



# INSURANCE IN YOUR SUPER

## ORACLE EMPLOYEE AND RETAINED BENEFIT MEMBERS

### 1 SEPTEMBER 2020

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In this document, references to Oracle employees include employees of Oracle Corporation Australia Pty Limited, Oracle Global Services Australia Pty Ltd and Oracle Financial Services Software Pte. Ltd.

## IMPORTANT INFORMATION

The information in this document forms part of the Product Disclosure Statement (PDS), *Your Oracle Super Guide*, dated 1 September 2020 for the Oracle Superannuation Plan's Employee and Retained Benefit members.

It should be read in conjunction with the other documents listed below, which all form part of the PDS. You should consider this information before making a decision about the product.








- *How super works*
- *Additional information*
- *How we invest your money*
- **Insurance in your super** (this document)

The information provided in this document is general information only and does not take into account your personal financial situation or needs. Any examples included are for illustration only and are not intended to be recommendations or preferred courses of action. You should consider obtaining professional advice tailored to your personal circumstances. Information on tax and superannuation legislation is current as at 1 August 2020. The Trustee reserves the right to correct any errors or omissions.

This document is a summary of the applicable terms and conditions of the Plan's Trust Deed and insurance policy. If there are any differences between this document and the Trust Deed or insurance policy, the Trust Deed or insurance policy, as applicable, overrides this document.

Information contained in this document that is not materially adverse is subject to change from time to time and may be updated if it changes. Updated information can be obtained free of charge by contacting the Plan Administrator on **1800 127 953** or from the Plan's website at <https://super.towerswatson.com/super/oracle>.

### Contacting the Plan

- 
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 Oracle Superannuation Plan  
 PO Box 1442  
 Parramatta NSW 2124
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**1800 127 953**  
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 Human Resources  
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# YOUR INSURANCE COVER

Eligible members receive standard insurance cover for death and total and permanent disablement, which is paid for by Oracle and provided through the Plan. You can also apply for additional insurance cover at your own cost. Generally, references to death cover also include terminal illness cover, unless otherwise stated.

## Eligibility for standard cover

### Exceptions to automatic insurance cover

Normally, you will receive standard insurance cover (up to the insurer's Automatic Acceptance Limit) from the day you join the Plan without the need to provide evidence of your health.

Generally, if you do not join the Plan when you are first eligible (i.e. on commencing employment with Oracle) and the Plan does not receive an SG contribution for you within 120 days of commencing employment with Oracle, you will not automatically receive standard insurance cover. If you join later, you will need to provide health evidence that is acceptable to the insurer before you will receive any standard insurance cover.

If you are not in active employment on the date standard cover commences you will receive limited cover until you have returned to active employment for 30 consecutive days. If limited cover conditions apply to you, you will only be eligible for a benefit for an illness or injury if it first becomes apparent or first occurs on or after the date your cover started.

You should contact the Plan Administrator if any of these situations apply to you. If you need to provide health evidence, your insurance cover will not start until you are advised in writing that it has been approved by the insurer.

### Oracle's Superannuation Guarantee (SG) contributions must be paid to the Plan for you to be eligible for death and total and permanent disablement cover.

You are eligible for insurance cover for death and total and permanent disablement (TPD) if you are under age 65 and a permanent full-time or part-time Oracle employee working on average at least 15 hours per week over a three month period. Terminal illness benefits may also be payable in certain circumstances.

If you are a permanent part-time Oracle employee working on average less than 15 hours per week over a three month period and are under age 65, you are eligible for death-only insurance cover. Terminal illness and TPD benefits may also be payable in limited circumstances. Contact the Plan Administrator for more information if this applies to you (see the front cover for contact details).

If you are a non-permanent employee or a Retained Benefit member, you will not be eligible to receive any insured benefits and your benefits will be limited to your total account balance.

If you are a foreign assignee you will not be eligible for standard insurance cover, however you can apply for additional insurance (see page 3 for details).

More information about these benefits is outlined on the following pages. You should also refer to page 5 for a summary of the restrictions on insurance.

Standard cover will cease to apply if you are a Plan member but have your Company super contributions paid to another fund (see the *How super works* factsheet for details, available at <https://super.towerswatson.com/super/oracle>). No insurance cover is provided to Retained Benefit members.



