

Supplementary Product Disclosure Statement

ISSUE DATE: 30 JUNE 2019

TAL Life Limited (ABN 70 050 109 450) (TAL) is a registered life insurance company. TAL's Australian Financial Services Licence number is 237848. TAL issues this Supplementary Product Disclosure Statement (SPDS).

The contact details for TAL are:

- ☎ 1300 209 088
- @ customerservice@tal.com.au
- 🌐 www.tal.com.au
- ✉ GPO Box 5380, Sydney NSW 2001'

This document supplements and updates the following Product Disclosure Statements (PDS) and Policy Documents issued by TAL:

Item	Affected PDS (title)	PDS Date	Page
1	Transfers of Ownership or Buy-Backs: TOWER Protection Policy Brochure 1 April 2002	31 March 2017	12
2	Transfers of Ownership or Buy-Backs: TOWER Protection Policy Brochure 15 March 2003	31 March 2017	12
3	Transfers of Ownership or Buy-Backs: TOWER Protection Policy Product Disclosure Statement 11 March 2004 TOWER Protection Policy Product Disclosure Statement 1 September 2004	31 March 2017	12
4	Transfers of Ownership or Buy-Backs: TOWER Protection Policy Product Disclosure Statement 1 April 2005 TOWER Protection Policy Product Disclosure Statement 1 November 2005	31 March 2017	12
5	Transfers of Ownership or Buy-Backs: TOWER Protection Policy Product Disclosure Statement 10 April 2006	31 March 2017	12
6	Transfers of Ownership or Buy-Backs: TOWER Protection Policy Product Disclosure Statement 2 April 2007	31 March 2017	12



Item	Affected PDS (title)	PDS Date	Page
7	Transfers of Ownership or Buy-Backs: TOWER Protection Policy Product Disclosure Statement 30 April 2008 TOWER Protection Policy Product Disclosure Statement 17 November 2008	31 March 2017	12
8	Transfers of Ownership or Buy-Backs: Accelerated Protection Product Disclosure Statement 10 August 2009 Accelerated Protection Product Disclosure Statement 28 April 2010	31 March 2017	13
9	Transfers of Ownership or Buy-Backs: Accelerated Protection Product Disclosure Statement 28 October 2010, 31 March 2011, 24 October 2011, 22 March 2012, 01 November 2012, 31 July 2013 Accelerated Protection Product Disclosure Statements for Investment Platforms 31 March 2011, 24 October 2011, 22 March 2012, 01 November 2012, 31 July 2013	31 March 2017	13
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12	Transfers of Ownership or Buy-Backs: Accelerated Protection Policy 01 July 2007 Accelerated Protection Policy 17 November 2008	31 March 2017	10
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This document must be read together with the PDS and Policy Documents that you hold and any other supplementary PDS (SPDS) we have given you, or may give you. This SPDS takes effect for all applications completed on or after the issue date of this SPDS.

Change to Complaints Process

This new wording replaces in full the existing Complaints Section (refer to the page number for your PDS from the above table).

Complaints Process

If you have a complaint about our service or your privacy, you should direct your complaint depending on the product you hold as follows:

1. Complaints about your Policy (non-superannuation)

If you wish to make a complaint in relation to your Policy which is not issued to you through a superannuation fund, you can write to:

The Manager, Complaints Resolution
TAL Life Limited
GPO Box 5380, Sydney NSW 2001

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 let you know when we expect to provide a response to your complaint.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

 www.afca.org.au

 info@afca.org.au

 1800 931 678 (free call)

 Australian Financial Complaints Authority,
GPO Box 3, Melbourne VIC 3001

Time limits may apply to complaints to AFCA. You may wish to consult the AFCA website or contact AFCA directly to find out if there is a time limit on lodging a complaint with AFCA.

2. Complaints about your policy (structured through superannuation)

If your cover is issued through the TAL Superannuation and Insurance Fund you should address your complaint to the Trustee (TAL Superannuation Limited, the **Trustee**) of the TAL Superannuation and Insurance Fund in writing to the following address:

TAL Superannuation Limited
c/- The Manager Complaints Resolution
GPO Box 5380, Sydney NSW 2001

The Trustee will attempt to resolve your complaint within 90 days of the date it is received by the Trustee.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

 www.afca.org.au

 info@afca.org.au

 1800 931 678 (free call)

 Australian Financial Complaints Authority,
GPO Box 3, Melbourne VIC 3001

Time limits may apply to complaints to AFCA. You may wish to consult the AFCA website or contact AFCA directly to find out if there is a time limit on lodging a complaint with AFCA.

If your Policy has been issued through a superannuation fund other than the TAL Superannuation and Insurance Fund, you should address your complaint to the trustee of that superannuation fund. That trustee will provide you with the details of its complaint-handling arrangements, where applicable.

A photograph of a man with dark hair and a beard, wearing a black t-shirt, holding a young child with blonde curly hair. The child is wearing a black and white striped long-sleeved shirt and blue jeans. They are standing behind a rusty metal fence in a grassy field under a cloudy sky. The man is smiling broadly, and the child is leaning their head against his face.

TOWER Protection Policy

Transfers of Ownership or Buy-Backs:

**TOWER Protection Policy Product Disclosure Statement
1 April 2005**

**TOWER Protection Policy Product Disclosure Statement
1 November 2005**

Important Note

This Product Disclosure Statement (PDS) gives you important information about the TOWER Protection Policy insurance policies known as Life Protection Plan, Crisis Protection Plan, Income Protection Plan and Business Expense Plan. You should consider the PDS in deciding whether to acquire or continue to hold the product.

These TOWER Protection Policy insurance policies are also called the 'Policy', and are issued by TAL Life Limited (TAL, we, us, our).

TOWER changed its name to TAL on 1 June 2011. The change formed part of our de-merger agreement with TOWER New Zealand. References to TOWER should be replaced by TAL, and references to TOWER Superannuation Fund should be replaced by TAL Superannuation and Insurance Fund.

You can structure the Policy through the TAL Superannuation and Insurance Fund (the Fund) in which case:

- You become a member of the Fund;
- TAL Superannuation Limited (TASL) as Trustee of the Fund (Trustee) owns the Policy on your behalf;
- Premiums and benefit payments are therefore made through the Fund and subject to restrictions in the superannuation law; and
- Some features of the Policy will not apply.

Details of the Fund are as follows:

TAL Superannuation and Insurance Fund
ABN 20 891 605 180
USI 20891605180001.

This PDS gives you important information about structuring the Policy through the Fund.

You can also structure the Policy through a self-managed superannuation fund where you are a member of that fund.

In this PDS, where we make reference to cover that is structured 'through superannuation', this means that the cover is owned by the Trustee of the Fund or by the trustee of a self-managed superannuation fund.

Details of the insurer and Trustee are as follows:

TAL Life Limited
ABN 70 050 109 450
AFSL 237 848

TAL Superannuation Limited
ABN 69 003 059 407
AFSL 237 851

Both TAL and TASL take full responsibility for the whole of this PDS. However, TAL is not responsible for the operation of the Fund and TASL is not responsible for the operation of your Policy other than reviewing claims decisions.

