to the Fund to meet the cost of premiums in relation to your Life and TPD cover, count towards your annual concessional contributions cap.

If you are making salary sacrifice contributions elsewhere, you need to monitor these contributions made into the Product against the maximum limit (or cap) on concessional contributions to ensure that you don't exceed your cap. If you exceed your cap there are tax consequences, namely the excess concessional contributions are included in your assessable income and taxed at your marginal tax rate less a non-refundable tax offset equal to 15% of the excess concessional contributions. There is also an interest charge and the excess concessional contributions also count against your non-concessional contributions cap to the extent you haven't withdrawn them to satisfy your tax liability.

The concessional contribution cap for the 2021/2022 financial year is \$27,500 for all Members. Concessional contributions are generally included in the Fund's assessable income and may be subject to tax at the rate of 15% in the Fund's hands. However, where the Member's personal adjusted taxable income exceeds \$250,000, the ATO will issue an assessment to the Member assessing part or all of their concessional contributions to an additional 15% of tax.

Where concessional contributions in excess of the applicable cap are made in a financial year the ATO will issue the Member an assessment taxing the excess at the Member's marginal tax rate (plus the Medicare levy). The Member will be entitled to a tax offset equal to 15% of their excess concessional contribution (reflecting generally the tax already assessed to the recipient fund). An interest charge also applies for the deferral of tax.

If you are a low income earner and have eligible concessional superannuation contributions, you may be eligible for the low income superannuation tax offset, which is paid to your superannuation fund.

There are also limits on the amount of post-tax or 'non-concessional contributions' that can be made on behalf of a Member and any excess concessional contributions that are not refunded. Non-concessional contributions include personal contributions for which you do not claim an income tax deduction.

For the 2021/2022 financial year, the annual cap for non-concessional contributions is \$110,000 and individuals with total superannuation balances of \$1.7 million or more are not eligible to make non-concessional contributions. There is a 'bring-forward' option as discussed below. You will be taxed on non-concessional contributions over the cap at the rate of 45%, plus the Medicare levy.

Under the 'bring-forward' option, generally people under 65 years of age at the start of the financial year can bring forward three years' entitlements to non-concessional contributions based on the annual cap limits above. However, from 1 July 2021 individuals with total superannuation balances of \$1.48 million or more (2021/22) have reduced or no access to the bring forward rule.

If you receive an excess concessional or non-concessional contribution determination from the ATO, you should not elect for amounts to be released from the Plan. The Fund is unable to process a release authority from the ATO because you will not have an accumulation interest in the Product.

If your income is less than \$56,112 (for the 2021/2022 financial year), you may also benefit from government co-contributions if you make a personal after tax (non-concessional) contribution to your superannuation (other than the Fund, which cannot accept personal contributions from You.)

The government co-contribution is a payment made by the Federal Government to the superannuation account of eligible members who make personal non-concessional contributions. For more information contact your financial adviser or the Australian Tax Office (ATO) Superannuation infoline on 13 10 20.

From 1 July 2018, individuals with superannuation balances of \$500,000 or less at the end of 30 June of the previous financial year will be allowed to access their unused concessional cap space (on a rolling basis for a maximum of 5 years) to make additional concessional contributions. The first year you will be entitled to carry forward unused amounts is the 2019–20 financial year. Unused amounts are available for a maximum of five years, and after this period will expire. Superannuation and taxation laws are complex. It is important you seek independent professional taxation advice that takes into account your specific circumstances. For up-to-date tax information visit www.ato.gov.au/super or call the Australian Taxation Office on 13 10 20.

10.3 Withholding tax

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

10.4 Providing a Tax File Number

The Trustee is authorised to collect your Tax File Number (TFN) under superannuation law. The Trustee requires that your TFN is supplied to the Fund as a prerequisite of membership. TAL supplies your TFN to the Trustee of the Fund. This is because additional tax of 32% is payable on concessional contributions received for members of the Fund who have not quoted their TFN.

Your TFN will only be used for lawful purposes which include administering the Fund. A TFN may only be disclosed as permitted by the applicable laws. The purposes for which the Trustee is able to use your TFN may change in the future as a result of legislative change.

10 Important regulatory information *continued*

You are under no obligation to provide your TFN and declining to quote a TFN is not an offence, however, the consequences of not supplying your TFN are:

- a) you will not be a Member of the Fund; and
- b) insurance cover cannot be provided for you under the Plan.

