



IPE Super's Insurance Guide

www.ipesuper.com.au
1800 257 135

1 October 2019

Contents

- 2** Important information
- 3** Insurance cover for death and disability
- 7** Additional voluntary insurance
- 9** Optional income protection insurance
- 11** Continuing your insurance when you leave the Company
- 12** Insurance for Spouse members
- 13** Insurance restrictions and conditions
- 14** Risks of insurance

Important information

The information in this document forms part of the Incitec Pivot Employees Superannuation Fund Product Disclosure Statements (PDS) for the:

- **Accumulation section including Retained Benefits section, *Your IPE Super Guide* (dated 1 October 2019); and**
- **Spouse section, *IPE Super for Spouse members* (dated 1 October 2019).**

This information should be read in conjunction with the other documents which form part of each Product Disclosure Statement. You should consider this information before making a decision about the product.

The information provided is general information only and does not take into account your particular objectives, financial circumstances or needs. It is not personal or tax advice. 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 about your particular circumstances before making any financial or investment decisions based on the information contained in this document.

Neither the Trustee nor Incitec Pivot Limited (IPL) will provide you with financial advice. The Trustee will only provide factual information or general superannuation advice.

Information on tax and superannuation legislation is current as at 1 July 2019. The Trustee reserves the right to correct any errors or omissions.

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 found at www.ipesuper.com.au. In addition, we will provide a hardcopy free of charge on request if you contact the IPE Super Helpline on **1800 257 135**.

FOR FURTHER INFORMATION

The Fund Administrator

IPE Super
PO Box 1442
Parramatta NSW 2124
Helpline: **1800 257 135**
Email: ipesuperadmin@linksuper.com
Website: www.ipesuper.com.au

Insurance cover for death and disability

As a member of IPE Super and a **permanent employee**, you may receive insured benefits in addition to the balance of your IPE Super account if you die, become terminally ill or become totally and permanently disabled (TPD).

Permanent part-time employees are not eligible for TPD insurance if they work less than 15 hours per week.

In this PDS, references to death cover include cover for terminal illness.

Casual employees are only eligible for death cover – see page 6 for details.

Insurance arrangements for Spouse members are on page 12 of this guide.

You should refer to page 13 for important information about the terms and conditions of this cover, including circumstances where cover may not commence automatically or may be subject to restrictions or other conditions.

Insurance cover in IPE Super is currently provided by MetLife Insurance Limited (ABN 75 004 274 882). The Trustee will review this appointment from time to time.



Permanent employees can choose from four standard levels of cover – 5%, 10%, 15% or 20%. You can opt out of all cover, or out of TPD cover only, on written request to the Trustee. You cannot opt out of life cover, but retain your TPD cover.

The amount of cover is calculated as:

Your chosen percentage x your future service to age 65 x your super salary

Your insured benefit is based on your super salary at the time of your death, or TPD. Your future service to age 65 is calculated in years and complete months from the date of death or total and permanent disablement.

If you do not choose a level of cover, you will receive the default level of 15%.

The fees for death and TPD cover are deducted from your IPE Super account and, because they depend on your age and amount of cover, they will change each year. To see how the insurance fees are calculated, see page 5.

You can change your cover up to the 20% level at any time by contacting the IPE Super Helpline. If you choose the 20% level within 90 days of joining IPE Super and your cover is below the limit set by the insurer, no evidence of good health will be required for the increase. Any other increases in cover are subject to approval by the insurer and, if required, to you providing evidence of good health.

Each level of cover can be expressed as a multiple of your super salary, as shown in the table overleaf.

WHAT DEFINES A DISABILITY?

Total and permanent disablement is defined in the insurance policy and the definition may therefore vary over time.

“Total and Permanent Disablement” generally means that, in the opinion of the insurer and the Trustee, you have become incapacitated to such an extent that you are unlikely ever to work for reward in any occupation for which you are reasonably qualified by education, training or experience, and one of the following apply:

- You have been absent from employment due to illness or injury for at least six consecutive months;
- You have suffered the permanent loss of use of two limbs, or the sight of both eyes, or the loss or use of one limb and the sight of one eye (where a “limb” is the whole hand or foot);
- As a result of your illness or injury you are permanently unable to perform at least two basic activities of daily living such as feeding, bathing or dressing;
- As a result of your illness or injury you are suffering from the permanent deterioration of intellectual capacity such that you have been required to be under the continuous care of another adult for at least six months, and such care is likely to be permanent, daily and ongoing.

This is just a summary, and you should refer to the Fund’s Trust Deed and insurance policy for the full definition.

A different definition may apply if you held TPD cover in the Fund on 30 June 2014 or if you have been on employer-approved leave for more than 24 months. In all cases, you must have ceased to be employed by your employer as a result of your injury or illness and the insured benefit will only be paid if the insurer and Trustee approve your claim.

“Terminal illness” is when an insured member suffers from a sickness which:

- A medical practitioner, specialising in the insured member’s sickness, certifies in writing will, despite reasonable medical treatment, lead to the insured member’s death within 12 months of the date of certification; and
- The insurer is satisfied, on medical or other evidence, despite reasonable medical treatment, will lead to the insured member’s death within 12 months of the date of certification.