The information in this PDS is current at the date of issue. From time to time we may change or update information that is not materially adverse by providing a notice of any such changes on our website, www.tal.com.au. If you'd like a free printed copy of the updated information, please contact our Customer Service Centre on 1300 209 088. The information contained in this PDS is of a general nature and does not take into account your individual objectives, financial situation or needs. You should consider how appropriate the insurance is in regards to your objectives, financial situation and needs, and seek advice from your financial adviser before deciding on appropriate insurance cover.

You will see that a number of terms in this PDS have been capitalised. These terms have a particular definition when used in the PDS or Policy Document. All the defined terms are explained fully in the relevant Policy Document. If there is any inconsistency between this PDS and the Policy Document, the full terms and conditions contained in the Policy Document will prevail to the extent of the inconsistency. It's important to read these definitions carefully because their meanings are relevant to your decision to apply for cover, our assessment of your application, your eligibility for insurance cover, your ability to make a claim and our decision in relation to any claim you may make. You should seek advice from your financial adviser if you are unsure of any of the definitions or what they mean for your insurance cover. We have also reproduced definitions from the Superannuation Industry (Supervision) Regulations 1994 (SIS) as at 31 March 2017 on page 17 of this PDS.

In this PDS, 'Policy' means your Policy and the 'Policy Owner' means the person who legally owns the Policy, including TASL where you have structured your Policy through the Fund. Where you take your Policy through another superannuation fund, the trustee of that superannuation fund will be the Policy Owner as it holds the Policy on your behalf. We use 'Life Insured' to refer to the person whose life is insured under the Policy. 'You' and 'your' refer to either the Policy Owner or the Life Insured as required by the context. If you are in any doubt, please speak to your financial adviser and read the Policy Document.

Other important information

You should be aware that some Limitations and Exclusions will apply to your Policy. This means that in some cases we will not pay a claim or will pay a claim only in limited circumstances. Please see the section 'Product Summary' for more details.

We encourage you to read through the Policy Document and Policy Schedule carefully and make yourself aware of these conditions. Full details of the Limitations and Exclusions can be found in the relevant insurance terms and conditions set out in this PDS, the Policy Document and the specific matters (if any) set out in your Policy Schedule.

There are other risks you should consider when deciding to purchase a product, including:

1. that the insurance you have chosen might be inadequate to protect your circumstances;
2. that claims may not be paid and this Policy may be cancelled where you have failed to comply with the Duty of Disclosure or you have made a fraudulent claim;
3. that the Policy may be cancelled if you have failed to pay your premium by the due date; and
4. If you structure your Policy through superannuation, the cost of premiums paid may gradually reduce your superannuation over time, leading to a lower balance at retirement. Accordingly both your retirement and protection objectives should be kept in mind when structuring insurance through superannuation.

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About your cover

This is what you need to know

This booklet is known as a Product Disclosure Statement (PDS) and it provides important information about the following insurance products:

- TOWER Protection Policy Life Protection Plan
- TOWER Protection Policy Crisis Protection Plan
- TOWER Protection Policy Income Protection Plan
- TOWER Protection Policy Business Expense Plan

This PDS incorporates material information from other documents. The incorporated information forms part of this PDS and the documents from which information is incorporated include:

- TOWER Protection Policy Product Disclosure Statement 1 April 2005
- TOWER Protection Policy Product Disclosure Statement 1 November 2005

One of the above listed PDSs will be the same as your original PDS when you applied for your existing Policy. You should read the important information in this PDS and the relevant information referenced in this PDS before making a decision. These documents are available online, or free of charge from our Customer Service Centre on 1300 209 088.

By applying for a new Policy (either through transfer of ownership of your original Policy or repurchase of cover after a claim), you agree to be bound by the terms of this PDS and the relevant Policy Document and the new Policy Schedule we will issue to you. In the event of any inconsistency between the terms of the Policy Document and the terms of this PDS, the terms of the Policy Document prevail. To find out about all the Terms and Conditions, ask your financial adviser. You can also call our Customer Service Centre on 1300 209 088.

Capitalised terms that are not defined in this PDS are defined in the 'Definitions' section of the relevant Policy Document.

What to expect when you transfer ownership

If you make an application to transfer ownership and we accept it, you'll receive a new Policy Schedule, which outlines your specific cover details. Together, this PDS, the disclosure document referred to in your original Policy Schedule, your new Policy Schedule and your original Policy Document form your insurance contract with us.

When we issue you or the trustee with a new Policy, the terms and conditions of the new Policy will be the same as those that applied to your original Policy or cover, while premiums on the new Policy will use the premium rates which apply at the time of issuing the new Policy.

What to expect when you exercise the Buy-Back option after a claim

If you make an application to repurchase your Life Protection Plan following a claim and we accept it, you'll receive a new Policy Schedule, which outlines your specific cover details. Together, this PDS, the disclosure document referred to in your original Policy Schedule, your new Policy Schedule and your original Policy Document form your insurance contract with us.

When we issue you or the trustee with a new Policy, the terms and conditions of the new Policy will be the same as those that applied to your original Policy or cover, while premiums on the new Policy will use the premium rates which apply at the time of issuing the new Policy.

And you can change your mind

If you change your mind about purchasing insurance with us or transferring ownership of your existing Policy within 30 days of the date your new Policy is issued, you can cancel that Policy and receive a full refund of the Premium you've paid in respect of the new Policy. This only applies if you haven't made a claim. To receive your refund, simply return the Policy Document and Policy Schedule to us with a written request to cancel the Policy within the 30 days. And you don't have to tell us why you've changed your mind.

If your new Policy is structured through your superannuation, different rules may apply. You can still change your mind and cancel the new Policy within 30 days of it being issued. However your premium refund may be subject to superannuation preservation rules. So instead of a cash payment, your refund may be returned to the trustee of the superannuation fund. If this happens, you should check to be sure that the fund you nominate is a regulated superannuation fund.

If you wish to reinstate the original Policy after changing your mind about transferring ownership, you are able to apply for the original Policy to be reinstated within 30 days of it being issued. If we accept your application for reinstatement, you will also be required to pay all premium arrears.

Contact TAL or the Trustee



1300 209 088



1300 351 133



customerservice@tal.com.au



www.tal.com.au



GPO Box 5380, Sydney NSW 2001

1 Summary of Key Information

Overview

We provide a range of insurance choices including Life Protection Plan, Crisis Protection Plan, Income Protection Plan and Business Expense Plan.

Business Expense Plan

We provide a monthly payment to reimburse your business expenses while you are disabled. You can take Business Expense in conjunction with Income Protection or as stand-alone insurance.

Income Protection Plan

We provide a replacement income when Sickness or Injury prevents you from working.

We offer two levels of cover:

- Income Protection Plan includes a range of standard benefits to offer you a basic level of income cover.
- Income Protection Plan Plus includes all the standard benefits above plus a number of other benefits to provide comprehensive income cover.