You should notify TAL if you do not wish to disclose your TFN to the Trustee.

Due to the potential impact of the TFN laws, the Insurer has agreed with the Trustee, not to issue any cover in respect of a Member who has not provided the Trustee with their TFN.

10.5 Nominating a beneficiary

Understanding who receives your benefit in the event of your death is important. Under the Trust Deed, the Trustee has the discretion to determine to whom and in what proportions any death benefit is payable (see Below for binding nominations). You may nominate your legal personal representative and/or dependants as your preferred beneficiaries and the Trustee will consider your wishes in the event of your death.

In the event of your death, benefits will be paid to one or more of your dependants or to your legal personal representative as determined by the Trustee.

For superannuation and tax purposes, the definition of 'dependant' includes any of the following:

- a) A spouse, which includes a person (whether of the same or different sex) with whom the member is in a relationship that is registered under a law of a State or territory, or a person who, although not legally married to the member, lives with the member on a genuine basis in a relationship as a couple;
- b) A child of the member, including adopted child, stepchild, ex-nuptial child or child of the member's spouse (for tax purposes a child must be under age 18);
- c) A person who is financially dependent on the member;
- d) A person with whom the member has an 'interdependency relationship'.

It is recommended that any nomination of beneficiaries made by you be reviewed regularly, particularly if a change in circumstances has occurred (e.g. marriage or divorce).

10.5.1 What is an interdependency relationship?

An interdependency relationship is defined as where two people (whether or not related by family):

- a) live together; and
- b) have a close personal relationship; and
- c) one or each of them provides the other with financial support; and
- d) one or each of them provides the other with domestic support and personal care.

An interdependency relationship can also exist where there is a close personal relationship between two people who do not satisfy all other criteria for interdependency because either or both of them suffer from a physical, intellectual, psychiatric or other disability.

10.5.2 Binding nominations

Generally, your nomination is only a guide. The Trustee is obliged to pay your death benefit in accordance with the Trust Deed and superannuation laws. If you wish to make your nomination binding, the Trust Deed and superannuation laws require special conditions to be met.

When making (or amending) a binding nomination, the nomination must be signed in the presence of two witnesses. Both witnesses need to be over the age of 18 and cannot be beneficiaries under the binding nomination.

Each binding nomination remains valid for only three years. If you choose this option, it is your responsibility to renew your nomination and advise the Trustee of appropriate changes.

If your nomination expires or is invalid at the time of your death, the Trustee has the discretion to determine to whom and in what proportions any death benefit is payable.

10.5.3 How do I nominate a beneficiary for my life cover?

If you wish to make or amend a beneficiary nomination, please complete the TAL Employee Insurance Plan Nomination of Beneficiary form located on the intranet.

10.6 Superannuation and family law

Provisions in the Family Law Act enable parties who are married or in a de-facto relationship to require superannuation fund trustees to carry out certain actions in relation to superannuation entitlements.

Members should note that their spouse or de-facto will be able to request the Trustee to disclose information about the Member's benefit entitlements ('Request for Information').

The Trustee is prohibited by law from informing Members that such a request was made. The Trustee will not pass any information about your present whereabouts to the person making the Request for Information.

11 Complaints procedures

If you are dissatisfied with your insurance cover through the Fund, you should address your complaint to:

- ✉ TAL Super plan in the Mercer Super Trust
C/- The Manager, Complaints Resolution
TAL Life Limited
GPO Box 5380, Sydney NSW 2001

The Trustee has 45 days to resolve your complaint from receipt. For complaints about superannuation death benefit distributions, you have up to 28 calendar days from the date of the death benefit distribution to object and the Trustee has up to 90 calendar days after the expiry of the 28 calendar day period for objecting to resolve your complaint.

If your complaint is not resolved to your satisfaction or within the relevant 45 or 90 day period, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides a fair and independent financial services complaint resolution that is free to consumers.

