



IncomeProtect insurance cover

Accumulation Standard members - Stevedores division

14 January 2010

Introducing Maritime Super IncomeProtect

You can't predict what the future holds, which is why an important part of any good financial plan is insurance. Unforeseen events could easily rob you of your hard-earned savings – how long could you and your family manage if you had to stop work because of illness or injury?

Maritime Super's IncomeProtect provides you with a regular income for a specified period (usually up to two years) in the event that you are unable to work in your usual job because of sickness or injury.

Taking IncomeProtect cover with Maritime Super makes sense; it's affordable, and because we deduct the premiums directly from your account, you don't have any out-of-pocket expenses. Now that's peace of mind.

Income protection insurance

Maritime Super's 'IncomeProtect' is income protection insurance cover that you can opt in to at any time as an Accumulation Standard member, provided that your employer is making Superannuation Guarantee (SG) contributions for you to the Fund.

From 1 April 2010, if you were a:

- Permanent (Defined Benefit) member
- Accumulation Plus category member; or
- Accumulation Basic category member

with IncomeProtect insurance whose benefit is transferred directly to Accumulation Standard, your IncomeProtect insurance will automatically be transferred with your membership to Accumulation Standard. Otherwise, you can opt in to IncomeProtect by completing the *Opt in to Maritime Super IncomeProtect form*.

If you already hold income protection insurance with another provider, you should seek advice from your financial planner regarding whether you should opt in to IncomeProtect and cancel your existing policy. This is because the Insurer is entitled under the Policy to reduce any benefit payable by the amount you receive from any other policy you have.

Who is eligible?

IncomeProtect is available to members under the age of 65 years.

Opting in and commencement of cover

If you are applying for membership of Accumulation Standard in respect of new employment, and you apply to opt in to cover at the time you apply for membership, your IncomeProtect cover will commence from your first day of employment, provided:

- your application for membership is accepted
- your employer makes SG contributions to Accumulation Standard in respect of your first day of employment by the SG quarterly cutoff date; and
- you were 'actively at work'¹ on your first day of work.

Otherwise, if you opt into IncomeProtect your cover will commence from the date we receive your completed *Opt in to Maritime Super IncomeProtect form*, provided that SG contributions are made to your membership in respect of this date by the quarterly cutoff date.

From 1 April 2010, if your membership is transferred directly from the Permanent (Defined Benefit), Accumulation Plus or Accumulation Basic categories, your cover will automatically continue if you meet the Continued Cover requirements. Otherwise, your cover will commence from the first date of employment for which your Accumulation Standard employer sponsor makes Superannuation Guarantee (SG) contributions by the SG cutoff date to your Accumulation Standard membership (provided you are 'actively at work'¹ on this day).

If your cover ceases because SG contributions are not made to your Accumulation Standard membership for a period of employment, cover will recommence in respect of the first day of employment you are 'actively at work'¹ for which SG contributions resume to be made to the Fund.

¹ 'Actively at work' means you are genuinely performing all the duties of your usual occupation for your Accumulation Standard employer(s). A member who is on paid annual leave or long service leave will also be considered to be actively at work, provided that leave is not in connection with an injury or a sickness.

 **Contact Member Services on
1800 757 607**



Cost of cover

The IncomeProtect insurance premium is calculated by multiplying your employer's compulsory contributions to your account by the following premium rate based on your state of residence:

State of residence ²	'White Collar' members	All other members
ACT	6.92%	9.86%
NSW	6.94%	9.90%
VIC	6.92%	9.86%
TAS	6.93%	9.88%
SA	6.91%	9.85%
WA	6.92%	9.86%
NT	6.92%	9.86%
QLD	6.93%	9.88%

² Different rates apply due to different stamp duty rules in the various states.

The IncomeProtect insurance premium is deducted monthly from your Accumulation Standard account.

If you have more than one employer who contributes to Accumulation Standard on your behalf, IncomeProtect premiums will be based on all SG contributions made by your Contributory Employer(s).

In order to qualify for the lower premium rate for white collar/professional workers under the Policy, the Insurer needs to be satisfied that you fit the definition of 'white collar/professional'. You are a white collar/professional if the duties of your occupation are limited to professional, managerial, administrative or similar 'white collar' natured tasks, which do not involve manual work and are undertaken entirely within an office environment. To apply for classification as a white collar/professional worker, complete the *Application for White Collar Rates for Maritime Super IncomeProtect form* and return it to Maritime Super.

If you are assessed as qualifying for white collar/professional premium rates and the terms, conditions or duties of your occupation or profession change so that you fail to qualify as a white collar/professional under any of the conditions outlined above, you must advise us immediately and apply to be reassessed for white collar/professional rates.