Crisis Protection Plan

We pay a lump sum if you are diagnosed with a specified serious illness like Cancer, Heart Attack or Stroke as defined in the Policy Document.

Life Protection Plan

We pay a lump sum in the event of death or diagnosis of a Terminal Illness or if you meet the relevant criteria for the optional Total and Permanent Disability (TPD) benefit if selected.

Life Protection Plan through Superannuation

We pay a lump sum benefit through a complying superannuation fund in the event of death or diagnosis of a Terminal Illness or if you meet the relevant criteria of the optional TPD benefit if selected.

INSURANCE THROUGH SUPERANNUATION

You can choose to structure your insurance through a complying superannuation fund. This means the trustee of the fund becomes the Policy Owner and you become a member of the fund.

When benefits are paid, they will be received by the trustee who will then distribute them in accordance with the governing rules of the superannuation fund and superannuation law.

Check with the trustee of your superannuation fund to see whether they are able to pay TAL your insurance premiums from your member account. This would be the case for most self-managed superannuation funds.

If you are not a member of a complying superannuation fund, or you are a member of a fund which cannot pay us insurance premiums from your member account, you can still take out insurance through superannuation by becoming a member of the Fund. This applies to Life Protection Plan, TPD Plan and Income Protection Plan.

There are some important differences between owning your insurance yourself and purchasing your insurance through superannuation. For example, some benefits will not apply as set out in this PDS. However, in some circumstances purchasing insurance through superannuation may be more advantageous. There are also different taxation implications. It is important to seek financial and tax advice before you decide to structure your insurance through superannuation. Superannuation law and taxation law is complex, so this advice should be specific to your circumstances.

Should you choose to structure your Income Protection Plan through superannuation you should be aware that due to the definition of 'gainfully employed' under superannuation law, unemployment in the period immediately prior to Total Disability or Partial Disability may have the result that no benefits are payable.

When Income Protection Plan is structured through superannuation on an Agreed Value basis you should be aware that payments through the Temporary Incapacity condition of release will be restricted by superannuation law to the member's average Monthly Earnings in the 12 month period immediately prior to the start of the Waiting Period.

If you are concerned about the potential complications of Income Protection Plan through superannuation, you should speak to your financial adviser.

For more information about structuring your insurance through the TAL Superannuation and Insurance Fund please see page 14.

2 Product Summary

Business Expense Plan

An important purpose of this PDS is to describe the terms and conditions of your Policy in line with current disclosure standards. It does this by referencing back to your original documents directly (including page numbers for your convenience), while providing an accurate summary of your Policy in this section.

Read this important information about your Policy, as well as the important information in the original disclosure document issued to you, before making a decision. The issue date of your original Policy will determine which of the relevant PDSs listed below applies:

- [TOWER Protection Policy Product Disclosure Statement 1 April 2005](#)
- [TOWER Protection Policy Product Disclosure Statement 1 November 2005](#)

Key Features	Key Benefits	Key Limitations and Exclusions
<p>Provides a monthly benefit to reimburse the normal day to day running expenses of a business during a period of Sickness or Injury.</p> <p>Business Expense cover ends when one of the following occurs:</p> <ul style="list-style-type: none"> • The Policy anniversary prior to Life Insured's 65th birthday; • Death of Life Insured; • The date we receive a written request from the Policy owner to cancel the cover; • When the Policy is cancelled due to non-payment of premiums. 	<p>Standard Benefits (attached to Income Plan)</p> <ul style="list-style-type: none"> • Total Disability • Partial Disability • Payment Extension • Lease Extension • Loss of Profits <p>For further information, see 'Benefits' in your PDS (Pages 41-42)</p> <p>Standard Benefits (standalone)</p> <p>All benefits stated above plus below</p> <ul style="list-style-type: none"> • Recurrent Disability • Elective Surgery • Waiver of Premium <p>For further information, see 'Benefits' in your PDS (Pages 41-42)</p> <p>Optional Benefits</p> <ul style="list-style-type: none"> • none <p>The benefits listed above may not all be applicable to your Policy. For further information please read your original PDS</p>	<p>Available to ages 19-60</p> <p>Maximum Benefit is 100% of eligible expenses</p> <p>Your choice of Waiting Period of 2 or 4 weeks applies</p> <p>Benefit Period of 1 year applies</p> <p>Exclusions</p> <ul style="list-style-type: none"> • Payments will be reduced if other benefits are received from other Business Expense policies. • No benefit is payable if caused by intentional, self-inflicted act, or war or acts of war, or pregnancy, (unless the disability continues for more than 3 months after the pregnancy ends). <p>For more information on reductions or exclusions of benefit payments, refer to your PDS (Page 54)</p>

Income Protection Plan

An important purpose of this PDS is to describe the terms and conditions of your Policy in line with current disclosure standards. It does this by referencing back to your original documents directly (including page numbers for your convenience), while providing an accurate summary of your Policy in this section.

Read this important information about your Policy, as well as the important information in the original disclosure document issued to you, before making a decision. The issue date of your original Policy will determine which of the relevant PDSs listed below applies:

- [TOWER Protection Policy Product Disclosure Statement 1 April 2005](#)
- [TOWER Protection Policy Product Disclosure Statement 1 November 2005](#)

The Income Protection Plan (IPP) is available in a standard format and a more comprehensive IPP Plus format.

Key Features	Key Benefits	Key Limitations and Exclusions
<p>Provides a monthly benefit in the event of Sickness or Injury.</p> <p>Income Protection Plan ends when one of the following occurs:</p> <ul style="list-style-type: none"> • The Policy anniversary prior to Life Insured's 65th birthday; • Death of Life Insured; • The date we receive a written request from the Policy owner to cancel the cover; • When the Policy is cancelled due to non-payment of premiums. 	<p>Standard Benefits (IPP)</p> <ul style="list-style-type: none"> • Total Disability • Partial Disability • Elective Surgery • Concurrent Disability • Recurrent Disability • Waiver of Premium • Extended Care • Rehabilitation Expense Reimbursement • Scheduled Injury • Inflation Protection <p>Standard Benefits (IPP Plus)</p> <ul style="list-style-type: none"> • All per IPP, plus • Rehabilitation • Overseas Assistance • Accommodation • Bed Confinement • Family Support • Housekeeper • Job Security • Return to Work <p>Optional Benefits</p> <ul style="list-style-type: none"> • Increasing Claim • Retirement Protection • Disability Plus • Day One Accident • Scheduled Illness • Business Expense <p>For further information, see 'Benefits' in your PDS (Page 43)</p> <p>The benefits listed above may not all be applicable to your Policy. For further information please read your original PDS</p>	<p>Available to ages 19-60</p> <p>The maximum initial Benefit amount is up to 75% of the first \$250,000 annual earned income before tax;</p> <p>Your choice of Waiting Period of 2 to 104 weeks applies</p> <p>Your choice of Benefit Period of 1 year, 2 years, 5 years or to age 65 applies.</p> <p>Restrictions apply for certain Occupation Classes.</p> <p>Exclusions</p> <ul style="list-style-type: none"> • Payments may be reduced if benefits are received from other sources. • No benefit is payable if caused by intentional, self-inflicted act, or war or acts of war, or pregnancy, (unless the disability continues for more than 3 months after the pregnancy ends) <p>For more information on reductions or exclusions of benefit payments, refer to your PDS (Page 51)</p>

Crisis Protection Plan

An important purpose of this PDS is to describe the terms and conditions of your Policy in line with current disclosure standards. It does this by referencing back to your original documents directly (including page numbers for your convenience), while providing an accurate summary of your Policy in this section.

