



**Protect what matters  
most in life.**

**IOOF SMSF Insurance**  
**For Death and Total and Permanent Disablement Cover**

Product Disclosure Statement | 1 July 2016



## Policy Owner

IOOF Investment Management Limited  
ABN 53 006 695 021, AFSL 230524  
Level 6, 161 Collins Street  
Melbourne, VIC 3000  
Phone: 13 13 69  
[www.ioof.com.au](http://www.ioof.com.au)

## Insurer, Administrator and Issuer of the Product Disclosure Statement

TAL Life Limited  
ABN 70 050 109 450, AFSL 237848  
Level 16, 363 George Street  
Sydney, NSW 2000  
Phone: 1800 130 869  
[www.tal.com.au](http://www.tal.com.au)

## Important note

This Product Disclosure Statement (PDS) is an important document. You should read it in full before making a decision about this product.

This PDS will help you to:

- decide whether this product will meet your needs; and
- compare this product with other products you may be considering.

## General information

Information in this PDS is general information only. It does not take into account your individual objectives, financial situation or particular needs. You should consider the appropriateness of this product having regard to such objectives, financial situation and needs.

We recommend you seek professional financial and taxation advice before making any decisions regarding this product.

The information in this PDS, including taxation information, is based on our understanding of legislation as at the date of issue of this PDS and its continuing accuracy.

## Up to date information

Certain information contained in this PDS may change from time to time. If any change occurs which would be materially adverse to you, we will issue a Supplementary Product Disclosure Statement. Where other changes which are not materially adverse to you occur, please refer to the IOOF website at [www.ioof.com.au/adviser/platforms/insurance/smsf\\_insurance](http://www.ioof.com.au/adviser/platforms/insurance/smsf_insurance).

## Definitions

In this PDS:

- ‘TAL’, ‘us’, ‘our’ and ‘we’ means TAL Life Limited ABN 70 050 109 450, AFSL 237848.
- ‘You’ and ‘your’ means the relevant trustee of a self-managed superannuation fund, who has completed a Participating Trustee Application Form (found on the IOOF website at [www.ioof.com.au/adviser/platforms/insurance/smsf\\_insurance](http://www.ioof.com.au/adviser/platforms/insurance/smsf_insurance) or available by calling us) and whose application we have accepted for cover.

Other defined terms are capitalised throughout this document and these definitions are set out on page 23 of this PDS.

## About this product

This PDS describes insurance cover available under a group life insurance contract (Policy) issued by TAL to IOOF Investment Management Limited (IIML). TAL is the product issuer. IIML is the policy owner, and arranges for the insurance cover to be made available to you as trustee of a self-managed superannuation fund in respect of members of your fund. For your members to be covered under this insurance, you and each member must comply with the “Applying for IOOF SMSF Insurance” section on page 5 of this PDS.

Under the terms of the Policy, benefits which become payable under the Policy are payable directly to you as trustee of your fund. Premiums under the Policy are payable by you in order to keep the insurance cover in respect of your Lives Insured in force.

Neither you nor the Lives Insured have any rights of ownership or rights to amend, vary or cancel the Policy. However, you are a third party beneficiary under the Policy and you have the right to claim benefits under the Policy and benefits are payable to you. You also have the right to request changes to cover in respect of the members of your fund who are Lives Insured under the Policy.

Insurance cover is provided in accordance with the terms and conditions of the Policy issued to IIML by TAL. The Policy can be altered by agreement between TAL and IIML, or as otherwise permitted by law. Where any alterations affect you or the Lives Insured, you will be notified.