Both the illness and certification (as mentioned in the definition above) must take place while the member is covered under IPE Super’s insurance policy.

There may be other circumstances not outlined above that would give rise to the payment of a TPD or terminal illness benefit under IPE Super’s insurance policy.

In all circumstances, the insured benefit will be paid to you only if the Trustee and insurer approve your claim.

Once you have ceased employment with the Company, your insurance cover, if any, (other than any income protection cover) will be provided through IPE Super’s Retained Benefits section. While a Retained Benefits member, a different definition of total and permanent disablement may apply. Contact the IPE Super Helpline on **1800 257 135** for more information.

LEVEL OF COVER

Jack is age 30 and has a super salary of \$80,000. Using the table below, Jack's choices would be as follows:

Choice	Insurance cover
1	1.75 (35 years to age 65 x 5%) x \$80,000 = \$140,000
2	3.50 (35 years to age 65 x 10%) x \$80,000 = \$280,000
3	5.25 (35 years to age 65 x 15%) x \$80,000 = \$420,000
4	7.00 (35 years to age 65 x 20%) x \$80,000 = \$560,000

Jack selects a level of cover of 10% giving him \$280,000 of cover. One year later, if Jack's super salary remains the same at \$80,000, his insurance cover would be: 3.40 (34 years to age 65 x 10%) x \$80,000 = **\$272,000**.

Age at death or disablement	Level of cover				Age at death or disablement	Level of cover			
	5%	10%	15%	20%		5%	10%	15%	20%
16	2.45	4.90	7.35	9.80	41	1.20	2.40	3.60	4.80
17	2.40	4.80	7.20	9.60	42	1.15	2.30	3.45	4.60
18	2.35	4.70	7.05	9.40	43	1.10	2.20	3.30	4.40
19	2.30	4.60	6.90	9.20	44	1.05	2.10	3.15	4.20
20	2.25	4.50	6.75	9.00	45	1.00	2.00	3.00	4.00
21	2.20	4.40	6.60	8.80	46	0.95	1.90	2.85	3.80
22	2.15	4.30	6.45	8.60	47	0.90	1.80	2.70	3.60
23	2.10	4.20	6.30	8.40	48	0.85	1.70	2.55	3.40
24	2.05	4.10	6.15	8.20	49	0.80	1.60	2.40	3.20
25	2.00	4.00	6.00	8.00	50	0.75	1.50	2.25	3.00
26	1.95	3.90	5.85	7.80	51	0.70	1.40	2.10	2.80
27	1.90	3.80	5.70	7.60	52	0.65	1.30	1.95	2.60
28	1.85	3.70	5.55	7.40	53	0.60	1.20	1.80	2.40
29	1.80	3.60	5.40	7.20	54	0.55	1.10	1.65	2.20
30	1.75	3.50	5.25	7.00	55	0.50	1.00	1.50	2.00
31	1.70	3.40	5.10	6.80	56	0.45	0.90	1.35	1.80
32	1.65	3.30	4.95	6.60	57	0.40	0.80	1.20	1.60
33	1.60	3.20	4.80	6.40	58	0.35	0.70	1.05	1.40
34	1.55	3.10	4.65	6.20	59	0.30	0.60	0.90	1.20
35	1.50	3.00	4.50	6.00	60	0.25	0.50	0.75	1.00
36	1.45	2.90	4.35	5.80	61	0.20	0.40	0.60	0.80
37	1.40	2.80	4.20	5.60	62	0.15	0.30	0.45	0.60
38	1.35	2.70	4.05	5.40	63	0.10	0.20	0.30	0.40
39	1.30	2.60	3.90	5.20	64	0.05	0.10	0.15	0.20
40	1.25	2.50	3.75	5.00					

CALCULATING YOUR INSURANCE FEE

IPE Super offers you insurance fees that may be lower than the fees that apply to personal insurance policies.

This is because IPE Super buys its insurance at wholesale rates and there are no sales commissions.

Like most life insurance policies, the fees charged depend on your age and how much cover you wish to purchase.

To calculate your fee, follow these steps:

1. Determine how much cover you need (see previous page).
2. Go to the rates table below and find the rate for your age.
3. Calculate your annual fee: **insurance rate x amount of insurance cover selected ÷ \$1,000.**
4. If the insurer has applied a loading to your insurance cover, then you need to apply that loading to the fee in step 3.

These fees are subject to change from time to time.