Read this important information about your Policy, as well as the important information in the original disclosure document issued to you, before making a decision. The issue date of your original Policy will determine which of the relevant PDSs listed below applies:

- [TOWER Protection Policy Product Disclosure Statement 1 April 2005](#)
- [TOWER Protection Policy Product Disclosure Statement 1 November 2005](#)

Crisis Protection Plan (CPP) can be structured to include Death and Terminal Illness, or be linked to a Life Protection Plan.

Key Features	Key Benefits	Key Limitations and Exclusions
<p>Pays a benefit in the event a Life Insured suffers a Crisis Event.</p> <p>Cover ends when one of the following occurs:</p> <ul style="list-style-type: none"> • Policy anniversary prior to Life Insured's 100th birthday for death, terminal illness or loss of independent existence and 70th birthday for all other insured events; • The Life Insured dies; • A full benefit is payable; • We receive a written request from the Policy owner to cancel the Policy; • The Policy is cancelled due to non-payment of premiums. 	<p>Standard Benefits</p> <ul style="list-style-type: none"> • Crisis • Death • Terminal Illness • Advancement • Paralysis Support • Premium Freeze • Death Buy-Back • Guaranteed Future Insurability (Personal or Business) <p>Optional Benefits</p> <ul style="list-style-type: none"> • Premium Relief • Child's Crisis • TPD <p>For further information, see 'Benefits' in your PDS (Page 27)</p> <p>The benefits listed above may not all be applicable to your Policy. For further information please read your original PDS.</p>	<p>Available to ages 16-60</p> <p>Maximum benefit amount is up to \$2,000,000</p> <p>Exclusions</p> <p>Cover will not apply if death or critical illness is caused by or results from:</p> <ul style="list-style-type: none"> • Intentionally self-inflicted act or injury <p>The benefit amount will be reduced in some circumstances. For more information on reductions or exclusions of benefit payments, refer to your PDS (Page 33 and 34)</p>

Life Protection Plan

An important purpose of this PDS is to describe the terms and conditions of your Policy in line with current disclosure standards. It does this by referencing back to your original documents directly (including page numbers for your convenience), while providing an accurate summary of your Policy in this section.

Read this important information about your Policy, as well as the important information in the original disclosure document issued to you, before making a decision. The issue date of your original Policy will determine which of the relevant PDSs listed below applies:

- [TOWER Protection Policy Product Disclosure Statement 1 April 2005](#)
- [TOWER Protection Policy Product Disclosure Statement 1 November 2005](#)

Life Protection Plan (LPP) can be owned by the life insured or structured through superannuation, in which case the policy is owned by TAL Superannuation Limited (TASL) or the trustee of your self-managed super fund.

Key Features	Key Benefits	Key Limitations and Exclusions
<p>Pays a lump sum benefit in the event a Life Insured:</p> <ul style="list-style-type: none"> • dies; or • is diagnosed as being terminally ill; or • meets the relevant criteria for any of the optional benefits selected <p>Life Protection Plan ends when one of the following occurs:</p> <ul style="list-style-type: none"> • the Plan end date; • Policy anniversary prior to Life Insured's 100th birthday; • 65th birthday for total and permanent disability, then altering to loss of independent existence to age 100; • The Life Insured dies; • The death benefit is reduced to nil due to payment of other benefits; • The date we receive a written request from the Policy owner to cancel the Policy; • When the Policy is cancelled due to non-payment of premiums. 	<p>Standard Benefits</p> <ul style="list-style-type: none"> • Death • Terminal Illness • Advanced Payment • Premium Freeze • Guaranteed Personal (or Business) Insurability <p>For further information, see 'Benefits' in your PDS (Page 18)</p> <p>Optional Benefits</p> <ul style="list-style-type: none"> • TPD • Death Buy-Back • Premium Relief <p>For further information, see 'Benefits' in your PDS (Page 18)</p> <p>The benefits listed above may not all be applicable to your Policy. For further information please read your original PDS.</p>	<p>Available to ages 16-70 for Life Protection Plan</p> <p>Maximum benefit amount Life Protection Plan – Any financially justifiable amount</p> <p>Exclusions</p> <ul style="list-style-type: none"> • Death benefit not payable if caused by intentionally self-inflicted act in the first 13 months of original Policy commencement, Policy increase (only in respect of the increase) or Policy reinstatement. <p>For more information on reductions or exclusions of benefit payments, refer to your PDS (Page 23)</p> <hr/> <p>Available to ages 16-60 for TPD</p> <p>TPD Maximum benefit amount is up to \$2,500,000</p> <p>Optional Benefits Exclusions</p> <ul style="list-style-type: none"> • TPD benefit and Waiver of Premium Benefit not payable if the disability occurs as a result of an intentionally self-inflicted act. <p>For more information on reductions or exclusions of benefit payments, refer to your PDS (Page 23)</p>

Life Protection Plan through Superannuation

An important purpose of this PDS is to describe the terms and conditions of your Policy in line with current disclosure standards. It does this by referencing back to your original documents directly (including page numbers for your convenience), while providing an accurate summary of your Policy in this section.

Read this important information about your Policy, as well as the important information in the original disclosure document issued to you, before making a decision. The issue date of your original Policy will determine which of the relevant PDSs listed below applies:

- [TOWER Protection Policy Product Disclosure Statement 1 April 2005](#)
- [TOWER Protection Policy Product Disclosure Statement 1 November 2005](#)