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

# Contents

<b>1</b>	<b>About TAL</b>	<b>2</b>	<b>12</b>	<b>Administration fee, distribution fee and commission</b>	<b>13</b>
				12.1 Administration fee	13
				12.2 Distribution fee and commission	13
<b>2</b>	<b>About IOOF Investment Management Limited</b>	<b>3</b>	<b>13</b>	<b>Additional information</b>	<b>14</b>
				13.1 Cooling off period	14
				13.2 Statutory Fund	14
				13.3 Worldwide cover	14
				13.4 Information on the policy	14
				13.5 Continuation option policy	14
<b>3</b>	<b>IOOF SMSF Insurance at a glance</b>	<b>4</b>	<b>14</b>	<b>Duty of disclosure</b>	<b>15</b>
<b>4</b>	<b>Applying for IOOF SMSF Insurance</b>	<b>5</b>	<b>15</b>	<b>How to make a claim</b>	<b>16</b>
4.1	Who can apply?	5		<b>16</b>	<b>Benefit payments</b>
4.2	How do you apply for cover?	5			
4.3	How much cover can you apply for?	5		<b>17</b>	<b>Further information</b>
4.4	Can cover be increased?	5			
<b>5</b>	<b>Transfer of existing cover</b>	<b>6</b>	<b>18</b>	<b>18</b>	<b>Complaints resolution</b>
5.1	Conditions for transferring existing cover	6			
<b>6</b>	<b>When does cover start?</b>	<b>7</b>	<b>19</b>	<b>19</b>	<b>Taxation</b>
6.1	When does cover start for a transfer of existing cover?	7			19.1 Death benefits
					19.2 Invalidity
					19.3 Disclaimer
<b>7</b>	<b>When will cover cease?</b>	<b>8</b>	<b>20</b>	<b>20</b>	<b>Residency and compliance with laws</b>
<b>8</b>	<b>Benefits of IOOF SMSF Insurance</b>	<b>9</b>	<b>21</b>	<b>21</b>	<b>Privacy</b>
<b>9</b>	<b>Exclusions and limitations</b>	<b>10</b>	<b>22</b>	<b>22</b>	<b>Definitions</b>
9.1	Exclusions and limitations applying to all cover	10			
9.2	Additional exclusions and limitations applying to Total and Permanent Disablement cover	10			
<b>10</b>	<b>Are there any significant risks?</b>	<b>11</b>			
<b>11</b>	<b>Premiums</b>	<b>12</b>			
11.1	What are premiums and how are they calculated?	12			
11.2	When do you have to pay the premium?	12			
11.3	How do you pay the premium?	12			
11.4	What if you don't pay the premium?	12			
11.5	Are premium rates guaranteed?	12			
11.6	Inflation protection	12			

# 1 About TAL

TAL is Australia's life insurance specialist. The Insurer is TAL Life Limited (TAL), ABN 70 050 109 450.

From humble origins in 1869, through to today as Australia's leading life insurance specialist, TAL has always been in the business of looking after people, not things.

Helping Australians enjoy lives filled with choices, options and freedoms – no matter what happens – is why TAL is in business. It's a very special responsibility they now hold for more than 3.7 million customers across the country by protecting them with award-winning insurance products and services that include income protection, life insurance, critical illness insurance, total and permanent disability insurance and business expense insurance.

TAL commits to being by their customer's side for life, and honours this commitment by paying an average of nearly \$4 million in customer claims each working day. A sustainable business is at the heart of ensuring they can deliver on these promises, now and in decades to come.

TAL is a wholly-owned subsidiary of The Dai-ichi Life Insurance Company, Limited, a listed Japanese life insurer. All insurance benefits are provided by TAL and not the Trustee.

For more information, visit [www.tal.com.au](http://www.tal.com.au)

## 2 About IOOF Investment Management Limited

IIML is a wholly owned subsidiary of IOOF Holdings Limited (IOOF). Since 1846 IOOF has been creating financial independence and is now one of Australia's leading providers of wealth management products and services in Australia.

Listed on the Australian Securities Exchange (ASX: IFL) in the top 200 listed ASX companies, IOOF provides services to over 650,000 clients Australia-wide and is one of the largest non-bank-aligned groups in the financial services industry. As at 31 December 2015 IOOF manages in excess of \$133 billion on behalf of its clients.

For more information, visit [www.ioof.com.au](http://www.ioof.com.au)

IIML has given and not withdrawn its consent to the information contained in this PDS in the form and context in which it appears. IIML has not issued this PDS and is not responsible for any statements in this PDS which are not referable to it.

### 3 IOOF SMSF Insurance at a glance

This product pays a lump sum on the death, Terminal Illness or Total and Permanent Disablement of a Life Insured (depending on the cover you select). You can choose between death only or death and Total and Permanent Disablement cover in respect of your members.

Feature	Brief Description (See relevant pages for further information)	Page
<b>Accidental death cover</b>	Up to \$1 million for a period of up to 90 days during assessment for new and increase cover applications subject to premium being received.	7
<b>Administration fee</b>	\$77 per annum for one member, or \$55 each for two or more members	13
<b>Annual review date</b>	1 July each year	12
<b>Continuation option</b>	A Life Insured may be entitled to continue cover under a new policy, subject to certain conditions	14
<b>Cooling off period</b>	21 days	14
<b>Eligibility</b>	For members of your fund who are aged between 16 and 64	5
<b>Exclusions</b>	There are specified conditions under which benefits will not be paid.	10
<b>Expiry age</b>	Age 70	8
<b>Increase of cover</b>	Permitted subject to TAL's assessment of the Life Insured's circumstances. The minimum increase is \$20,000 per benefit for any one Life Insured and members must be below age 65	5
<b>Indexation</b>	To ensure that Life Insured benefits are aligned with inflation, the cover will be automatically indexed each year by the Consumer Price Index unless you opt out	12
<b>Minimum cover</b>	\$50,000 per Life Insured of death cover	5
<b>Premium calculation</b>	Based on the level of cover, type of cover, age, gender, smoking status, state of health, occupations and pastimes of the Life/Lives Insured	12
<b>Premium cost</b>	From \$90 per annum per Life Insured. It includes stamp duty, any government taxes, but excludes Administration Fee	5, 12
<b>Transfer of existing cover</b>	If you or your member have existing death or death and Total and Permanent Disablement insurance cover under a retail insurance policy or under another superannuation fund, you may apply to transfer the existing cover to insurance cover under the Policy in respect of a Life Insured, subject to certain conditions	6
<b>Worldwide cover</b>	Cover is provided 24/7 worldwide in respect of the Life Insured	14