Annual fee for every \$1,000 of insurance cover

Age	Rate per \$1,000 of insurance cover		Age	Rate per \$1,000 of insurance cover	
	Death and TPD cover	Death only cover		Death and TPD cover	Death only cover
15	\$0.29	\$0.29	40	\$0.96	\$0.58
16	\$0.34	\$0.34	41	\$1.08	\$0.63
17	\$0.43	\$0.43	42	\$1.22	\$0.70
18	\$0.50	\$0.50	43	\$1.37	\$0.77
19	\$0.52	\$0.50	44	\$1.54	\$0.84
20	\$0.51	\$0.50	45	\$1.73	\$0.93
21	\$0.50	\$0.46	46	\$1.94	\$1.00
22	\$0.50	\$0.44	47	\$2.18	\$1.10
23	\$0.48	\$0.43	48	\$2.45	\$1.20
24	\$0.48	\$0.41	49	\$2.76	\$1.32
25	\$0.46	\$0.39	50	\$3.11	\$1.45
26	\$0.44	\$0.36	51	\$3.51	\$1.59
27	\$0.43	\$0.35	52	\$3.95	\$1.74
28	\$0.45	\$0.35	53	\$4.40	\$1.89
29	\$0.46	\$0.35	54	\$4.93	\$2.07
30	\$0.46	\$0.35	55	\$5.45	\$2.24
31	\$0.48	\$0.35	56	\$6.01	\$2.45
32	\$0.51	\$0.37	57	\$6.69	\$2.68
33	\$0.53	\$0.38	58	\$7.45	\$2.95
34	\$0.57	\$0.41	59	\$8.34	\$3.24
35	\$0.60	\$0.42	60	\$9.32	\$3.56
36	\$0.65	\$0.43	61	\$10.41	\$3.92
37	\$0.71	\$0.45	62	\$11.58	\$4.30
38	\$0.78	\$0.50	63	\$12.89	\$4.69
39	\$0.86	\$0.53	64	\$14.28	\$5.10

Note: The above insurance fees are current as at 1 July 2019 but are subject to change.

Example



Using our previous example, Jack who is 30 years old and earns \$80,000, selected the 10% cover level for his death and TPD insurance cover (i.e. 10% x 35 x \$80,000 = \$280,000). This is how Jack would calculate the annual fee:

\$0.46 (rate for age 30)
 x (\$280,000 ÷ \$1,000)
 = \$0.46 x \$280
 = **\$128.80** per year (or around \$2.48 per week).

In one year's time, Jack's insurance fee will increase to:

\$0.48 x \$272 = **\$130.56 per year**

INSURANCE COVER FOR CASUALS

Casual employees are automatically provided with death cover, which includes cover for terminal illness.

The level of cover provided is based on your age, as shown in the table below. The cost of cover is \$1.16 per week and is deducted from your IPE Super account. You can cancel this cover at any time on written request to the Trustee. Cover ceases at age 65.

Age	Level of cover	Age	Level of cover
15	\$137,200	40	\$78,200
16	\$137,200	41	\$73,100
17	\$137,200	42	\$67,900
18	\$137,200	43	\$61,500
19	\$137,200	44	\$56,400
20	\$137,200	45	\$52,600
21	\$137,200	46	\$48,700
22	\$137,200	47	\$44,900
23	\$137,200	48	\$41,000
24	\$137,200	49	\$37,200
25	\$137,200	50	\$34,600
26	\$137,200	51	\$32,100
27	\$137,200	52	\$29,500
28	\$137,200	53	\$26,900
29	\$137,200	54	\$25,600
30	\$130,800	55	\$24,100
31	\$124,400	56	\$22,200
32	\$119,200	57	\$20,300
33	\$114,100	58	\$18,200
34	\$109,000	59	\$16,300
35	\$103,800	60	\$14,400
36	\$98,700	61	\$13,100
37	\$93,600	62	\$12,300
38	\$88,500	63	\$11,700
39	\$83,300	64	\$11,000

Note: The above levels of cover are current as at 1 July 2019 but are subject to change.

Additional voluntary insurance

IPE Super allows members who are permanent employees to choose from four levels of standard insurance cover (5%, 10%, 15% and 20%). The standard insurance benefit is calculated as:

$$\text{Your chosen percentage} \times \text{your future service to age 65} \times \text{your super salary.}$$

If you choose the 20% level of cover, you can also purchase additional voluntary insurance cover. Casual employees cannot purchase additional voluntary insurance cover. Spouse members should refer to page 12 for details of Spouse insurance cover.

HOW MUCH ADDITIONAL COVER CAN I BUY?

You can select the amount of additional cover you want in multiples of \$10,000. There is an overall maximum (including your standard cover) of \$5 million for death cover and \$3 million for TPD cover.

HOW DO I PAY FOR THE COVER?

You do not need to physically make any payments for this cover. The cost of additional cover will simply be deducted from your IPE Super account, provided there are sufficient funds in your account to cover the insurance fees.

ARE THE FEES COMPETITIVE?

In most cases, the fees should be lower than those available through personal insurance policies. This is because IPE Super buys its insurance at wholesale rates and there are no sales commissions.

ARE THERE ANY OTHER COSTS?

There are no other costs such as commissions or administration fees associated with the Fund's insurance arrangements.

WHAT ARE THE FEES?

Like most life insurance, the fees depend on your age and the amount of cover you wish to purchase.

The standard annual insurance fee is calculated using the table to the right. These rates are subject to change from time to time. You should also note that the insurer may impose a fee loading in certain circumstances based on the medical evidence that you provide. The cost of cover generally changes each year as you get older.