In the event that you fail to satisfy any of the conditions for white collar/professional rates then, in the event of a claim under the Policy, the Insurer may be entitled to adjust the benefit payable to reflect the premium that would have been payable if we had reassessed your qualification for white collar/professional premium rates. This may mean that the IncomeProtect benefit payable in this situation is less than 85% of your income.

Any Voluntary Death cover you may have with the Fund continues while an IncomeProtect benefit is being paid to you and we will continue to deduct premiums from your account.

Opting out of cover

You can opt out of IncomeProtect cover at any time by completing the *Opt Out of Maritime Super IncomeProtect form*, which is available from the Maritime Super website or by contacting Member Services.

If you opt out of IncomeProtect cover, you may opt in again at any time, provided you remain a member of the Accumulation Plus, Accumulation Basic or Accumulation Standard categories and compulsory or SG superannuation contributions are being made to your membership. Cover recommences on the day your written request is received by Maritime Super.

Payment of your IncomeProtect benefit

When is an IncomeProtect benefit payable?

The IncomeProtect benefit is payable in the event that your sickness or injury prevents you from doing your usual job with your Contributory Employer who pays contributions for you into the Accumulation Standard category, and that sickness or injury qualifies as Total or Partial Disablement.

Before you can receive an IncomeProtect benefit, the 28-day waiting period must have expired and the Insurer must determine that you meet the definition of 'Total Disablement'³ or 'Partial Disablement'⁴ in the *Policy document*.

Payment of any IncomeProtect benefit is subject to the rules of the Fund and the terms and conditions in the *Policy document* (in particular refer to the 'Exclusions' on page 4 of this document).

What is the amount payable?

IncomeProtect benefits provide you with a fortnightly payment of up to 85% of your income for a maximum of 104 weeks or up to the age of 65 (whichever occurs first), subject to the 'Reduction of IncomeProtect benefits' on page 4.

'Income', for the purpose of any IncomeProtect benefit payment, is generally the average of your gross income (including overtime and allowances) paid for personal exertion from your usual employer over the previous 12 months (or since you have held IncomeProtect insurance through the Fund). However, it is limited to income in respect of which compulsory and/or SG contributions are made to Maritime Super and IncomeProtect premiums are paid. Additionally, in respect of periods of Accumulation Standard membership, income shall be proportionately reduced in respect of any period during which SG contributions were made to the Fund but were less than the amount required under Superannuation Guarantee legislation. For a complete definition of 'income', you should refer to the *Policy document*.

Payments start after the 28-day waiting period (which starts on the date you first see a legally qualified medical practitioner for the condition and are certified as unfit for work). You must also be considered to be Totally or Partially Disabled before the waiting period can commence.

IncomeProtect benefits are calculated weekly and paid fortnightly in arrears. If the benefit is for a period less than a week, benefits will be paid at a rate of one seventh (1/7th) of the weekly benefit for each day you are unable to work due to sickness or injury.

In addition to your fortnightly IncomeProtect benefit, the Insurer will pay an amount equal to 9% of your IncomeProtect payment to Maritime Super on your behalf as a superannuation contribution.

³ Total Disablement – means, for the purposes of Maritime Super's IncomeProtect Policy, that as a result of injury or sickness which occurs while you are actively at work you are:

- prevented from engaging in your usual occupation in Australia with your employer(s) who contribute to Accumulation Standard on your behalf, and
- under the regular care of, and acting in accordance with the instructions or professional advice of a registered and legally qualified medical practitioner other than yourself.

⁴ Partial Disablement – means that, as a result of injury or sickness which occurs while you are actively at work, you are:

- prevented from carrying out a substantial part of the normal duties of your usual occupation with your employer in Australia; and
- under the regular care of, and acting in accordance with the instructions or professional advice of a registered and legally qualified medical practitioner other than yourself.



Reduction of IncomeProtect benefits

IncomeProtect benefits are reduced by:

- the amount of any earnings you may receive in respect of your reduced work capacity (and may be reduced by income earned from another employer)
- any statutory income benefit (e.g. workers compensation or Government pension)
- any sick leave payments or other not-at-work related payments received from or on behalf of your Accumulation Standard sponsoring employer(s).

If you are in receipt of these payments, your IncomeProtect benefit will be calculated as the difference between these payments and 85% of your income.

Payments will cease within the maximum 104 weeks if the Insurer determines that you are no longer Totally or Partially Disabled.

If an insured member is able to return to work in a reduced capacity and work is available but the member declines to do the work or has resigned, the IncomeProtect benefit payable will be reduced to 25% of the benefit otherwise payable.