## 4 Applying for IOOF SMSF Insurance

### 4.1 Who can apply?

Trustees of complying self-managed superannuation funds can apply for cover in respect of their members who are aged between 16 and 64. A complying self-managed superannuation fund means the fund is a complying superannuation fund under sections 42A and 45 of the Superannuation Industry (Supervision) Act 1993.

### 4.2 How do you apply for cover?

The only way to apply for the insurance cover described in this PDS is to complete and submit the Participating Trustee Application Form, together with a completed IOOF SMSF Insurance Personal Statement (Personal Statement) in respect of each person to be insured.

If you wish to transfer existing cover from a retail insurance policy or insurance within another superannuation fund, you must complete and submit the Participating Trustee Application Form, together with a completed IOOF SMSF Insurance Individual Insurance Transfer Application Form in respect of each person whose cover will be transferred (please refer to "Transfer of existing cover" on page 6).

Our preferred method of payment is Electronic Funds Transfer.

This cover is only available to Australian residents, receiving this PDS within Australia. We cannot accept print applications or electronic applications signed, mailed or sent from outside Australia. Monies received must always be in Australian dollars.

If we accept your application to become a Participating Trustee, we will issue you with an Insurance Certificate, setting out details of the Lives Insured and the cover provided and any special conditions that apply.

### 4.3 How much cover can you apply for?

The minimum amount of cover you can apply for is \$50,000 per benefit per Life Insured subject to a minimum annual premium for each Life Insured of \$90 (excluding the Administration Fee and any government charges).

The maximum amount of cover you can apply for will depend on the individual circumstances of the Life Insured. However, if you select death and Total and Permanent Disablement cover, the Total and Permanent Disablement cover under the Policy cannot exceed \$3 million for any one Life Insured, and the amount of Total and Permanent Disablement cover cannot exceed the amount of death cover. Any Total and Permanent Disablement benefit under the policy in respect of a Life Insured will be limited to a maximum amount of \$1 million from the date the Life Insured is 65. You should also be aware that there may be taxation implications for beneficiaries where death benefits are paid in respect of a member from a superannuation fund.

### 4.4 Can cover be increased?

Subject to TAL's assessment of the Life Insured's circumstances, you may apply to increase cover any time before the Life Insured's 65th birthday. The minimum increase you can apply for is \$20,000 per benefit for any one Life Insured.

## 5 Transfer of existing cover

If you or your members currently have existing insurance cover provided under a retail insurance policy or your member have existing insurance cover within a superannuation fund, you may apply to TAL to “transfer” that cover to your new IOOF SMSF Insurance account, subject to the conditions set out below and subject to you satisfactorily completing the IOOF SMSF Insurance Individual Insurance Transfer Application Form (Individual Insurance Transfer Application) in respect of each person whose life is to be insured under the Policy.

A “transfer” of existing insurance cover means that TAL will provide you with the same type and level of cover (subject to TAL’s maximum cover limit), and with the same exclusions, special conditions and loadings, that applies under your existing insurance cover, without the need for medical underwriting of the member. If a “transfer” of cover applies, TAL will issue you with new insurance cover under the Policy and your existing insurance cover must be terminated. The conditions that apply to the availability of a “transfer” of existing cover are set out below.

### 5.1 Conditions for transferring existing cover

You may only apply for the transfer of any existing insurance cover if:

- a) The member has not received nor is eligible for a Total and Permanent Disablement benefit from another insurance arrangement;
- b) The member has not made an income protection claim in the last 5 years;
- c) The member is aged less than 65 years;
- d) The member is not terminally ill with a life expectancy of less than 12 months;
- e) The member is gainfully employed and physically capable of undertaking gainful employment for at least 30 hours per week;
- f) The member has not exercised a continuation option under the existing cover;
- g) The existing insurance cover in respect of the member is not subject to a premium loading of more than +100% extra mortality or subject to two or more exclusions for death and/or Total and Permanent Disablement cover;
- h) The maximum amount of existing cover that can be transferred in respect of each member is \$2 million for death only or death and Total and Permanent Disablement;
- i) The member meets the eligibility criteria for insurance cover as set out in this PDS;
- j) The member provides a copy of an up-to-date statement, letter or email produced by their current insurer dated within the last 30 days of any application for insurance under the Policy, as evidence of the terms of acceptance of the existing cover currently held with the current insurer.