For example:

- Jo is aged 35. She has just had a child and wants to increase her death and TPD cover. If she wants \$50,000 of additional cover she will pay \$36.50 in standard fees in the first year (calculated as 50 x \$0.73). The cost will increase to \$39.00 in the next year (calculated as 50 x \$0.78).
- Ian is aged 28 and has just bought his first home. He wants to purchase additional cover of \$80,000 to make sure that his mortgage is covered in the event of his death or disablement. The standard cost of \$80,000 cover for Ian is \$42.40 in the first year (calculated as 80 x \$0.53). In the next year, the cost will increase to \$44.80 (80 x \$0.56).

Annual fees for additional voluntary insurance

Age	Rate per \$1,000 of insurance cover		Age	Rate per \$1,000 of insurance cover	
	Death and TPD cover	Death only cover		Death and TPD cover	Death only cover
15	\$0.35	\$0.35	40	\$1.15	\$0.71
16	\$0.41	\$0.41	41	\$1.29	\$0.75
17	\$0.51	\$0.51	42	\$1.45	\$0.82
18	\$0.60	\$0.59	43	\$1.64	\$0.92
19	\$0.64	\$0.59	44	\$1.85	\$1.00
20	\$0.62	\$0.59	45	\$2.08	\$1.10
21	\$0.60	\$0.56	46	\$2.32	\$1.20
22	\$0.60	\$0.52	47	\$2.62	\$1.32
23	\$0.57	\$0.51	48	\$2.94	\$1.44
24	\$0.57	\$0.49	49	\$3.32	\$1.58
25	\$0.55	\$0.48	50	\$3.74	\$1.74
26	\$0.53	\$0.44	51	\$4.20	\$1.90
27	\$0.52	\$0.42	52	\$4.74	\$2.09
28	\$0.53	\$0.42	53	\$5.28	\$2.26
29	\$0.56	\$0.42	54	\$5.92	\$2.48
30	\$0.56	\$0.43	55	\$6.52	\$2.69
31	\$0.57	\$0.43	56	\$7.22	\$2.95
32	\$0.60	\$0.44	57	\$8.03	\$3.22
33	\$0.64	\$0.46	58	\$8.95	\$3.53
34	\$0.67	\$0.48	59	\$10.01	\$3.89
35	\$0.73	\$0.50	60	\$11.18	\$4.27
36	\$0.78	\$0.52	61	\$12.49	\$4.70
37	\$0.85	\$0.53	62	\$13.89	\$5.15
38	\$0.93	\$0.59	63	\$15.45	\$5.62
39	\$1.03	\$0.65	64	\$17.14	\$6.12

Note: The above levels of cover are current as at 1 July 2019 but are subject to change.

HOW DO I KNOW HOW MUCH STANDARD INSURANCE COVER I'VE ALREADY GOT WITH IPE SUPER?

Your annual *Benefit Statement* shows your standard death and TPD benefit at 30 June. If you have recently joined IPE Super, this amount is also shown on your welcome letter.

HOW DO I KNOW HOW MUCH ADDITIONAL COVER I NEED?

Everyone's situation is different. In order to work out how much insurance cover you need, you should consider the following:

- Whether you have dependants who rely on you for financial support;
- The size of your financial commitments, such as your mortgage and other loans;
- The value of your current assets including superannuation you have already accumulated, and your standard insurance cover in IPE Super; and
- The impact that the cost of insurance fees will have on the growth of your benefit.

HOW MUCH ADDITIONAL COVER DO I HAVE?

Your annual *Benefit Statement* will show you the amount of your additional insurance cover.

DO I NEED TO PROVIDE EVIDENCE OF GOOD HEALTH BEFORE MY ADDITIONAL COVER STARTS?

Like most other insurance, the insurer will need to assess your application before your additional cover starts. As a first step, you will need to complete the insurer's form included in the *Application for Additional Voluntary Insurance*. You should read the "duty of disclosure" section carefully.

Depending on the amount of cover you require and the content of your Statement, you may also be required to provide certain financial information or undergo further medical examinations or tests (known as "underwriting"). The insurer will pay for these. The insurer will assess the results and may apply a loading to your fee, or impose restrictions or exclusions on the cover granted to you. The insurer may even refuse your application for cover. Any cover subject to underwriting will only be granted if you provide all required evidence and the insurer grants the cover in writing. It will commence on the date advised by the insurer.

However, while your application is being assessed, you will be covered against accidental death or TPD for a period not exceeding 90 days from the date your application is received by the insurer. Total accidental cover will be limited to the cover you applied for, or \$1,500,000 less your standard insured benefit, whichever is lower.

If you exercise the option to direct your future Superannuation Guarantee (SG) contributions to a fund other than IPE Super and then subsequently elect to re-direct your SG contributions back to IPE Super, the Fund's insurer may wish to underwrite you before you are accepted for insurance cover if that cover is greater than the cover you had in the Fund's Retained Benefits section.

HOW DO I APPLY FOR ADDITIONAL INSURANCE COVER?

1. Complete an *Application for Additional Voluntary Insurance* which is available at www.ipesuper.com.au or by calling the IPE Super Helpline on **1800 257 135**.
2. Ensure that you complete the insurer's form that accompanies it.