Key Features	Key Benefits	Key Limitations and Exclusions
<p>Pays a lump sum benefit in the event a Life Insured:</p> <ul style="list-style-type: none"> • dies; or • is diagnosed as being terminally ill; or • meets the relevant criteria for any of the optional benefits selected <p>Life Protection Plan ends when one of the following occurs:</p> <ul style="list-style-type: none"> • the Plan end date; • Policy anniversary prior to Life Insured's 100th birthday (Over age 65 must be working a minimum 10 hours per week); • 65th birthday for total and permanent disability, then altering to loss of independent existence to age 100. • The Life Insured dies; • The death benefit is reduced to nil due to payment of other benefits; • The date we receive a written request from the Policy owner to cancel the Policy; • When the Policy is cancelled due to non-payment of premiums. 	<p>Standard Benefits</p> <ul style="list-style-type: none"> • Death • Terminal Illness • Advanced Payment • Premium Freeze • Guaranteed Personal (or Business) Insurability <p>For further information, see 'Benefits' in your PDS (Page 65)</p> <p>Optional Benefits</p> <ul style="list-style-type: none"> • TPD (own occupation and standalone not available) • Death Buy-Back • Premium Relief <p>For further information, see 'Benefits' in your PDS (Page 65)</p> <p>The benefits listed above may not all be applicable to your Policy. For further information please read your original PDS.</p>	<p>Available to ages 16-70 for Life Protection Plan</p> <p>Maximum benefit amount Life Protection Plan – Any financially justifiable amount</p> <p>Any benefits will be paid to the trustee who will then pay such benefits in accordance with the governing rules of the superannuation fund.</p> <p>Exclusions</p> <ul style="list-style-type: none"> • Death benefit not payable if caused by intentionally self-inflicted act in the first 13 months of original Policy commencement, Policy increase (only in respect of the increase) or Policy reinstatement. <p>For more information on reductions or exclusions of benefit payments, refer to your PDS (Page 70)</p> <hr/> <p>Available to ages 16-60 for TPD</p> <p>TPD Maximum benefit amount is up to \$2,500,000</p> <p>Any benefits will be paid to the trustee who will then pay such benefits in accordance with the governing rules of the superannuation fund.</p> <p>Exclusions</p> <ul style="list-style-type: none"> • TPD benefit and Waiver of Premium Benefit not payable if the disability occurs as a result of an intentionally self-inflicted act. <p>For more information on reductions or exclusions of benefit payments, refer to your PDS (Page 70)</p>

3 What are the costs?

The cost of your Policy depends on a range of factors, including the type of cover, the Life Insured's age and gender, whether or not the Life Insured smokes, the length of time you have had your Policy and how often you choose to pay your premiums.

We also take the Life Insured's occupation, health, income and personal pastimes into account. Once we know a little bit about the Life Insured and the cover he or she requires, we can then determine the basic costs involved. Sometimes discounts may apply to certain policies; however these may not apply for the full term of your Policy.

In addition to the Policy cost, Government duties and charges are included in your premium.

To give you an idea of the costs involved, our minimum premium is currently \$220 a year for a new Policy and \$110 a year for an increase to an existing Policy. We recommend you contact your financial adviser to obtain an accurate quotation for your circumstances.

When you are provided with a Policy Schedule, you should read it carefully. The Policy Schedule will show you the first year's premium amount or the first instalment premium amount. The premium amount will also include any extra amounts charged to you when we accepted your application or reinstated your Policy or a Plan under it.

Premium payable

All premiums are payable by the Policy Owner, 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 frequency

Premiums are payable either yearly, half-yearly, quarterly or monthly. A frequency discount of approximately eight per cent applies to yearly and half-yearly premiums. Premiums may be paid by:

- direct debit;
- credit card (MasterCard or Visa);
- cheque (for quarterly, half-yearly and yearly payments only); or
- BPAY® (Biller Code: 7955).

Non-payment or late payment of premiums

If we do not receive your premium payment by the due date, we will send out a notice which will inform you that your Policy will be cancelled if we do not receive your premium payment by the date stated in the notice. This notice will allow at least 30 days beyond the premium due date for you to pay the overdue premium.

If we do not receive the payment of the premium by the date stated in the notice, your Policy will be cancelled. If this happens, you will need to apply to have your Policy reinstated if you require continuation of the cover, or you may need to apply for a new Policy.

Stepped premiums

If you select stepped premiums, the amount you pay will generally increase at each Policy anniversary.

Level premiums

Level premiums are based on the Life Insured's age next birthday at the commencement of the Policy. On each Policy anniversary date, the premium rate remains unchanged. Level premium rates revert to Stepped premium rates on the Policy anniversary date immediately preceding the Life Insured's 65th birthday.

However, the premium you pay will increase if you increase the sum insured. The premium rate for the amount of the increase will be based on the Life Insured's age next birthday at the commencement of the increase.

With respect of annual inflation adjustment only, the premium rate for the amount of the inflation adjustment will be based on the Life Insured's age next birthday at the commencement of the Policy.

For level premium rates, the premiums you pay over the shorter term may be greater than if you choose stepped premium rates. If you choose stepped premium rates, the premiums you pay over the longer term may be greater than if you choose level premium rates.

Changes in premium

Level premium rates for Life Protection are guaranteed not to increase until the Policy anniversary date immediately preceding the Life Insured's 65th birthday except if due to any increase due to any tax, duty or charge introduced by Government.

In all other cases, we can increase the rates for the product. We will only do this if we have provided you with 30 days' notice in writing.

No one individual Policy can be singled out for an increase in premium rates because of an adverse change in the health or circumstances of the Life Insured, once the risk is accepted.

3 What are the costs? *continued*

Policy Fee

In addition to your premium, a Policy Fee is payable. This fee is included in the premium payment described in the Policy Schedule. The Policy Fee amount included in each premium payment depends on the premium frequency, as shown in the table below.

The Policy fee changes with different premium options:		
Premium frequency	Per instalment	Annual equivalent
Yearly	\$55.00	\$55.00
Half yearly	\$27.50	\$55.00
Quarterly	\$15.00	\$60.00
Monthly	\$5.00	\$60.00

The Policy Fee will be increased on each subsequent Policy anniversary to allow for inflation. The rate of increase in the Policy Fee will be the greater of the Indexation Factor or 3%.

Statutory Fund

The Policy will be issued from TAL's No.1 Statutory Fund.

Commission

We may pay commissions and other benefits to your financial adviser. Any amounts paid are factored into the cost of your Policy. Your financial adviser will provide details of the benefits they will receive in the Financial Services Guide and Statement of Advice that they will give to you.

Can TAL cancel your Policy?

As long as your premium payments are up-to-date, your Policy will remain current until the Benefit Expiry date. This means your insurance Policy will continue regardless of any changes in your health, occupation, pastimes or income.

We will honour claim payments in line with the Policy Conditions if:

- you have complied with the Duty of Disclosure; and
- you and the Life Insured have answered all questions in your Application Form honestly and accurately; and
- your claim is genuine.

NB We are also able to cancel your Policy if you make a fraudulent claim or have not complied with your Duty of Disclosure.

4 Important information about your cover

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, that may affect our decision to insure you and on what terms.

For the purposes of the Duty of Disclosure, 'you' includes both the Policy Owner and the Life Insured.

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.

Your Duty of Disclosure applies to information and answers given by you in your original application for the insurance cover you have had up until now.

For this replacement cover, TAL will continue to rely on the information and disclosures provided by you in the original application.

Please ensure that the information and disclosures you made in your original application were accurate at the time you completed the application, as the Duty of Disclosure requires that you correct any incomplete or inaccurate information which we will be relying on for the issue of the replacement cover.

If you did 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 on the same terms if you had told us, we may avoid the contract within 3 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 3 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.

Your Duty of Disclosure also applies to information and answers given in your original application, and requires that you ensure that this information is accurate, and requires that you correct any incomplete information.