Australian Financial Complaints Authority (AFCA)

- ☎ 1800 931 678
- 🌐 www.afca.org.au
- ✉ info@afca.org.au
- ✉ Australian Financial Complaints Authority
GPO Box 3,
Melbourne VIC 3001

12 Your Privacy

In this section regarding your privacy, the words 'we', 'us' and 'our' refer to TAL Life Limited (ABN 70 050 109) and TAL Services Limited (ACN 076 105 130), and Mercer Superannuation (Australia) Limited (ABN 79 004 717 533) (MSAL). TAL Life Limited and TAL Services Limited are the administrator of the Product, appointed by MSAL.

The way in which we collect, use and disclose your personal and sensitive information ('personal information') is explained in our respective Privacy Policies. Our Privacy Policies are available via the respective websites or free of charge on request. The contact details are provided below.

Our Privacy Policies contain details about the following:

- the kinds of personal information that we collect and hold; and
- how we collect and hold personal information (including sensitive information); and
- the purposes for which we collect, hold, use and disclose personal information (including sensitive information); and
- how our customers may access personal information about them which is held by us 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 collect, use, secure and disclose your information please contact us using the details below:

TAL

- 📞 1800 130 869
- ✉ corporateadmin@tal.com.au
- 🌐 www.tal.com.au
- ✉ GPO Box 5380, Sydney NSW 2001

MSAL (TAL Super)

- 📞 1800 130 869
- ✉ corporateadmin@tal.com.au
- 🌐 www.tal.com.au/talsuper
- ✉ GPO Box 4303, Melbourne, VIC 3001

Your personal and sensitive information will be collected to enable us to provide or arrange for the provision of our insurance products and services. 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 benefits (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 related bodies corporate. We may also disclose

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

In administering your insurance benefits and in operating the Product, your personal information may be disclosed to service providers in another country. In these circumstances we have robust operational processes to protect the information including due diligence, vendor management and a formal contract requiring adherence with Australian privacy laws. Details about the countries to which we disclose information are available in our Privacy Policy.

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

- our customer consents to the use or disclosure of the customer information; or
- the use or disclosure is required or authorised under an Australian law or a court/tribunal order; or
- the purpose is related to improving our products and services and seeking customer input such as market research; 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 we or our related bodies corporate and 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 us (or our related companies) you can let us know using any of the communication methods above.

We rely on the accuracy of the information you provide. If you think that we hold information about you that is incorrect, incomplete or out of date, please let us know using the communication methods above.

Under the current privacy law, 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 we would be unable to provide the personal information that we hold about you in response to your request. These circumstances include, but are not limited to, where we reasonably believe the following:

- giving access would pose a serious threat to the life, health or safety of any individual, or to public health or public safety;
- giving access would have an unreasonable impact on the privacy of other individuals;

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- the request for access is frivolous or vexatious;
- the information relates to existing or anticipated legal proceedings between You and us and the information would not be accessible by the process of discovery in those proceedings;
- giving access would reveal our intentions in relation to negotiations with You in such a way as to prejudice those negotiations;
- the information should be provided directly by us to Your doctor or healthcare professional;
- giving access would be unlawful; or
- giving access would reveal evaluative information generated by us in connection with a commercially sensitive decision making process.

If, for any reason we decline your request to access and/or update your information, we will provide you with details of the reasons and where appropriate, a list of the documents that are not being provided directly to you. In some circumstances it may be appropriate to provide you with access to information that you've requested via an intermediary, such as providing medical information to a treating GP rather than directly to yourself. If this is the case, we will let you know.

Additional information about privacy rights and how to make a privacy related complaint can be found at the website of the Privacy Commissioner (www.oaic.gov.au) including sensible steps that You can take to protect your information when dealing with organisations and when using modern technology.

13 Definitions

The following definitions (capitalised terms throughout this document) have the meaning as set out below. Any italicised terms used in this PDS have the same meaning as in the Policy.