3. You should send your completed forms to the Fund Administrator at:

IPE Super
PO Box 1442
Parramatta NSW 2124

If you return the insurer's form in a separate sealed envelope, it will be sent unopened to the insurer.

The Fund Administrator will contact you shortly thereafter to confirm your cover, or advise you of any additional requirements, such as medical tests.

Your additional cover commences only if your application is approved by the insurer and is subject to any conditions set by the insurer.

CAN I CHANGE MY COVER?

You can stop or decrease the amount of your additional voluntary cover at any time by simply writing to the Fund Administrator.

You can also increase your cover at any time, but you will need to complete a new form for the insurer, and may require further medical tests.

WHEN WILL A BENEFIT BE PAYABLE?

A benefit is payable on your death, or on meeting the insurer's definition of either "terminal illness" or "total and permanent disablement". The current definitions are shown on page 3.

The benefit payable will be met from an insurance policy taken out by the Trustee of the Fund and is subject to the terms and conditions of that policy. For information on these terms and conditions, refer to page 13.

In all circumstances, the additional benefit will be paid to you only if the Trustee and insurer approve your claim.

WHO RECEIVES THE ADDITIONAL INSURED BENEFIT ON MY DEATH?

Your additional insured benefit will be paid in the same way as your standard death benefit from IPE Super.

Optional income protection insurance

Income protection insurance provides you with a regular monthly income of up to 75% of your super salary* if you are unable to work for more than three months due to illness or injury, and you satisfy the insurer's definition of "totally disabled"**.

Provided your claim is accepted by the insurer, payments generally commence effective three months after your last day at work and, provided that you continue to meet the Fund's insurer's definition of "totally disabled"**, are payable for up to two years (or to age 65, whichever is earlier).

If you are receiving other sickness or accident benefits while you are off work, such as WorkCover, TAC benefits, or other income protection benefits, or you receive payments from your employer for working, your monthly income protection insurance payments will be reduced by these amounts.

Further, the regular income benefit will not be paid if your temporary disablement is due to war (including invasion or civil unrest and whether declared or not), intentional self-inflicted injury or normal pregnancy.

If you choose to direct your future SG contributions to a fund other than IPE Super, your cover will cease with effect from the last day of the month in which SG contributions are received by the Fund on your behalf. Further, if you transfer the whole of your benefit from the Fund, all cover under the Fund will cease on the day that your money is paid to your new fund.

* Subject to a maximum benefit of \$20,000 per month.

** Under the Fund's insurance policy, "totally disabled" refers to circumstances where, due to sickness or injury, you are not working and are unable to perform at least one income producing duty of your occupation. You must also be under the regular care, and following the advice, of a medical practitioner.

HOW CAN I OBTAIN INCOME PROTECTION INSURANCE?

IPE Super gives you the option of purchasing income protection insurance through the Fund.

You can apply for income protection insurance at any time. You need to fill out an *Application for Income Protection Insurance Form* and return it as directed. To apply, you must be a permanent employee working at least 15 hours per week. Casual employees and Spouse members are not eligible to apply for income protection insurance.

You should also complete the insurer's form which is included with the *Application for Income Protection Insurance Form*, or call the IPE Super Helpline on **1800 257 135** for a copy.

Cover is subject to approval by the Fund's insurer and you may be required to provide further evidence of good health, and/or undergo medical tests or examinations as requested by the insurer. The insurer will pay for these.

The insurer will assess the results and may apply a loading to your fee, or impose restrictions or exclusions on the cover granted. It may even refuse your application for cover.

Your cover will commence only if your application is approved by the insurer and, if so, will be effective from the date advised by the insurer.

If you have elected to re-direct your future SG contributions to another fund, you do not have the option of purchasing income protection insurance through IPE Super. If you subsequently elect to re-direct your SG contributions back to IPE Super, you will be eligible to apply for income protection insurance at that time.

The benefit payable will be met from an insurance policy taken out by the Trustee of the Fund and is subject to the terms and conditions of that policy. For information on these terms and conditions, refer to page 13.

HOW MUCH DOES IT COST?

The standard annual fee you will pay for IPE Super income protection insurance depends on your age and gender. You will pay your fee in monthly instalments, which will be deducted from your IPE Super account (provided there are sufficient funds in the account).

To calculate your annual fee, follow these simple steps:

1. Calculate the level of annual benefit payable under the policy. This is worked out as:
75% X your annual super salary***
2. Find the fee in the table on page 10 that applies to you based on your age and your gender.
3. Calculate the annual fee:
Fee X the amount of annual benefit ÷ 1,000
4. Divide your annual fee by 12 to calculate the monthly fee that will be deducted from your IPE Super account.

*** The maximum benefit payable is \$20,000 per month or \$240,000 p.a.

Stamp duty is payable on the fees for your income protection insurance. This cost is met from the Fund's assets and is not passed on to you either directly or indirectly.