Subject to these conditions, and TAL’s acceptance of your Individual Insurance Transfer Application, cover under the Policy will be provided in respect of that member on the following terms:

- i. The level of cover provided to the member under the Policy, will be the same level of cover currently held by that person through your retail insurance policy or current superannuation account, subject to a maximum of \$2 million;
- ii. Any exclusion(s) or loading(s) applying in respect of the member’s existing cover will also apply to that member’s cover under the Policy;
- iii. Replacement cover in respect of the member under the Policy will not commence until TAL has notified you that your application is acceptable and you have confirmed in writing that you have cancelled your existing insurance cover;
- iv. The member’s replacement cover under the Policy will be subject to the terms and conditions as set out in the Policy (including the exclusions and limitations as set out on page 10);
- v. Occupational classifications will be based on the classifications used by TAL under this IOOF SMSF Insurance; and
- vi. Premium rates for insurance cover provided under the Policy will be based on the premium rates applicable to this PDS.



## 6 When does cover start?

When you apply for cover (other than by way of a transfer of existing cover) you will be asked to nominate a commencement date. Provided your premium is received by us, the relevant member will be covered from the nominated commencement date for Accidental Death, for an amount equal to the lesser of \$1 million or the amount of cover sought, for a period of up to 90 days while TAL assesses your application or such earlier time and date as we advise. Full cover will commence from the date TAL accepts the cover in writing.

If circumstances mean that TAL is unable to complete its assessment within 90 days of the nominated commencement date, you will be refunded any premiums paid in respect of this period, provided no claim is made under the Accidental Death cover.

If, as a result of this assessment, TAL declines cover in relation to the member, all premiums paid for that member will be refunded, provided no claim is made under the Accidental Death cover.

Accidental Death cover is also provided when you apply to increase cover in respect of a Life Insured, but only in respect of the increase in cover. In these circumstances, Accidental Death cover is provided for an amount equal to the lesser of \$1 million or the amount of increased cover sought, for a period of up to 90 days in respect of the increase in cover, while TAL assesses your application or such earlier time and date as we advise. If your application for an increase in cover is accepted, full increased cover will commence from the date TAL accepts the increase in writing. If your application for an increase is not accepted, Accidental Death cover ceases and the member's cover remains at the previously accepted amount.

Accidental Death cover does not apply to cover transferred from an existing retail insurance policy or superannuation fund.

Cover we have accepted in respect of a Life Insured will be set out in the Insurance Certificate we issue to you.

### 6.1 When does cover start for a transfer of existing cover?

If you apply for a transfer of existing cover in respect of a member or Life Insured, we will assess your application and if it is acceptable to us, we will notify you in writing of our offer of replacement cover. The replacement cover under the Policy in respect of that member or Life Insured will only start from the date that you accept our offer of replacement cover and you confirm to us in writing that the member's or Life Insured's existing cover has been cancelled.

Cover we have accepted in respect of a member or Life Insured will be set out in the Insurance Certificate we issue to you.

## 7 When will cover cease?

Cover will cease in respect of a Life Insured on the first of any one of the following:

- a) the termination of cover in respect of the Life Insured by you;
- b) termination of the Policy;
- c) the payment of a Total and Permanent Disablement benefit in respect of that Life Insured if the amount payable equals the death cover;
- d) the payment of a Terminal Illness benefit equal to 100% of the death benefit;
- e) the Life Insured attaining 70 years of age for death cover;
- f) the Life Insured attaining 70 years of age for death and Total and Permanent Disablement cover;
- g) 30 days after the Life Insured ceases to be a member of your fund or such earlier period when the Life Insured becomes a member of another fund;
- h) the day upon which the Life Insured commences active duty with the armed forces of any country except with our written approval;
- i) the death of the Life Insured; or
- j) 30 days after the due date for payment of premiums, if the premium has not been paid by you with respect to the Life Insured.

## 8 Benefits of IOOF SMSF Insurance

We will pay a lump sum equal to the amount a Life Insured is covered for if, while cover is in force:

- a) the Life Insured dies; or
- b) where death and Total and Permanent Disablement cover is provided, the Life Insured becomes Totally and Permanently Disabled.

If a Life Insured is diagnosed with a Terminal Illness, we will pay a benefit equal to the amount a Life Insured is covered for, up to a maximum of \$2 million. Where a benefit is payable in respect of the Life Insured's Terminal Illness, we will reduce the amount of death only cover, or death and Total and Permanent Disablement cover (as the case may be), in respect of that Life Insured, by the amount paid. If the amount of death only or death and Total and Permanent Disablement cover is equal to or less than \$2 million, this will reduce the cover to nil and all cover in respect of that Life Insured will cease.