Definition	Meaning
Accident	means a violent, external and visible event.
At Work	means: <ol style="list-style-type: none"> a. where the Insured Member is: <ol style="list-style-type: none"> i. working at the relevant time and not on leave – they are actively performing all the normal duties of their occupation with TAL without restriction or limitation due to illness or injury; or ii. on leave approved by TAL – they are, in the Insurer’s opinion, capable of performing all the normal duties of their occupation with TAL without restriction or limitation due to illness or injury; and b. not receiving or not entitled to receive income support benefits from any source including workers’ compensation benefits, statutory transport accident benefits or disability income benefits.
Automatic Acceptance Limit (AAL)	\$1.2 million.
Date of Disablement	means the later of the date the: <ol style="list-style-type: none"> a. Insured Member ceases all work due to the illness or injury; or b. Medical Practitioner examines the Insured Member and certifies in writing that they suffer from the illness or injury that is the principal cause of their inability to work.
Employer Sponsor Exception	means the employer-sponsor contribution exception set out in s.68AAE of the <i>Superannuation Industry (Supervision) Act 1993 (Cth)</i> .
Forward Underwriting Limit (FUL)	means the maximum level to which an Insured Member’s cover can be increased in the future without the requirement to provide further evidence of insurability, in circumstances where the Member: <ol style="list-style-type: none"> a. has previously provided the Insurer with evidence of insurability for the purposes of underwriting assessment; and b. the Member remains a Permanent Employee of TAL on the date of the increase in cover and cover has not otherwise ceased.
Fund	means the Mercer Super Trust.
Insured Member	means a Permanent Employee of TAL who is a Member of the Product and has insurance cover under the Policy.
Insurer	means TAL Life Limited.
Interim Accident Cover	means the cover as outlined in section 5.4.
Life Cover	means death cover as provided under the Plan.
Limited Cover	means cover only for claims arising from an illness that first becomes apparent or an injury which first occurred on or after the date cover commenced or increased under this Policy.
Medical Practitioner	means, unless the Insurer agrees otherwise: <ol style="list-style-type: none"> a. a medical practitioner legally qualified and registered to practise in Australia; or b. if the claimed condition is a psychiatric condition diagnosed in accordance with the latest edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM), a person who is legally qualified and registered as a practising psychiatrist by the relevant medical registration boards and/or the Specialist Recognition Advisory Committee coordinated through the Australian Health Insurance Commission; but shall not include chiropractors, physiotherapists, psychologists or alternative health providers. The Medical Practitioner cannot be the Insured Member or, their: <ol style="list-style-type: none"> i. spouse, partner in a de facto relationship; ii. close family relative; iii. business associate or partner; iv. fellow shareholder or unit holder in the same company/trust (other than a publicly listed entity); or v. employer or employee.
Member	means a person admitted as a member of the Product under the Fund’s Trust Deed.
PDS	means this Product Disclosure Statement.
Permanent Employee	means the person is gainfully employed by TAL on a permanent full time or permanent part-time basis.
Personal Statement	means either a fully completed: <ol style="list-style-type: none"> a. paper statement for an application for insurance cover; or b. online statement consisting of an application for insurance cover and the policy declaration outlining the content of the online statement accepted by the applicant.

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Definition	Meaning
Plan	means the TAL Employee Insurance Plan.
Policy	means the policy issued to the Trustee by the Insurer in respect of the cover under the Plan.
Product	means TAL Super.
Renewal Date	1 July each year.
TAL	means the employer, TAL Services Limited.
TAL Package Salary	means your base salary and employer superannuation guarantee contribution amount as agreed by you and TAL.
TAL Super	means a plan within the Retail Division of the Fund.
Terminal Illness	<p>means:</p> <ul style="list-style-type: none"> a. two Medical Practitioners have separately certified in writing that the Insured Member suffers from an illness, or has incurred an injury, that will lead to the death of the Insured Member within a period (the certification period) that ends not more than 12 months after the date of the certification; b. at least one of the Medical Practitioners is an appropriate specialist Medical Practitioner practising in an area related to the Insured Member's illness or injury; c. the certification referred to in paragraph (a) occurred while the Insured Member has cover under the Policy; d. for each of the certificates, the certification period has not ended; and e. the Insurer is satisfied, on medical or other evidence, that despite reasonable medical treatment, the illness or injury will lead to the Insured Member's death within 12 months of the date of the certification.
Total and Permanent Disablement	<p>Definition 1: Any occupation suited by education, training or experience</p> <p>means in the Insurer's opinion, solely and directly as a result of an illness or injury, that the Insured Member:</p> <ul style="list-style-type: none"> A. has been continuously absent from engaging in their occupation and any other occupation for an uninterrupted period of six consecutive months immediately following the Date of Disablement and continuing up to the date the Insurer forms their opinion; B. is regularly attending and under the ongoing and appropriate care and treatment of a Medical Practitioner, continuing up to the date the Insurer forms their opinion; C. has exhausted all reasonable treatment options (medical or otherwise) which the Insurer requires and is not expected to attain any further improvement or recovery from the illness or injury; and D. is disabled to such an extent as to render them incapable of ever engaging in any occupation for which the Insured Member is: <ul style="list-style-type: none"> i. at the end of the six consecutive month period immediately following the Date of Disablement; and ii. by the time the Insurer forms their opinion, or can be expected following the time the Insurer forms their opinion, to become reasonably suited by education, training or experience. <p>In forming their opinion, the Insurer will have regard to factors including but not limited to:</p> <ul style="list-style-type: none"> a. any rehabilitation, retraining, re-skilling, work or voluntary work that has been undertaken by the time the Insurer forms their opinion, or could reasonably be expected to be undertaken by the Insured Member following the time the Insurer forms their opinion; and b. all evidence available to the Insurer (medical or otherwise) for the period up to the time the Insurer forms their opinion. <p>For the purposes of paragraph C. and D. above, all reasonable treatment options (medical or otherwise), rehabilitation, training, retraining or re-skilling which the Insurer requires will not exceed a period of 12 consecutive months from the later of:</p> <ul style="list-style-type: none"> i. the date that the Insurer notifies the Insured Member of the rehabilitation, training, retraining or re-skilling that they require them to undergo; or ii. the commencement of the rehabilitation, training, retraining or re-skilling that the Insurer considers to be necessary.