INCOME PROTECTION INSURANCE FEES

Annual fees per \$1,000 of annual benefit[#]

Age	Male	Female	Age	Male	Female
15	\$1.84	\$2.04	40	\$2.74	\$4.14
16	\$1.86	\$2.07	41	\$3.03	\$4.56
17	\$1.94	\$2.15	42	\$3.34	\$5.02
18	\$1.97	\$2.20	43	\$3.68	\$5.51
19	\$1.97	\$2.20	44	\$4.12	\$6.13
20	\$2.02	\$2.33	45	\$4.50	\$6.68
21	\$1.86	\$2.25	46	\$5.00	\$7.32
22	\$1.76	\$2.20	47	\$5.56	\$8.08
23	\$1.68	\$2.17	48	\$6.21	\$8.88
24	\$1.60	\$2.17	49	\$6.88	\$9.71
25	\$1.50	\$2.15	50	\$7.69	\$10.61
26	\$1.45	\$2.20	51	\$8.57	\$11.57
27	\$1.45	\$2.30	52	\$9.58	\$12.58
28	\$1.45	\$2.36	53	\$10.66	\$13.64
29	\$1.45	\$2.38	54	\$11.93	\$14.81
30	\$1.50	\$2.46	55	\$13.33	\$16.02
31	\$1.53	\$2.51	56	\$14.86	\$17.29
32	\$1.60	\$2.61	57	\$16.54	\$18.58
33	\$1.68	\$2.69	58	\$18.40	\$19.96
34	\$1.73	\$2.74	59	\$20.47	\$21.41
35	\$1.86	\$2.92	60	\$23.01	\$23.19
36	\$1.97	\$3.05	61	\$25.81	\$25.05
37	\$2.15	\$3.29	62	\$28.96	\$27.33
38	\$2.30	\$3.52	63	\$25.18	\$23.06
39	\$2.51	\$3.80	64	\$9.11	\$8.33

[#] The fees shown in the table above are the standard fees and are current as at 1 July 2019. Insurance cover is subject to the provision of satisfactory health evidence and the Fund's insurer retains the right to decline cover or increase the fees shown above in individual cases. You will be notified if this applies to you.

Example



Susan is aged 30 and has an annual super salary of \$50,000. She wishes to take out income protection insurance through IPE Super. The annual fee that will be deducted from Susan's IPE Super account is calculated as follows:

1. Annual benefit = 75% x \$50,000 = \$37,500
2. As shown in the fee table, the rate for a female aged 30 is \$2.46
3. Annual fee = \$2.46 x \$37,500 ÷ 1,000 = **\$92.25 per year (\$7.69 per month)**

Continuing your insurance when you leave the Company

When you leave employment, your benefit is transferred to the Retained Benefits section. You can keep your life and disability cover in the Fund as described below. However if your account is inactive we may be required to cancel your cover.

Any income protection cover generally ceases 60 days after you leave employment but you have an option to continue this cover as a personal policy as described below.

LIFE AND DISABILITY COVER

Your life and terminal illness insurance and TPD cover continues automatically in the Retained Benefits section. On your cessation of employment with IPL, the amount of your insurance will be calculated. On your automatic transfer to IPE Super's Retained Benefits section, this will be the amount of your insurance cover.

This amount will be fixed, although you can reduce or cancel your cover in the Retained Benefits section at any time by completing a *Retained Benefits Member Change Form*. The fees will be the same as for permanent employees (see page 5 and page 7 if you have additional voluntary insurance).

While a Retained Benefits member, in certain circumstances, a non-occupation based definition of total and permanent disablement may apply.

If you later re-join the Company and IPE Super, your new standard cover will be the greater of the level of standard cover you choose on re-joining the Fund and the level of standard cover you have in the Retained Benefits section (i.e. you cannot double up on your standard insurance cover) plus the amount of any additional voluntary death insurance you had in the Retained Benefits section.

If you subsequently apply for additional voluntary insurance and your application is accepted by the insurer, this additional cover will be added to your total cover amount.

INCOME PROTECTION COVER

When you leave your employer, your income protection cover (if any) for temporary disablement generally ceases 60 days after you terminate employment (or earlier if you take up the option described to the right). This is called "extended cover".

You may have the opportunity of continuing the income protection cover you had as an employed member of IPE Super by purchasing a separate insurance policy through the Fund's insurer at your own expense without the need to provide evidence of good health. The fees for this separate policy will be based on the insurer's current retail fees, which will be different to the fee you paid while you were a member of IPE Super.

To be eligible to take advantage of this option to continue your income protection cover, you:

- Must apply and pay your insurance fee within 60 days of leaving the Company;
- Must be less than 60 years of age in the case of income protection cover at the time your cover ends under your policy with IPE Super;
- Must not have an insurance benefit payable to you as a member of IPE Super and there must not be any circumstances which, if the subject of a claim, would result in an insured benefit being paid to you as a member of IPE Super;

- Must not join the armed forces other than the Australian Armed Forces Reserve and must not be on active duty outside Australia;
- Prior to leaving your employer, must have been a permanent employee working at least 15 hours per week;
- Must have met all of the insurer's underwriting requirements for occupations and pastimes; and
- Must be leaving employment with your employer. This option is not available if you exercise "Choice of Fund" but remain an employee of IPL.

If you take out a separate policy with the Fund's insurer, no 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 IPE Super will continue to apply to your separate policy.