## Providing health evidence

You will need to provide health evidence if you require a level of cover that exceeds a limit set by the insurer, known as the Automatic Acceptance Limit, or you do not join the Plan when first eligible. You will also need to provide health evidence if applying for additional insurance cover (see page 3).

At the date of publication, the Automatic Acceptance Limit was \$1.25 million for death and TPD cover. For the current limits, contact the Plan Administrator.

If you need to provide health evidence, you will need to complete the insurer's forms and provide any medical or other information requested. You should read the "duty of disclosure" section on the insurer's form carefully. Any cover subject to health evidence will only be granted if you provide all required evidence and the insurer grants the cover in writing. Your cover will be subject to any conditions imposed by the insurer and will commence from the date advised by the insurer.

### What is 'total and permanent disablement' (TPD)?

TPD is defined in the Plan's insurance policy. In general, being "totally and permanently disabled" means that:

- you, as an insured member, have been absent from your occupation with Oracle through injury or illness for a "waiting period" of three consecutive months; and
- you have provided satisfactory proof to the Plan's insurer, that you have become incapacitated to such an extent that you are unlikely ever to engage in or work for reward in any occupation or work for which you are reasonably qualified by reason of education, training or experience.

You should note that this is a summary only. There may be other circumstances in which TPD benefits may be payable. A different definition applies for permanent part-time employees working less than 15 hours per week and employees on unpaid leave. Contact the Plan Administrator for more information.

## Standard cover

If you are an Oracle employee and an eligible member of the Plan with Oracle's SG contributions being paid into the Plan, you will receive the following standard insurance cover for death and TPD. You cannot change or opt out of this cover.

### Standard death cover

If you are under 65, the standard death cover is:

**Standard death insurance cover =  
5 x your annual base salary at the date of death**

### Standard TPD cover

**If you are under age 55**, your TPD cover will be the same as your standard death insurance cover: 5 x your annual base salary, at the date of your TPD.

**However, if you are aged 55 years or more** and are totally and permanently disabled, the amount of your TPD insurance cover depends on your age, as shown in the following table.

Age at disablement	Multiple of base salary	Age at disablement	Multiple of base salary
55	4.5	60	2.0
56	4.0	61	1.5
57	3.5	62	1.0
58	3.0	63	0.5
59	2.5	64 or more	0

## Here's how your standard cover works...

Sara becomes totally and permanently disabled at age 40. At the time of her disablement, Sara is on a base salary of \$60,000 p.a. She had not taken any additional insurance cover. Therefore, her TPD benefit is the total balance of her accounts in the Plan plus her insured benefit (5 x her salary), as shown.



Employer Account	\$30,000
Member Account	\$20,000
Rollover Account	\$5,000
Insured benefit (5 x \$60,000)	\$300,000
<b>Sara's total disablement benefit</b>	<b>\$355,000</b>

If Sara had been 57 (i.e. over age 55) when she was totally and permanently disabled, her TPD benefit would be:

Employer Account	\$30,000
Member Account	\$20,000
Rollover Account	\$5,000
Insured benefit (3.5 x \$60,000)	\$210,000
<b>Sara's total disablement benefit</b>	<b>\$265,000</b>

This second calculation shows the reduced standard insurance benefit for members over age 55 (see the table above).

## What happens if you work overseas, or take parental or unpaid leave?

If you are an Australian resident and temporarily employed by Oracle overseas, your insurance cover may continue depending on the country you reside in. However, if you are not an Australian resident, you will generally only have cover for 90 days from the date you leave Australia. You should contact the Plan Administrator (see the front cover for contact details) well before your departure from Australia to determine whether your insurance cover will continue.

The insurer may require you to return to Australia at your own expense for medical treatment or assessment and may not pay a benefit for TPD if you do not return to Australia.

If you go on maternity/paternity leave, which has been approved by Oracle (with dates of leave and expected return recorded), insurance cover will continue for up to 24 months.

For unpaid leave (for reasons other than injury or sickness):

- **of less than 24 months**, which has been approved by Oracle before unpaid leave commences (with dates of leave and expected return recorded) – insurance cover will continue; or
- **of more than 24 months** – insurance cover will only continue if the insurer provides their prior approval. If you will be on unpaid leave beyond this period, you may apply to extend cover beyond the 24 months but must contact the Plan Administrator to arrange the extension before the 24 month period ends and a different definition of TPD may apply after the end of the 24 month period. If your cover ceases because your leave exceeds the agreed length of time, you will need to provide health evidence before your cover can recommence (see page 1).