Your cover – when it starts and ends and some important things for you to do

If we accept your application and you have paid the first premium and we issue a Policy Schedule, your cover will start.

When you decide to purchase a Policy and we agree to provide cover, you will receive a Policy Schedule which, with your original Policy Document, sets out the terms of the contract between TAL and you as the Policy Owner, or Life Insured if through superannuation.

The Policy Schedule indicates the Plan start date, identifies the Policy Owner, and outlines the benefits, options, specific exclusions and adjustments that apply to a Life Insured. You will need to provide the Policy Schedule to us if you have to make a claim.

Please read this Policy Schedule and your Policy Document carefully to ensure the terms and conditions meet your needs. These are important documents and should be kept in a safe place.

If the Policy is altered at any time you will receive a new Policy Schedule or confirmation reflecting the agreed changes.

If the Policy is owned by more than one person, it will be owned on a joint tenancy basis.

The date your cover ends depends on the conditions outlined in the Policy Document.

Taxation

The following information regarding the taxation rules in force at the date of this PDS is provided as a general guide only. If you are considering the tax implications of purchasing and receiving benefits under a Policy, 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 regarding any tax implications of purchasing insurance cover structured through superannuation or outside of superannuation.

We reserve the right to make changes to Policies and premium rates in response to any taxation or other legal changes.

Goods and Services Tax

Policies covered by this PDS are treated as input taxed under the Goods and Services Tax Act 1999 and any cost of GST will be included in the premium rates. An input tax credit will not be available to the Policy Owner.

Insurance held outside of superannuation

Income Tax

For Income Protection Plan and Business Expense Plan, premiums for insuring against loss of income should generally be tax deductible if incurred in the production of your assessable income and are not capital in nature. Benefits paid which substitute for lost income should generally be assessable as income. This is not the case for Life Protection Plan, TPD Plan, Crisis Protection Plan and may not be the case for some benefits under Income Protection Plan. This may vary if insurance is taken out for business purposes and you should seek professional taxation advice.

Capital Gains Tax

Benefits payable under a Policy may be assessed under the capital gains provisions if you are not the original owner of the Policy and you acquired an interest in the Policy for consideration.






Your 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 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 below:

-  1300 209 088
-  1300 351 133
-  customerservice@tal.com.au
-  www.tal.com.au
-  GPO Box 5380, Sydney NSW 2001

Personal and sensitive information will be collected from or in respect of you 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 (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, your financial adviser, 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:

- 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 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 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 our organisation 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, please let us know using the communication methods above.

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 such as the following circumstances:

- we reasonably believe that 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;
- 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;
- giving access would reveal our intentions in relation to negotiations with you in such a way as to prejudice those negotiations;
- giving access would be unlawful;
- denying access is required or authorised by or under an Australian law or a court/tribunal order;
- we have reason to suspect that unlawful activity, or misconduct of a serious nature, that relates to our functions or activities has been, is being or may be engaged in and giving access would be likely to prejudice the taking of appropriate action in relation to the matter;
- giving access would be likely to prejudice one or more enforcement related activities conducted by, or on behalf of, an enforcement body; or
- giving access would reveal evaluative information generated within the entity in connection with a commercially sensitive decision making process.

4 Important information about your cover *continued*

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 GP rather than directly to our customer so that the medical terminology can be explained.

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

Making a claim

When it comes to making a claim you need to follow the requirements set out in your Policy Document. After you become aware of any claim or potential claim under your Policy, you must notify us at your earliest opportunity.

Claims will only be paid if the requirements in the Policy Document have been met. We will tell you what information we need at each stage of your claim. We usually require you to complete a claim form and certain claim information. You must prove your claim in such a manner as we may reasonably request. Furthermore, we may require proof of any continuing entitlement from time to time, medical examinations at our expense and assistance (for Income Protection claims) in the ongoing management of the claim, including participation in recovery and rehabilitation support programs.

No benefit will be payable under this Policy without proof of age being submitted to us. Since age, status as a smoker or non-smoker and other risk factors affect our Underwriting of the Policy, claims may be affected if this information is not consistent with your application.

Please note that we may need to carry out procedures to identify you, or, in the event of your death, your beneficiaries and may need to verify the identification information provided.

Guaranteed renewal of cover

As long as you and the Life Insured have complied with the Duty of Disclosure, answered all our questions accurately and fully paid your premiums when due, your Policy continues until all cover ends. This guarantee of renewal applies regardless of any change in the Life Insured's health or personal circumstances.

No cash value

None of the benefits outlined in this document – Life Protection, Crisis Protection, TPD, Income Protection or Business Expense – have a cash value if cancelled. The premiums paid represent the amounts due for undertaking the risk of the insured event occurring.

Complaints Process

If you have a complaint about our service or your privacy, you should direct your complaint depending on the product you hold as follows:

1. Complaints (non-superannuation)

If you wish to make a complaint in relation to your Policy which is not issued to you through a superannuation fund, you can write to:



The Manager, Complaints Resolution
TAL Life Limited
GPO Box 5380, Sydney NSW 2001

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 independent body designed to help you resolve complaints relating to financial products as well as complaints relating to financial advice and sales of financial and investment products. Complaints with FOS may be resolved by a conciliation process or arbitration. This complaints procedure is free of charge. Decisions made by FOS are binding on us. Before you ask FOS to help you, please try to resolve the issue with us. There are some circumstances where FOS cannot deal with your complaint. They can advise you of these circumstances. FOS can be contacted as follows:



1800 367 287



(03) 9613 6399




info@fos.org.au




Financial Ombudsman Service
GPO Box 3 Melbourne VIC 3001


2. Complaints (structured through superannuation)

If your cover is issued through the TAL Superannuation and Insurance Fund you should address your complaint to the Trustee of the TAL Superannuation and Insurance Fund in writing to the following address:

 TAL Superannuation Limited
c/- The Manager Complaints Resolution
GPO Box 5380, Sydney NSW 2001

If your complaint has not been resolved to your satisfaction within 90 days of it being received by us, you may refer your complaint to the Superannuation Complaints Tribunal (SCT). The SCT is an independent body established by the Commonwealth Government to deal with complaints about superannuation, annuity policies and retirement savings accounts. The objective of the SCT is to provide a fair, timely and economical means of resolution of complaints as an alternative to the court system. The SCT cannot consider complaints that have not been first referred through our internal complaint resolution process. The SCT can be contacted as follows:

 1300 884 114

 (03) 8635 5588

 Superannuation Complaints Tribunal
Locked Bag 3060 Melbourne VIC 3001

If your Policy has been issued through a superannuation fund other than the TAL Superannuation and Insurance Fund, you should address your complaint to the trustee of that superannuation fund. That trustee will provide you with the details of its complaint-handling arrangements, where applicable.

5 TAL Superannuation and Insurance Fund

Important information

This section sets out important information about the TAL Superannuation and Insurance Fund (TAL Fund). The Fund is a resident regulated superannuation fund in accordance with the Superannuation Industry (Supervision) Act 1993 (SIS). Where your Policy is issued to you through the Fund, the terms and conditions of the Policy may be varied in the manner set out in this PDS. In these circumstances we recommend that you read the entire PDS, including this section.