## 9 Exclusions and limitations

### 9.1 Exclusions and limitations applying to all cover

No benefit will be payable if a Life Insured dies within a period of 13 months from the date cover commences, is reinstated, or from the date of any increase (but only in respect of the increase), and the death of the Life Insured is caused directly or indirectly by suicide.

No benefit will be payable if a Life Insured dies or suffers Total and Permanent Disablement due to an event or condition or any other matter which we have excluded from cover when we accepted cover in respect of that Life Insured, as set out in your Insurance Certificate.

### 9.2 Additional exclusions and limitations applying to Total and Permanent Disablement cover

No benefit will be payable in respect of a Life Insured who suffers Total and Permanent Disablement as a result of:

- a) war (whether declared or not), military activity or insurrection; or
- b) an intentional self-inflicted injury or attempted suicide.

You must notify us of any claim for Total and Permanent Disablement within 12 months of the insured event giving rise to a claim for Total and Permanent Disablement. If you are late notifying us of a claim, we may reduce the amount we pay if we are prejudiced by the delay.

If a Life Insured is aged 65 or older before cover for Total and Permanent Disablement ends, the Life Insured is only Totally and Permanently Disabled if he or she is permanently unable to perform at least two of the five Activities of Daily Living and has been so disabled for the immediately preceding three calendar months, and as a result of such illness or injury the Life Insured is unable ever to engage in or work for reward in any occupation or work which he or she is reasonably capable of performing by reason of education, training or experience. No other definition of Total and Permanent Disablement will apply.

Any Total and Permanent Disablement benefit under the policy in respect of a Life Insured will be limited to a maximum amount of \$1 million from the date the Life Insured is 65. This means that if the Total and Permanent Disablement benefit prior to age 65 was greater than \$1 million, then the benefit will be reduced and premiums will also be reduced accordingly. If the benefit prior to age 65 was equal to or less than \$1 million, then the benefit would remain the same.

## 10 Are there any significant risks?

There are certain risks associated with holding this product:

- a) if premiums are not paid when due, the insurance cover will lapse meaning the Lives Insured will no longer be covered and you cannot make a claim;
- b) your chosen level of cover may not be sufficient to provide adequate cover for the circumstances of the Lives Insured;
- c) if the Duty of Disclosure is not complied with, we may not pay your claim, pay only a portion of your claim or cancel your cover.

# 11 Premiums

## 11.1 What are premiums and how are they calculated?

Premiums are the amount charged by us in respect of any Life Insured or Lives Insured in order to provide cover under the Policy. The amount of premiums payable in respect of a Life Insured will depend on the level and type of cover you require, as well as the current age, gender and smoking status of the Life Insured. Premiums will also depend on the personal circumstances of the Life Insured, as detailed below.

Premiums will include any stamp duty charged by a State government as well as any other taxes that may be levied by State or Federal governments. A table of premiums is available on request from your financial adviser.

Listed below are the significant factors that may impact premiums:

### How does the type of cover affect premiums?

Death and Total and Permanent Disablement cover premiums are higher than those for death only cover.

### How does age affect premiums?

The premium will vary according to the Life Insured's age. Generally, the premium will increase with age.

### How does gender affect premiums?

Premiums for male Lives Insured are generally higher than for those who are female.

### How does smoking status affect premiums?

Premiums for Lives Insured who are smokers are higher than for those who are non-smokers. A non-smoker is defined as a person who has not smoked tobacco or any other substance for the past 12 months.

### How do personal circumstances affect premiums?

In order to become a Life Insured, the members of your fund are ordinarily required to undergo a process known as underwriting. This underwriting process takes into account the health, pastimes and occupations of each person applying for cover.

Generally, premiums will be higher for Lives Insured who have pastimes or occupations that involve hazardous activities or duties.

## 11.2 When do you have to pay the premium?

Premiums are charged by TAL on 1 July each year. If you or a Life Insured joins after 1 July, you will be required to pay a pro-rated premium from the commencement date of cover to the following 1 July.

Each year, we will send you a notice prior to 1 July, advising you of the amount of premiums due as at 1 July in respect of all Lives Insured associated with you. Premiums must be paid by the due date in order to keep cover in force.

## 11.3 How do you pay the premium?

Premiums are payable by you to TAL by the due date. Premiums can be paid by Electronic Funds Transfer.

## 11.4 What if you don't pay the premium?

If you do not pay the premium when it is due, cover will lapse after 30 days. This means cover will cease and you cannot make a claim.

## 11.5 Are premium rates guaranteed?

Premium rates are not guaranteed and can change from time to time. Any change, however, will affect all Lives Insured in the same category, not just an individual. You will be notified at least 30 days prior to any such change taking effect.