## When will your standard cover end?

Your standard insurance cover under the Plan will end on the earliest of the following:

- You elect to have Oracle's SG contributions paid to another super fund (cover will cease on the date the first SG contribution is paid to the other fund);
- A benefit becomes payable to you under the insurance policy;
- You reach age 65;
- You die;
- 60 days after you leave Oracle or no longer satisfy the eligibility criteria;
- The policy is terminated or cancelled;
- You are employed overseas and no longer meet the conditions for cover (see above);
- You are no longer an Australian Resident, you are no longer permanently in Australia or are no longer eligible to work in Australia;
- Your application for a personal policy under the Plan's continuation option (see page 6) is accepted or declined;
- You commence duty with certain military services;
- You take unpaid leave for a period longer than approved by Oracle and agreed by the insurer. For unpaid leave exceeding 24 months, the insurer must approve the continuation of any cover in writing.

Note that the above is a summary only.

### Temporary disablement insurance cover



You may also be eligible to receive temporary disablement insurance cover while you are an Oracle employee. This temporary cover is provided by Oracle and not through the Plan. Speak to Human Resources or the Plan Administrator (see the front cover for contact details) for more information.

## ADDITIONAL INSURANCE COVER

You can apply for additional insurance cover through the Plan above the standard death and TPD cover provided to you as a Plan member. However, you must be under age 65 and a permanent Oracle employee working on average at least 15 hours per week over a three month period. Permanent employees working on average less than 15 hours per week over a three month period are eligible to apply for additional cover, however, restrictions apply and disablement benefits are only payable in limited circumstances. Please contact the Plan Administrator for more information. Retained Benefit members cannot apply for additional cover.

This additional insurance is purchased in units of cover. The amount of additional cover you receive for each unit you purchase depends on your age, as shown in the table on the right.

If you take out additional voluntary insurance cover through the Plan, there is a limit to the total amount of TPD cover you can have. The total of your standard insured TPD benefit and your additional voluntary insurance cannot exceed \$2.5 million.

At the date of publication, the standard cost for each unit of cover is \$3.57 per month, although the fee is subject to change. This fee is deducted from your Employer Account in the Plan. The cost may be higher if the insurer applies a loading to your fee based on the medical evidence that you provide.

If you die, your additional cover will be paid in addition to your standard death benefit. Your nomination of beneficiaries applies to both your basic death benefit and your additional voluntary insurance benefit (see the *Benefits of investing with the Oracle Superannuation Plan* section in the *Additional information* factsheet for further details, available on the website at <https://super.towerswatson.com/super/oracle>).

As with your standard insurance cover, payment of a disablement benefit under your additional voluntary insurance is subject to you meeting the insurer's definition of TPD (see page 1).

### Exclusions for additional insurance cover

The same restrictions and conditions apply to this extra cover that apply to your standard death and TPD cover under the Plan, as detailed in this document. Also, for voluntary insurance, any increase in voluntary insurance or reinstated cover, the insurer will not pay a benefit if, within 13 months of the relevant cover starting (or increasing) a claim is submitted as a result of:

- Suicide or attempted suicide; or
- An intentional self-inflicted injury or infection.

Similar exclusions apply during a period of interim accident cover (while the insurer assesses your application).

### Additional death and TPD insurance per unit of cover

Your current age	Amount of insurance per unit	Your current age	Amount of insurance per unit
<b>33 and under</b>	\$157,480	<b>50</b>	\$23,400
<b>34</b>	\$135,850	<b>51</b>	\$20,500
<b>35</b>	\$124,980	<b>52</b>	\$18,080
<b>36</b>	\$118,400	<b>53</b>	\$15,700
<b>37</b>	\$106,380	<b>54</b>	\$13,300
<b>38</b>	\$99,170	<b>55</b>	\$12,000
<b>39</b>	\$90,180	<b>56</b>	\$10,250
<b>40</b>	\$82,350	<b>57</b>	\$9,000
<b>41</b>	\$73,400	<b>58</b>	\$7,850
<b>42</b>	\$64,900	<b>59</b>	\$7,200
<b>43</b>	\$57,680	<b>60</b>	\$6,550
<b>44</b>	\$51,100	<b>61</b>	\$6,050
<b>45</b>	\$45,700	<b>62</b>	\$5,450
<b>46</b>	\$39,700	<b>63</b>	\$4,800
<b>47</b>	\$34,900	<b>64</b>	\$4,180
<b>48</b>	\$30,650	<b>65</b>	Nil
<b>49</b>	\$27,060		