If you are entitled to an IncomeProtect benefit, the Insurer may provide rehabilitation assistance and may pay the cost of the program. Before the Insurer would make such a payment, both they and your treating doctor must first approve the course.

Recurrence of Total or Partial Disablement

If you suffer a recurrence of Total or Partial Disablement from the same or related cause or causes, the subsequent period of disablement will be deemed a continuation of the prior period and the waiting period will be waived. This will apply unless, between such periods, you have worked on a full-time basis for at least six consecutive months, in which case the subsequent period of disablement will be deemed to have resulted from a new injury or sickness and a new waiting period will apply.

What about workers compensation?

If you qualify for an IncomeProtect benefit whilst receiving workers compensation (or similar) benefits, you will receive a top-up payment to 85% of your Income. When these statutory benefits cease, IncomeProtect benefits will also cease and no further claim will be accepted or payable with respect to the event from which you received workers compensation (or similar) benefits.

If you receive a lump sum in lieu of future regular statutory benefit payments, a lump sum in lieu of future weekly benefits may be payable by the Insurer.

Accidental Death Benefit at no additional cost

If, as a result of a non-work-related accident, a member covered by the Policy dies, a benefit equal to six months benefit (excluding the superannuation benefit) under the Policy is payable.

Exclusions

No cover is available in respect of any pre-existing sickness that you have or have had treatment for or advice for treatment for, in the six calendar months before the start (or recommencement) of your IncomeProtect insurance under the Policy. A pre-existing sickness, however, will be covered provided you satisfy either of the following:

- you, with the agreement of a legally qualified medical practitioner, ceased all treatment or advice for at least six months whilst covered under the Policy; or
- in the case of Total Disablement, you have two years' continuous cover under Maritime Super IncomeProtect at the time of your Total Disablement and have been actively at work for the two consecutive months prior to the Total Disablement which leads to your claim for IncomeProtect benefits.

IncomeProtect benefits will not be payable in respect of any event caused by or resulting from:

- any consequence of war, invasion or civil war
- being a pilot or crew member of any aircraft, or engaging in any aerial activity except as a passenger in a properly licensed aircraft
- intentional self-inflicted injury or sickness, suicide or suicide attempt
- pregnancy, childbirth or miscarriage other than a complication arising from any of those conditions which requires hospitalisation in the first 33 weeks of pregnancy. No benefit will be payable during any period of maternity leave or for any complications arising after the thirty-third (33rd) week of pregnancy
- any professional sporting activities
- any criminal act committed by the member; or
- an insured member suffering from any stress-related, psychological and/or physical fatigue condition, including but not limited to: depression, neurosis, psychosis, mental or emotional stress or anxiety conditions, chronic fatigue or mental disease and associated disorders unless:
 - the member is in receipt of workers compensation (or similar) benefits for that condition, or
 - the member's condition has been diagnosed by a legally qualified Psychiatrist/Psychologist and the member is undergoing treatment by a legally qualified Psychiatrist/Psychologist for that condition (however, in this instance benefits are paid for no more than 52 weeks).

Although not an exclusion, IncomeProtect benefits will also not be payable in respect of a work-related injury outside Australia or as a result of employment with an employer other than your Accumulation Standard employer(s) (as the insurance Policy does not provide for this).

When cover ceases

IncomeProtect cover will cease on the earlier of the following events:

- you advise us in writing that you would like to cancel or opt out of IncomeProtect insurance cover
- you turn age 65
- you leave the Accumulation Standard category (unless you are transferring to the Accumulation Plus or Accumulation Basic categories)
- you leave the Fund
- you cease employment with your current Accumulation Standard employer (unless you are between jobs - refer to 'Continued cover' on page 5)
- the first day of employment in respect of which SG contributions are not made (or are made outside the quarterly SG cut-off date) to your Accumulation Standard membership (although IncomeProtect cover will recommence when SG contributions are made again to your membership, provided you are 'actively at work' on the first day of employment to which the contributions relate).
- you have insufficient funds in your account to meet premium payments as and when they fall due; or
- you die.

Making a claim for an IncomeProtect benefit

If you wish to lodge a claim for IncomeProtect benefits, you should contact the Trustee's appointed administrator for income protection benefits:

Australian Income Protection Pty Ltd
PO Box R1196
Royal Exchange NSW 1225
Toll free: 1300 559 362

Applications must be completed on the form provided by Australian Income Protection Pty Ltd, and should be lodged as soon as possible but no later than 12 months following the commencement of your Total or Partial Disablement.

Medical certificates and reports in connection with a claim are provided to the Insurer at your expense, unless the Insurer requests that you attend an Insurer-nominated medical appointment, in which case the Insurer will pay the expense.