13 Definitions continued

Definition	Meaning
Total and Permanent Disablement Definition 2	<p>Definition 2: Everyday Working Activities</p> <p>means in the Insurer's opinion, solely and directly as a result of an illness or injury that the Insured Member:</p> <ul style="list-style-type: none"> A. is regularly attending and under the ongoing and appropriate care and treatment of a Medical Practitioner, continuing up to the date the Insurer forms their opinion; B. has exhausted all reasonable treatment options (medical or otherwise) which the Insurer requires and is not expected to attain any further improvement or recovery from the illness or injury; and C. is permanently and irreversibly unable to perform at least three of six Everyday Working Activities without the physical assistance of another person, despite the use of appropriate assistive aids and appropriate prescribed medication and that permanent inability has lasted for at least an uninterrupted period of six consecutive months or more immediately following the Date of Disablement; <p>where Everyday Working Activities means Mobility, Rising/Sitting, Communicating, Vision, Lifting and Carrying and Manual Dexterity as follows:</p> <ul style="list-style-type: none"> i. Mobility means the ability to walk more than 200m on a level surface without stopping due to breathlessness or severe pain in the body; ii. Rising/Sitting means the ability to rise and sit using a chair with arms; iii. Communicating means the ability to hear and speak with sufficient clarity to be able to hold a conversation in a quiet room in the Insured Member's first language; iv. Vision means visual ability such that when tested, vision is measured at greater than 6/60 in the better eye using a Snellen eye chart; v. Lifting and carrying means the ability to lift (from bench height) and carry a 2 kg weight, for 10m and place back down at bench height; and vi. Manual Dexterity means the Insured Member can use either or both hands or fingers to manipulate small objects with precision (such as picking up a coin or fastening shoelaces or buttons, using cutlery, or using a pen or keyboard); and <ul style="list-style-type: none"> D. is permanently incapacitated which means the Insurer is reasonably satisfied that the Insured Member's ill-health (whether physical or mental) makes it unlikely that the Insured Member will engage in gainful employment for which they are reasonably qualified by education, training or experience.
Trust Deed	means the Mercer Master Fund Deed of the Mercer Super Trust dated 28 June 1995 (as amended from time to time), together with the governing rules applicable to TAL Super.
Trustee	means Mercer Superannuation (Australia) Limited (ABN 79 004 717 533) (AFSL 235906) as trustee of the Fund.
We, us	means the Trustee.
You, your	means you as the Permanent Employee of TAL.

Enquiry:

TAL People and Culture Service Desk

Monday to Friday 9.00am – 5.00pm (AEST)

@ peopleandcultureservicedesk@tal.com.au

☎ 1800 057 174 (x777)

TAL Employee Insurance Plan
Product Disclosure Statement | 1 June 2021

Current as at: June 2021

TAL Life Limited (ABN 70 050 109 450) (AFSL 237 848)

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