Joining the Fund

The first step in the joining process is for your financial adviser to submit your application. If your application for insurance is accepted, and the Trustee is able to accept your contributions, you will then become a member of the Fund.

Insurance cover under the Fund

Once you are a member of the Fund and if TAL has agreed to issue cover to the Trustee in respect of you, TAL will issue your Policy to the Trustee. The Trustee will be the Policy Owner and you will then be the Life Insured through the Fund.

Please note that you do not have an accumulation account in the Fund, as the Trustee will not accept contributions above the amount required to pay your premiums. Your membership of the Fund is for the provision of insurance benefits only.

Trust Deed

The Fund is governed by rules set out in its Trust Deed. While the Trustee is able to amend these rules (under certain restrictions) the Trust Deed may not be amended to reduce your accrued benefits without your consent. The only exception to this is if the reduction is allowed under superannuation law.

Under the Trust Deed, the Trustee is not generally liable to you for any act or omission other than where the Trustee has failed to act honestly, or where the Trustee has intentionally and/or recklessly failed to exercise the degree of due care and diligence that it was required to exercise.

The Trustee has the right to indemnity from the Fund for all liabilities it may incur, except in the case of fraud, wilful neglect or misconduct. The Trustee has arranged professional liability insurance which provides cover for wrongful acts.

The Trust Deed can be obtained, free of charge, upon request from our Customer Service Centre on 1300 209 088.

Providing your Tax File Number (TFN)

TAL has agreed with the Trustee of the Fund not to issue any Policy in respect of a Member who has not provided the Trustee with their TFN. This means that to be eligible for cover through the Fund you must be prepared to quote your TFN to the Trustee.

The Trustee is authorised to collect individuals' TFNs under superannuation law and will request that you supply your TFN. Your TFN will only be used for lawful purposes which include administering the Fund and may only be disclosed as permitted by the applicable laws. The purposes for which we are able to use your TFN may change in the future as a result of legislative change. You are under no obligation to provide your TFN and declining to quote your TFN is not an offence.

Nominating a beneficiary

Understanding who receives your superannuation benefit including any insurance benefit in the event of your death is important. Under the rules of the Fund, the Trustee has the discretion to determine to whom and in what proportions any death benefit is payable. You may, however, 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.

How do I nominate a beneficiary for my Death Benefit?

In the event of your death, benefits will be paid to one or more of your dependants or to your legal personal representative as the Trustee determines. For superannuation and tax purposes, the definition of a 'Dependant' includes any of the following:

- 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;
- a child of the member, including adopted child, step-child, ex-nuptial child or child of member's spouse (for tax purposes, a child must be under age 18 just before the deceased died to be a dependant or be economically dependant on the member);
- person who is financially dependent on the member;
- a person with whom the member has an 'interdependency relationship' (see below).

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

Binding Nominations

Generally your nomination is only a guide for us and we are 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 application must be signed in the presence of two witnesses. Both of these 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, so if you do 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.

What is an interdependency relationship?

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

- live together; and
- have a close personal relationship; and
- one or each of them provides the other with financial support; and
- 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.

General information about superannuation

The following information is provided to assist you in understanding your options. It is general information only and is not intended to be a comprehensive statement of the laws applying to superannuation. You should talk to your financial adviser about your personal circumstances.

Contributions to the Fund

Contributions can only be made to the Fund in accordance with superannuation law. Superannuation law stipulates the way in which employer, personal and spouse contributions can be made as well as work requirements and age limits in relation to the member for which the contribution has been made.

Payment of a death benefit

Superannuation law specifies that a death benefit can only be paid to the following:

- member's spouse (married, de facto or same sex couples);
- child of the member of any age (including adopted child, stepchild and ex-nuptial child);
- the member's legal representative;
- any person who was financially dependent on the member at the time of death; and
- any person with whom the member had an interdependency relationship.

Where after reasonable searches the Trustee cannot locate any of these persons, it may pay the death benefit to an individual non-dependant such as a parent or sibling.

Payment of superannuation benefits

Other than death benefits, a superannuation benefit can only be paid where the member meets a condition of release under applicable superannuation law. In a general sense, these circumstances include Permanent Incapacity, Temporary Incapacity, Terminal Medical Condition, retirement (or the person has reached their preservation age), the termination of employment after age 60, leaving Australia after holding an eligible temporary resident visa, financial hardship or compassionate grounds. Rules relating to when superannuation benefits can be accessed are complex, so you should consult your financial adviser for further information.

Superannuation and family law

Provisions in the Family Law Act enable parties who are married to require superannuation fund trustees to carry out certain actions in relation to superannuation entitlements. Members (married persons only) should note that their spouse will be able to request the Trustee to disclose information in relation to the member's benefit entitlements ('Request for Information').

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

Spouse contribution arrangements

Under current rules, you are allowed to contribute to superannuation on behalf of your spouse and for your spouse to contribute to superannuation for you. A spouse can make 'eligible spouse' contributions into a superannuation fund, as long as the spouse for whom contributions are being made (i.e. the receiving spouse) is either:

- under age 65, or
- aged from 65 to age 69, and has worked at least 40 hours in a consecutive 30-day period in the financial year that contributions were made.

Eligible spouses (including a married or de facto spouse or same sex couple) who make superannuation contributions may be entitled to a tax offset of up to \$540 per annum for superannuation contributions made, provided that the spouse in respect of whom they are made is on a low income or not working.

It is your responsibility to maintain a record of eligible spouse contributions made for the purpose of claiming the offset.

Superannuation – Further points to consider

- The laws governing the application of superannuation are complex and the statements provided here are general in nature and based on current law;
- You should obtain your own independent advice on the taxation implications of joining the Fund and in maintaining insurance cover through the Fund; and
- As your circumstances change, so may the tax treatment of your contributions and any other payments made through the Fund.

Tax Information

A number of changes to the tax rules relating to superannuation were enacted in 2016 and will have effect from 1 July 2017. Unless otherwise stated, the general information provided below is based on the law that is in force at the time this PDS was prepared. We recommend that you obtain independent, professional tax and financial advice that takes into account your specific circumstances regarding the tax and superannuation implications of investing in or contributing to superannuation and joining the Fund.

Individual Members

If you are self-employed, or are not an employee (or you only get less than 10% of your income from work as an employee), you may be eligible for a tax deduction for your personal superannuation contributions. Such contributions are concessional contributions and are subject to the concessional contribution caps discussed below.

From 1 July 2017 the requirement that you derive less than 10% of your income from employment sources has been abolished and regardless of your employment arrangement you may be able to claim a tax deduction. Those aged 65 to 74 will still need to meet the work test in order to be eligible to make a contribution and claim a tax deduction.

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 \$300,000 (\$250,000 from 1 July 2017), the ATO will issue a Division 293 assessment to the member assessing their concessional contributions to an additional 15% of tax.