## Applying for additional insurance cover

If eligible, you can apply for additional insurance cover at any time. To do so, you will need to complete a *My Extra Insurance form*, indicating the number of units of cover you wish to purchase. This form is available from the Plan Administrator or can be downloaded from the website at <https://super.towerswatson.com/super/oracle>.

The insurer also requires you to complete an *Application for Insurance form* (also available on the website or from the Plan Administrator) to show that you are in good health. The insurer will review this information and may request additional information (see “Providing health evidence” on page 1).

The insurer may apply a loading to your fee or impose restrictions or exclusions on the cover granted. It may even refuse your application for additional cover. However, this would not generally affect your standard cover in the Plan.

If you do not submit all required evidence, or if the insurer does not accept your application, your benefits will be restricted accordingly. You will be advised if this affects you.

Your additional insurance cover will start from the date advised by the insurer in writing.

If you apply for additional insurance cover, you will be covered for accidental death and TPD for up to 90 days while the insurer assesses your application (this is called interim accident cover). The interim accidental cover is equal to the amount of cover applied for, up to a maximum of \$2 million. You will generally continue to be entitled to your standard insured benefits as a member of the Plan (if any) while you are waiting to hear from the insurer, or if your application for additional cover is refused.

## Changing your additional insurance cover

Once your application for additional insurance cover has been accepted, you can increase your level of cover as at 1 June each year.

If you would like to increase your level of cover, you will need to complete another *My Extra Insurance form* and an *Application for Insurance form*.

The insurer will review your application and may ask you for more information (see “Providing health evidence” on page 1). The insurer reserves the right to refuse or grant extra insurance cover based on this information; however, this will not generally affect your standard cover with the Plan.

If you would like to stop or reduce your additional voluntary insurance cover, submit your request in writing to “The Trustee of the Oracle Superannuation Plan” via the Plan Administrator (see the front cover for contact details).

### Here’s how your additional insurance cover works...

Andrew, age 44, earns \$70,000 per year, which means his current standard insurance cover provided by Oracle is \$350,000 (i.e. 5 x \$70,000).

He decides to apply for two additional units of cover through the Plan’s insurer, which increases his total cover by \$102,200 (2 x \$51,100).

Each unit of additional cover costs \$3.57 per month.

Therefore, if accepted by the insurer, the cost of Andrew’s additional cover will be \$85.68 per year and will be deducted from his Employer Account on a monthly basis.



## HOW TO MAKE AN INSURANCE CLAIM

To make an insurance claim, you (or your representative) should contact the Plan Administrator to obtain the appropriate forms. The claim must be lodged as soon as possible after you became aware of a claim or possible claim. You do not need to wait until the end of the waiting period before lodging your claim, although the insurer may defer a final decision on your claim until after the end of the waiting period.

### Medical evidence for TPD claims

If you are making a TPD claim, you will be required to undergo one or more medical examinations and provide any other information requested by the insurer in order to determine whether you satisfy the relevant definition of disablement. It can take some time to obtain all the required information or obtain appointments for medical examinations. This means that it may be some time before your claim is finalised and, if it is accepted, for payment to be made.

### Investment of death/TPD insured benefit

If the insurer approves your claim and pays your insured benefit, that benefit will be invested in the Plan’s bank account and will therefore receive the rate of interest on the Plan’s bank account until it is paid to you or your beneficiaries. Your account balances will remain invested in your chosen investment option(s) until payment from the Plan.



## INSURANCE RISKS

The Trustee uses an insurance policy to meet the insurance benefits payable on death or TPD. If the insurer imposes restrictions or special conditions on your insurance or refuses to pay a claim, the Trustee has the power under the Trust Deed to adjust your benefits accordingly.