For more information on continuing your income protection cover when you leave the Company, contact the IPE Super Helpline on **1800 257 135**.

What if my account is inactive?

The Government has new rules that mean we may need to cancel your insurance cover if your account is "inactive" for 16 months. For insurance purposes, inactive accounts are those where neither a contribution nor rollover has been made within the previous 16 months. In these circumstances, we must cancel your insurance cover unless you tell us you want to continue your insurance cover at your own cost or you arrange to make a contribution or rollover. We will warn you in advance if your account is classified as inactive and your insurance could stop.

Should we have to cancel your insurance due to inactivity, we will confirm that this has happened and outline steps you can take to apply for your insurance to be reinstated. You will need to be fully assessed by the insurer before your insurance cover will be reinstated. Reinstated cover will only be effective from the date notified to you by the insurer. The terms of cover will be as advised to you by the insurer and not necessarily the same as what you held before it was cancelled. The insurer may apply a loading to your fee, or exclusion to the cover granted. While your application is being assessed, you will be covered against accidental death or accidental TPD for a period not exceeding 90 days from the date your application is received by the insurer.

Insurance for Spouse members

Spouse members are entitled to apply for life insurance through IPE Super. You can choose the amount of insurance cover you wish to purchase. The fees will be deducted from your Spouse account and the amount paid will appear on your annual *Benefit Statement* after 30 June each year.

The fees relating to the various levels of cover are set out to the right. Insurance cover for spouses relates to life insurance only and **does not** include cover for TPD.

To apply for life insurance cover, you must complete the "Life insurance cover section" of the *IPE Super Spouse Form* available from the IPE Super website at www.ipesuper.com.au and return it as directed.

Your application for cover will be assessed by the Fund's insurer, who will forward an additional health questionnaire to you for completion.

Based on the questionnaire and any other evidence requested, the insurer may apply a loading to your fee, or exclusion to the cover granted. Alternatively, it may refuse your application. Such a refusal may affect your ability to obtain insurance cover in the future.

You will be notified in writing of the insurer's decision and of any conditions that may have been imposed by the insurer. If the application is accepted, cover will commence from the day advised by the insurer.

Spouse members can cancel or change their insurance cover at any time by contacting the IPE Super Helpline on **1800 257 135**.

The benefit payable on death will be met from an insurance policy taken out by the Trustee of the Fund and is subject to the terms and conditions of that policy. For information on these terms and conditions, refer to page 13.

Cover will cease if:

- You decide to leave IPE Super and close your Spouse account;
- There is not enough money in your Spouse account to cover the insurance fees;
- A claim is paid;
- You reach age 65; or
- Your account is inactive and you have not elected for your cover to continue (refer to page 11).

Spouse members can elect to transfer out their account to another fund at any time (contact the Fund Administrator for further details). Any insurance cover you may have will cease on the date your benefit is paid to another fund and your account is closed.

Example

Erin is 30 years old and would like to purchase life insurance cover of \$200,000.

This is how Erin would calculate her annual insurance fee:

\$0.24 (rate for her age)

X (\$200,000 ÷ \$1,000)

= \$0.24 X \$200

= **\$48 per year** (or around 92 cents per week)



Annual fees for life insurance for Spouse members

Age	Rate per \$1,000 of cover		Age	Rate per \$1,000 of cover	
	Male	Female		Male	Female
15	\$0.44	\$0.20	40	\$0.87	\$0.60
16	\$0.51	\$0.22	41	\$0.94	\$0.67
17	\$0.65	\$0.27	42	\$1.02	\$0.71
18	\$0.75	\$0.29	43	\$1.14	\$0.75
19	\$0.75	\$0.29	44	\$1.25	\$0.78
20	\$0.75	\$0.27	45	\$1.38	\$0.82
21	\$0.71	\$0.27	46	\$1.50	\$0.85
22	\$0.67	\$0.27	47	\$1.65	\$0.92
23	\$0.65	\$0.24	48	\$1.81	\$0.99
24	\$0.63	\$0.22	49	\$1.99	\$1.07
25	\$0.60	\$0.22	50	\$2.18	\$1.16
26	\$0.56	\$0.20	51	\$2.38	\$1.31
27	\$0.53	\$0.20	52	\$2.61	\$1.47
28	\$0.53	\$0.20	53	\$2.83	\$1.63
29	\$0.53	\$0.22	54	\$3.10	\$1.79
30	\$0.53	\$0.24	55	\$3.37	\$1.94
31	\$0.53	\$0.24	56	\$3.68	\$2.14
32	\$0.56	\$0.27	57	\$4.02	\$2.35
33	\$0.58	\$0.29	58	\$4.41	\$2.54
34	\$0.60	\$0.34	59	\$4.86	\$2.76
35	\$0.63	\$0.36	60	\$5.35	\$3.01
36	\$0.65	\$0.41	61	\$5.89	\$3.27
37	\$0.67	\$0.44	62	\$6.44	\$3.61
38	\$0.73	\$0.49	63	\$7.02	\$4.06
39	\$0.80	\$0.53	64	\$7.63	\$4.55

Note: The above levels of cover are current as at 1 July 2019 but are subject to change.