Concessional contributions for the 2016/2017 financial year will be capped at \$30,000 for those under age 49 years on 30 June 2016 and \$35,000 for those aged 49 years or over on 30 June 2016. For the 2017/2018 financial year, concessional contributions will be capped at \$25,000 for all ages.

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 and Temporary Budget Repair levy, where applicable). 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.

Normally members may elect to withdraw up to 85% of their excess concessional contributions from the recipient fund. However, if you receive an excess concessional or non-concessional contribution determination, or a Division 293 assessment from the ATO, you should not elect for amounts to be released from the Fund. The Fund is unable to process a release authority from the ATO because you will not have an accumulation interest in the Fund.

If you have made concessional contributions to a superannuation fund and you are a low income earner, you may be eligible for the government low income super contribution of up to \$500 annually up to 30 June 2017. From 1 July 2017 this will be replaced by a tax offset of up to \$500 per annum.

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

Non-concessional contributions for the 2016/2017 financial year are subject to an annual cap of \$180,000. For the 2017/2018 financial year, the annual cap is \$100,000 and individuals with total superannuation balances of \$1.6 million or more will no longer be eligible to make non-concessional contributions. For both financial years there is a 'bring-forward' option as discussed below. You will be taxed on non-concessional contributions over the cap at the rate of 47%, plus the Medicare levy. (As noted above if you receive an excess non-concessional contribution determination from the ATO, you should not elect for amounts to be released from the Fund. The Fund is unable to process a release authority from the ATO because you will not have an accumulation interest in the Fund.)

Under the 'bring-forward' option, people under 65 years of age can bring forward three years' entitlements to non-concessional contributions based on the annual cap limits above. However, from 1 July 2017 individuals with total superannuation balances over \$1.4 million will have reduced access to the bring forward rule.

If your income is less than \$51,021 (for the 2016/2017 financial year), you may also benefit from Government co-contributions if you make a personal, after-tax (non-concessional) contribution to your superannuation.

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 Hotline on 13 10 20.

Employers

Employer contributions are generally tax deductible to the employer where they are made for the purpose of providing superannuation benefits for an employee.

Employers are entitled to claim a deduction for contributions paid to complying superannuation funds for employees aged:

- under age 75; or
- 75 and over, where contributions are required under relevant industrial awards.

Tax payable on death benefits

All lump sum death benefits are tax free if paid to a dependant for tax purposes or the member's estate where the beneficiaries 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, (such as insurance proceeds), 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.

Tax on Terminal Illness benefits

Terminal illness benefits paid to members are tax free.

Tax payable on Income Protection benefits

When an Income Protection benefit that substitutes for lost income is paid, this should constitute assessable income in the hands of the recipient and will be taxed at the recipient's marginal tax rate, plus the Medicare levy and other levies, where applicable.

Tax payable on TPD benefits

Total and Permanent Disablement 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.

Tax Withholding

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

Superannuation Definitions

The following definitions have been reproduced from SIS and the Trust Deed.

Permanent Incapacity in relation to a member of a superannuation fund means ill-health (whether physical or mental), where the trustee is reasonably satisfied that the member is unlikely, because of the ill-health, to engage in gainful employment for which the member is reasonably qualified by education, training or experience.

Temporary Incapacity in relation to a member of a superannuation fund who has ceased to be gainfully employed (including a member who has ceased temporarily to receive any gain or reward under a continuing arrangement for the member to be gainfully employed), means ill-health (whether physical or mental) that caused the member to cease to be gainfully employed but does not constitute Permanent Incapacity.

Terminal Medical Condition exists in relation to a member of a superannuation fund at a particular time if the following circumstances exist:

- two registered medical practitioners have certified, jointly or separately, that the person suffers from an illness, or has incurred an injury, that is likely to result in the death of the person within a period (the certification period) that ends not more than 12 months after the date of the certification; and
- at least one of the registered medical practitioners is a specialist practising in an area related to the illness or injury suffered by the person; and
- for each of the certificates, the certification period has not ended.

6 Direct debit arrangements

Direct Debit Request Service Agreement

This Direct Debit Request Service Agreement (DDR 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 DDR Agreement in a safe place for future reference.

Our Commitment To You

We ensure that we:

- will give you at least 14 days written notice if there are any changes to the terms of this DDR 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

If you do commit to a DDR Agreement 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 be cancelled. 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.

If you provide us, directly or indirectly, with new or updated bank account details (for payment through the direct debit system), these conditions will also apply to that request.

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 DDR Agreement completely.

If you do any of these, you will need to make alternative arrangements for future premiums to continue your Policy.

If you prefer you may contact your financial institution directly to alter*, stop, cancel or dispute any debit.

** Note: in relation to the above reference to 'alter', your financial institution may alter your debit payment only to the extent of advising us of your new account details.*

Contacting us

If you wish to make any of the changes, as outlined above, or wish to dispute a debit you should do so in writing. The address for any correspondence is:

 TAL Life Limited or TAL Superannuation Limited
GPO Box 5380, Sydney NSW 2001

We will always respond to your query or dispute in the first instance.

Please refer to our website at www.tal.com.au to obtain a copy of our current Payment Authority form.

HOW WE COMPARE

2014

Money Magazine

Best Featured Income Protection Insurance

SMSF Adviser

SMSF Insurance Provider

Core Data

SMSF Insurance Provider

2015

Asia Pacific Banking and Finance Insurance Awards

Life Insurance Company of the Year

AFR Smart Investor Blue Ribbon Award

Best Featured Income Protection

Money Management Adviser Choice Risk Award

Adviser Choice Risk Disability Income Product

2016

Core Data

SMSF Insurance Provider

Money Management Adviser Choice Risk Award

Adviser Choice Risk Disability Income Product

AFA and Beddoes Institute Consumer Choice Award

Best New Customer Experience Value for Money

WHERE WE COME FROM

1869

New Zealand's Government Life Insurance Office is created and builds its reputation as a life insurer committed to ordinary people.

1990

Government Life is renamed TOWER and enters Australia with the purchase of Adriatic Life Insurance.

1993

TOWER purchases Friends Provident Life Assurance.

1999

TOWER purchases FAI Life, and TOWER joins the top tier of Australian insurers.

2006

TOWER purchases PrefSure Life Limited. The business is separated from TOWER New Zealand and TOWER Australia is born.

2008

TOWER Australia purchases InsuranceLine

2011

TOWER Australia becomes a wholly owned subsidiary of the Dai-ichi Life Group. It is now TAL, Australia's life insurance specialist.

WHERE WE ARE NOW



Australia's **leading specialist** life insurer.



3.7 million Australians protected by TAL.



Over \$2.6 billion in in-force premiums.



Over 1,600 people employed by TAL in Australia.



Over \$4.5 million on average paid in claims every working day.

TAL Life Limited



www.tal.com.au



GPO Box 5380 Sydney NSW 2001



Customer Service Centre – 1300 209 088 | Adviser Service Centre – 1300 286 937
Monday to Friday 8am – 7pm AEST