## 11.6 Inflation protection

Each year until the expiry of your cover you will be offered the opportunity to increase the level of cover for each Life Insured by the Consumer Price Index (CPI) without further health evidence to ensure benefits keep up with inflation (Indexation Offer). Unless you reject the Indexation Offer, the premium will increase each year by an extra amount to reflect that change. The offer will only apply if the increase would not cause the benefit to exceed \$1.5 million of cover in respect of a Life Insured.



## 12 Administration fee, distribution fee and commission

### 12.1 Administration fee

In addition to the premium, an Administration Fee is also charged by us. The current Administration Fee is set out in the table below. The Administration Fee may change from time to time but any change will not take effect until you have been given at least 30 days prior notice.

Administration Fee	
Number of Members	Administration Fee per Member
One	\$77 per annum
Two or more	\$55 per annum

State governments impose stamp duties on some policies or premiums. The amount of duty varies from State to State. If applicable, the stamp duty will be included in or added to the premium. Should changes in the law result in additional taxes or imposts in relation to the policy, these amounts may be added to the policy.

### 12.2 Distribution fee and commission

IIML receives a distribution fee from us in respect of this insurance cover of 4% of your annual premium. Your financial adviser may receive commission of 20.1% of your annual premium. Your financial adviser will provide details of the benefits they will receive in the Statement of Advice that they will give to you.

## 13 Additional information

### 13.1 Cooling off period

If after receiving your Insurance Certificate, you wish to cancel cover for any reason, you have 21 days to do so. Any premiums or charges paid by you will be refunded, provided a claim under the Policy has not been lodged or you are not eligible to make a claim. To cancel cover during the cooling off period, please notify TAL in writing at the address shown on the front of this PDS and return your Insurance Certificate.

If you exercise any rights in relation to the insurance cover before the 21 day cooling off period has elapsed, your option to cancel the cover during the cooling off period and receive a refund will be forfeited. You also cannot make a claim after cancelling the cover.

### 13.2 Statutory Fund

The premiums you pay form part of the TAL No 1. Statutory Fund. Any benefits you receive under the Policy will be paid from that fund. The policy does not participate in any profits of that or any other statutory fund.

### 13.3 Worldwide cover

Cover is provided in respect of a Life Insured 24 hours a day worldwide.

### 13.4 Information on the policy

When you take out an interest in the policy, you will receive an Insurance Certificate. This outlines the details of the Lives Insured, the cover commencement date for each Life Insured, the type and amount of cover provided for each Life Insured, and any special conditions applying in respect of a Life Insured. This is an important document and should be read carefully.

Each year prior to 1 July, we will send you a renewal notice indicating the new premium amount payable and, if applicable, an offer to increase cover in line with inflation. You will not receive a new Insurance Certificate each year. A new Insurance Certificate will only be issued if there is a specific increase or decrease in cover that has been applied for and accepted by us.

### 13.5 Continuation option policy

On ceasing to be a member of your fund, a Life Insured may continue their cover by establishing a new individual life insurance policy issued by TAL without the need for a medical assessment, provided that the Life Insured applies in writing for such a policy within 30 days of leaving your fund (Continuation Option Policy). In addition, as of the date of application for the Continuation Option Policy, the Life Insured must not be:

- a) aged 60 years or over;
- b) engaged in duty with the armed forces;
- c) Totally and Permanently Disabled; or
- d) the subject of a claim submitted by you, or entitled to be submitted by you, under the Policy.

The Continuation Option Policy will be issued subject to the Life Insured lodging with TAL such documents and information as TAL may require for the issue of the Continuation Option Policy and the payment of the premium for such Continuation Option Policy.

Furthermore, you must not have submitted or intend to submit nor have any entitlement to submit a claim to us with respect to the Life Insured.

The Continuation Option Policy will be of a type similar to the cover in respect of the Life Insured under the Policy, then available as determined by TAL and subject to the terms of TAL retail policies available at the time of exercising the Continuation Option. Cover will be for an insured amount that is no greater than the level of accepted benefits under the Policy payable on the death or Total and Permanent Disablement of the Life Insured. The Continuation Option Policy will expire no later than on the 70th birthday of the Life Insured.

In respect of a Life Insured who is applying for a Continuation Option Policy, we will only consider claims under the Policy that have a date of disablement or date of death prior to the earlier of 30 days after:

- the Life Insured left your fund, and
- the lodgement date of the documents, information and premium required to issue the Continuation Option Policy.

## 14 Duty of disclosure

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

You have this duty until we agree to insure the member.

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

If the member does not tell us everything they should have, this may be treated as a failure by you to tell us something that you must tell us.

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 the member if you had told us, we may avoid the contract within three years of entering into it.

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

If we choose not to avoid the contract or reduce the insured amount, 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.