As a result, there are a number of risks associated with the restrictions and special conditions that may be imposed by the insurance company. These include:

- The risk that you may suffer an injury or illness such that you cannot work, but are not sufficiently injured or ill to satisfy the Plan's definition of disablement. In this case, no insurance benefit will be paid to you.
- The risk that, even if your claim is accepted, it may take some time for payment to be made. For example, it can take some time to obtain all the required information to assess the claim.
- The risk that the insurer may refuse to provide cover in certain circumstances, for example, if you commit suicide or intentionally injure yourself, or make a claim caused by war.
- The risk that you may not be covered if you do not join the Oracle Plan when you are first eligible.
- The risk that you may not be covered if you work less hours per week than the minimum required under the policy. For example, casuals, part-time employees or employees on unpaid leave may not be covered (see page 2 for more details on when insurance cover ceases or is not available).
- The risk that the maximum amount of cover allowable under the policy may be insufficient to meet your needs.
- The risk that the insurer may decline (or defer) your cover, which may also affect your ability to obtain insurance cover in the future.
- The risk that the insurer may not provide cover if you are required to work overseas in certain countries.

Other risks associated with membership in the Plan are set out in the *Benefits of investing with the Oracle Superannuation Plan* section in the *Additional information* factsheet. For details of investment risks, see the *How we invest your money* factsheet, both of which are available at <https://super.towerswatson.com/super/oracle>.

## INSURANCE RESTRICTIONS AND CONDITIONS

Part of the benefit payable on death or TPD is met from an insurance policy taken out by the Trustee and is subject to the terms and conditions of that policy. The Trustee can change the Plan's insurer at any time.

From time to time, you may be required to submit evidence of good health to the Trustee or the insurer, for example, if you do not join the Plan when first eligible, or if you apply for additional voluntary insurance cover or your cover exceeds the limit set by the insurer (e.g. due to a salary increase). The insurer will assess the evidence and may apply a loading to your fee, or impose restrictions or exclusions on the cover granted. It may even refuse to provide you with cover. If you do not submit all required evidence, your benefits will be restricted.

If, for any reason, the insurer does not accept or restricts your cover or does not pay out all or part of the insurance, your benefits will be reduced accordingly. For example, the insurer may refuse to pay an insured benefit if you make a fraudulent claim. In addition, no insurance benefit will be paid if your claim is caused directly or indirectly by an act of war, other than while on service with the Australian Armed Forces Reserve.

# CONTINUING YOUR INSURANCE WHEN YOU LEAVE

When you leave Oracle, the level of death and TPD cover you had as an employee may continue for up to 60 days or earlier as set out on page 2. Conditions apply.

If you were a permanent employee, you may be able to arrange to continue the death cover you had as an employed member of the Plan by purchasing a personal insurance policy through the Plan's insurer at your own expense without the need to provide evidence of good health. To continue your death cover under this option, you must:

- Be an Australian resident;
- No longer be a member of the Plan;
- Not be joining any military forces (other than the Australian Armed Forces Reserve and not on active duty outside Australia);
- Have been actively performing all your duties of your occupation for your usual hours and free from any limitation due to illness or injury on the last day before your cover as an employee ends;
- Apply for your replacement cover within 60 days of leaving the Company;
- Be under age 60;
- Complete the insurer's application for the cover;
- Not be receiving income support benefits and not be receiving nor eligible to receive a benefit from the insurer; and
- Not have stopped working for Oracle because of injury or illness.

Please note, you cannot continue your TPD cover under this arrangement.

If you take out a personal policy with the Plan's insurer under this option, no medical evidence of good health will normally be required. However, any restrictions, loadings or other special terms that applied to your cover while you were a member of the Plan will continue to apply to your personal policy. You must also meet the insurer's other underwriting criteria to continue cover, which may include providing non-medical evidence such as details of occupations and pastimes. The amount of cover will be limited to the amount of cover you had in the Plan or any lower maximum imposed by the insurer. The insurer reserves the right to decline your application.

For more information on continuing your insurance cover when you leave the Company, contact the Plan Administrator. You can also apply to continue the temporary disablement cover provided by Oracle – speak to Human Resources or the Plan Administrator for details (contact details are on the front of this document).