Insurance restrictions and conditions

The insurance amounts payable on death or disablement are met from insurance policies taken out by the Fund, and are subject to the terms and conditions of those policies. The following is a summary only. In the event of any differences between this summary and the insurance policies or the Fund's Trust Deed, the policies or Trust Deed, as applicable, prevails.

There may be delays in processing your claim or gathering the data necessary to assess your claim.

Cover (other than voluntary cover) generally starts on the day you join the Fund.

However, if you are not actively at work in your usual occupation on the day you join IPL, then you may not receive full cover until you have been actively at work in your occupation for 30 days. If you are joining the Fund as a Spouse member, insurance cover does not commence until your application for cover has been successfully approved by the Fund's insurer.

From time to time, you may be asked to submit evidence of good health to IPE Super's insurer, for example, if you increase your cover, apply for additional voluntary insurance cover or income protection insurance, or if your standard cover exceeds the limit set by the insurer. If this applies to you, you should read the "duty of disclosure" section of the insurer's forms 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. The insurer will assess the evidence and may apply a loading to your fee, or impose restrictions or exclusions on the cover granted. The insurer may even refuse your application for cover. Such a refusal may affect your ability to obtain insurance cover in the future.

Your insurance cover will change on exercising "Choice of Fund" (as explained to the right). If you subsequently redirect SG contributions to the Fund after exercising "Choice of Fund", the Fund's insurer may wish to underwrite you before you are accepted for insurance cover if the new amount of cover is greater than the cover you have in the Fund's Retained Benefits section.

If, for some reason, the insurer does not pay out all or part of the insurance, then the benefit payable will be reduced by that amount. You will be advised if this affects you.

WHAT IF I TAKE LEAVE WITHOUT PAY?

If you are intending to take leave without pay (e.g. parental leave) for more than 30 days, you should contact the IPE Super Helpline on **1800 257 135** before you leave work to arrange for your insurance cover to continue.

If you are taking leave without pay, your insurance cover may stop due to inactivity (see page 11 for details).

WHAT HAPPENS IF I TRAVEL OVERSEAS?

If you are travelling overseas, cover will generally continue for up to three years for Australian residents. Non-Australian residents will be covered for a maximum of 90 days while overseas.

However, in some cases your insurance cover may stop due to account inactivity (see page 11 for details).

If you become disabled while overseas and make a claim, the insurer may require you to return to Australia at your own expense to enable your disability to be assessed before your claim is accepted.

WHEN DOES MY COVER STOP?

Your insurance cover stops when you reach age 65. It will stop earlier if an insurance claim is paid to you, you cease to be a member of the Fund, there is not enough in your account to pay the fees or if your account is inactive and you have not elected for your cover to continue (see page 11).

For employee members, your income protection cover (if any) will stop 60 days after you cease to be an employee, or earlier if you exercise the option to continue your cover as described on page 11. For casual employees, cover will also cease 60 days after you stop being actively at work performing all the duties of your occupation.

For more information on your insurance cover and the restrictions and conditions that apply, contact the IPE Super Helpline on **1800 257 135**.

"Choice of Fund" – what happens to my insurance cover for death and total and permanent disablement after I choose another fund for my future contributions?



Your insurance cover for death, terminal illness and TPD will continue as a fixed dollar amount in the Fund's Retained Benefits section. The amount of this cover will be fixed at the end of the month in which your last SG contribution is received by the Fund. Any income protection insurance that you had will cease on this date (as there is no income protection insurance in the Retained Benefits section).

Refer to the guide, *Additional information about IPE Super* for more information.

Under superannuation law, you may transfer part or all of your benefit in IPE Super to another superannuation fund.

For a partial transfer, you must leave a minimum balance in the Fund of \$5,000 after transfer. If you transfer the whole of your benefit from the Fund, your membership of the Fund will cease and all insurance cover that you had will cease on the date that your money is paid to your new fund.

Risks of insurance

The Trustee uses one or more insurance policies to meet part of the benefit payable in the event of your death or TPD and to meet your income protection benefit, if applicable. If the insurance company imposes restrictions, special conditions or refuses to pay a claim, the Trustee has the power under the Trust Deed to adjust your benefit accordingly.

As a result there are a number of risks associated with 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 do not satisfy the insurer's and/or the Fund's definition of disablement, in which case no insurance benefit will be paid to you.
- If you did not join IPE Super when first eligible or were not actively at work performing your normal duties at that time, your insurance cover may be limited or you may need to provide evidence of good health before cover commences.
- Even if your claim is accepted, it may take some time for payment to be made. It can also take some time to obtain all the required information to assess a claim.
- The insurer may refuse to provide cover in certain circumstances, for example, if you make a claim caused by war. In this case, an insurance benefit may not be paid.
- 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 leave without pay may not be covered.
- The maximum amount of cover allowable under the policy may be lower than the benefit calculated in accordance with the formula or may be insufficient to meet your needs.
- The insurance company may decline (or defer) your cover, which may also affect your ability to obtain insurance cover in the future.
- The insurance company may not provide cover if you are required to work overseas.