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

## 15 How to make a claim

You must advise us of the death or Total and Permanent Disablement of a Life Insured as soon as is reasonably possible (and not later than 12 months after the Life Insured's death or Total and Permanent Disablement). If you are late notifying us of a claim, we may reduce the amount we pay if we are prejudiced by the delay.

You can make a claim by contacting us and a claim form will be forwarded to you.

Before a claim is payable, we must receive proof to our satisfaction of the Life Insured's death or Total and Permanent Disablement.

Proof of occurrence of an insured event for a Total and Permanent Disablement claim must be supported by:

- a) one or more appropriate specialist Medical Practitioners;
- b) confirmatory investigations including, but not limited to, clinical, radiological, histological and laboratory evidence; and
- c) if applicable, sufficient evidence of the Life Insured's incapacity to work.

Our medical advisers must support the occurrence of the Life Insured's Total and Permanent Disablement. We reserve the right to require the Life Insured to undergo an examination or other reasonable tests with a Medical Practitioner of our choice or other specialists to confirm the occurrence of an insured condition.

TAL will pay the cost of all reports that we request in order to consider and process any claim, other than the cost of the medical reports submitted to us from a Life Insured's personal medical attendants in connection with the claim submitted by you in respect of that Life Insured. TAL will not pay the cost of any report we require where we are requested to reconsider a claim, liability for which we have declined.

## 16 Benefit payments

Benefits under the Policy are payable to you in respect of a Life Insured who is a member of your fund and shown on your Insurance Certificate.

## 17 Further information

You may request further information about this product by contacting us on the details shown on the front cover. If so requested, we will give you further information which has previously been generally made available to the public and might reasonably influence your decision whether to acquire these products. The provision of further information may be subject to a charge. If you have an enquiry or require further information about this product, please contact us.



## 18 Complaints resolution

If you have a complaint about IIML, please contact IIML directly using the contact details shown on page 3.

If you have a complaint about this product, or the services TAL provides, please contact us. 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, you may contact the Financial Ombudsman Services (FOS).

FOS is an independent body designed to help you resolve complaints relating to financial advice and sales of financial and investment products. Complaints with FOS may be resolved by a conciliation process. This complaint procedure is free of charge. Decisions made by FOS are binding on us. However, before you ask FOS to help you, you must first give us the opportunity to resolve the issue. There are some circumstances where FOS cannot deal with your complaint. They can advise you of these circumstances. FOS can be contacted at:



1800 367 287



(03) 9613 6399



info@fos.org.au



GPO Box 3, Melbourne, VIC 3001

## 19 Taxation

The Policy pays benefits to you as trustee of a complying superannuation fund, in respect of Lives Insured. If you are the trustee of a complying superannuation fund, the premiums you pay under this product may be deductible. The proceeds payable under the policy to you as trustee to facilitate the provision of benefits to members should not form part of your assessable income. Payments out of your fund in respect of such members are not deductible. As a trustee, you are responsible for calculating, withholding, reporting and remitting any tax that is required in respect of payments from the fund. When the proceeds are paid out of your fund to or in respect of a Life Insured those proceeds may be assessable to the recipient.

### 19.1 Death benefits

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

### 19.2 Invalidity

Taxation concessions may be available in respect of lump sum benefits paid in the event of the permanent invalidity of a Life Insured. However, these provisions are complex and you should consult your taxation adviser.

### 19.3 Disclaimer

**This information is a guide only and is based on current taxation laws, their continuation and our interpretation of those taxation laws.**

**For information about your specific circumstances, please consult your taxation adviser.**

## 20 Residency and compliance with laws

This policy is only available for people who are resident in Australia. Regardless of any other policy terms and conditions, we reserve the right to take any action (or not take any action) which could place us at risk of breaching any law.

## 21 Privacy

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

Our Privacy Policy contains details about the following:

- the kinds of personal information that TAL collects and holds;
- how TAL collects and holds personal information (including sensitive information);
- the purposes for which TAL collects, holds, uses and discloses personal information (including sensitive information);
- how individuals 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 individuals 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 members' information please contact us using the details on the front page of this document.

Personal and sensitive information will be collected from or in respect of your members to enable us to provide or arrange for the provision of insurance cover. We may request further personal and sensitive information in the future, for example, if your members 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 members' 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 members' personal information (including health information) to other bodies such as reinsurers, health professionals, investigators, lawyers and external complaints resolution bodies.

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

- your members consent 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.

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

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

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

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

If, for any reason we decline your member's request to access and/or update their information, we will provide them with details of the reasons. In some circumstances it may be appropriate to provide copies of complex medical information to a treating Medical Practitioner rather than directly to your member 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](http://www.oaic.gov.au) including sensible steps that individuals can take to protect their information when dealing with organisations and when using modern technology.

## 22 Definitions

For the purpose of this document, the following important definitions apply and are capitalised terms throughout this document.

**Accidental Death** means death, directly and independently of any other cause, from an unforeseen and unintended accident happening to the Life Insured and caused by violent, external and visible means and provided:

- a) death occurs within three calendar months of the date of sustaining the injury; and
- b) the accident occurs while the cover is in force.

**Activities of Daily Living** are:

- a) bathing and showering;
- b) dressing and undressing;
- c) eating and drinking;
- d) using a toilet to maintain personal hygiene;
- e) moving from place to place by walking, wheelchair or with the assistance of a walking aid.

**Administration Fee** means the Administration Fee charged by us per Life Insured.

**Consumer Price Index (CPI)** is the increase in the CPI published for the quarter falling immediately prior to three months before the cover anniversary, to the CPI published for the quarter falling immediately prior to 15 months before that date. 'CPI' means the 'Weighted Average of Eight Capital Cities Index' as published by the Australian Bureau of Statistics or, if that index ceases to be published or is substantially amended, such other index that we select.

**Home Duties** means the Life Insured is not working in any occupation and is engaged full time in duties in the home, including cleaning the family home, shopping for food and household items, meal preparation, laundry services, and caring for a dependant child or other dependant of their immediate family.

**Insurance Certificate** means the insurance certificate we issue to you when we accept your application to become a Participating Trustee, which sets out the details of the cover provided in respect of Lives Insured who are members of your fund. We will issue a new Insurance Certificate if there is an increase or decrease in cover that you have applied for and we have accepted.

**Life Insured** and **Lives Insured** means a member or members of your fund in respect of whom we have agreed to provide cover, as set out in your Insurance Certificate.

**Medical Practitioner** means, unless we agree otherwise:

- a) a medical practitioner legally qualified and registered to practice 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 practicing 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 Life Insured's:

- 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 publically listed entity); or
- v. employer or employee.

**Terminal Illness** means the Life Insured is diagnosed with an illness which causes death, where death is likely to occur within 12 months and this diagnosis is supported by a specialist Medical Practitioner and by TAL's medical advisers. For the purposes of this definition, a "specialist Medical Practitioner" is a Medical Practitioner who is a specialist practising in an area related to the illness suffered by the Life Insured.

**Total and Permanent Disablement** and **Totally and Permanently Disabled** means:

- a) If before cover ends, the Life Insured suffers a specific loss, being the entire and irrevocable loss of use of two or more of the sight in one eye, or a hand or a foot, and as a result of such specific loss the Life Insured is unable ever to engage in or work for reward in any occupation or work which he or she is reasonably capable of performing by reason of education, training or experience; or
- b) The Life Insured having been absent from work through injury or illness for an initial period of three consecutive months and solely as a result of that injury or illness, in our opinion, being incapacitated to such an extent as to render the Life Insured unable ever to engage in or work for reward in any occupation or work which he or she is reasonably capable of performing by reason of education, training or experience; or

- c) If the Life Insured is engaged in full time Home Duties, the Life Insured:
- i. is unable to carry out through illness or injury all his or her Home Duties for a period of three consecutive months; and
  - ii. is unlikely to be able to carry out all of his or her Home Duties ever again; and
  - iii. is required to employ domestic assistance to carry out these Home Duties (the person the Life Insured employs must not be his or her relative or spouse, and they must be employed and appropriately remunerated for three months before a claim can be made); and
  - iv. as a result of the illness or injury the Life Insured is unable ever to engage in or work for reward in any occupation or work which he or she is reasonably capable of performing by reason of education, training or experience; or
- d) If before cover ends the Life Insured is permanently unable, as a result of illness or injury, to perform at least two of the five listed Activities of Daily Living and has been so disabled for the immediately preceding three calendar months, and as a result of such illness or injury the Life Insured is unable ever to engage in or work for reward in any occupation or work which he or she is reasonably capable of performing by reason of education, training or experience; or
- e) If before cover ends the Life Insured suffers cognitive impairment that results in the Life Insured requiring permanent and constant supervision and the Life Insured is unable ever to engage in or work for reward in any occupation or work which he or she is reasonably capable of performing by reason of education, training or experience. The condition must have existed for a period of at least three months and will continue permanently.

However, if the Life Insured is age 65 or older before cover ends, the Life Insured is **only** Totally and Permanently Disabled if he or she meets the definition described in paragraph (d) above.





**TAL Life Limited**



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



GPO Box 5380 Sydney NSW 2001



Group Life Insurance – 1800 130 869



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

**IOOF SMSF Insurance – For Death and Total and Permanent Disablement Cover**  
Product Disclosure Statement | 1 July 2016

TAL Life Limited ABN 70 050 109 450 AFSL 237848

TALG2215/0616