IncomeProtect cover insurance-related risks

Maritime Super IncomeProtect benefits are payable for a maximum period of 104 weeks. Should your incapacity extend beyond this time period, there is a risk that you will have to look to other sources of income for support.

There is also a risk that you may suffer an illness or injury which prevents you from working but is not covered by the Policy. For example, there is no cover if, in relation to your illness or injury, an exclusion applies or it does not meet the Policy definition of Total or Partial Disablement.

Additionally, Maritime Super's IncomeProtect only pays a benefit of up to 85% of your Income and is limited to income earned from a Full Participating Employer, Participating Employer or Contributory Employer. It does not cover income earned from other sources, and benefits will be proportionately reduced if, in the 12 months preceding a claim, contributions were not made to your membership for the full amount required under SG legislation or you have been on unpaid leave.

There is also a risk that the payments will not be sufficient to support you and your family and you may need to look to other sources of income whilst on claim.

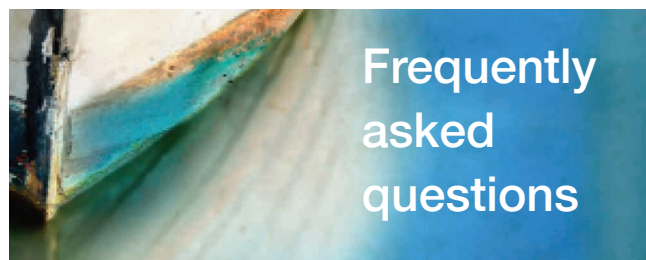
During the waiting period and whilst your claim is being assessed, the IncomeProtect payments will not be paid and you will need to find income from other sources.

Your IncomeProtect insurance will also cease if you stop working for a sponsoring employer in the Stevedores division of Maritime Super, or SG contributions cease to be made to your membership.

Continued cover

IncomeProtect insurance cover continues for up to 30 days while you are between jobs, provided that you have accepted a new employment offer with another Full Participating, Participating or Contributory Employer prior to ceasing your current employment and that employer will pay Superannuation Guarantee contributions for you to the Accumulation Plus, Accumulation Basic or Accumulation Standard category. Premiums will not be deducted in respect of this period.

Otherwise, cover will cease and then automatically recommence when you start and are 'actively at work' with a new employer who makes SG contributions for you to Accumulation Standard by the SG quarterly cutoff date.



Frequently asked questions

How much does IncomeProtect cover cost?

The IncomeProtect insurance premium is calculated by multiplying your employer's compulsory contributions to your account by the premium rate, based on your state of residence (at a maximum of 0.891% of salary).

Refer to the table on page 3 for further information. Your IncomeProtect premium is deducted monthly from your Accumulation Standard account.

Is there a waiting period?

Yes - there is a 28-day waiting period which starts on the date you first see a legally qualified medical practitioner for the condition and are certified as unfit for work.

If I need to make a claim, how much will I receive?

IncomeProtect benefits provide you with a fortnightly payment of up to 85% of your 'income' for a maximum of 104 weeks or up to the age of 65 (whichever occurs first).

An additional 9% of this benefit will also be paid directly to your superannuation account.

At what age does IncomeProtect stop?

IncomeProtect is available to members under the age of 65 years.

Can I cancel IncomeProtect if I change my mind?

You can opt out of IncomeProtect cover at any time by completing the *Opt Out of Maritime Super IncomeProtect form*, which is available from the website or by contacting Member Services.

I work in an administrative capacity - how do I go about applying for 'White Collar' rates?

If the duties of your occupation are limited to professional, managerial, administrative or similar 'white collar' natured tasks (which do not involve manual work and are undertaken entirely within an office environment), you can apply for classification as a white collar/professional worker by completing the *Application for White Collar Rates for Maritime Super IncomeProtect form* and returning it to Maritime Super.

What happens if I go on unpaid leave?

If you are covered by the IncomeProtect Policy, during periods of unpaid leave you remain covered (provided you remain a member of the Accumulation Plus, Accumulation Basic or Accumulation Standard categories).

However, because the IncomeProtect benefit payable is calculated based on the average of your income for the preceding 12 months, you will receive a reduced IncomeProtect benefit if you make a claim within 12 months of returning from unpaid leave.





Contact Maritime Super

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8.30am to 5.30pm AEST

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03 9686 0377

Visit us at

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Sydney NSW 2000

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Level 4
6 Riverside Quay
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The Fund

Maritime Super
ABN 77 455 663 441
RSE Registration No. R1001747

The Corporate Trustee

Maritime Super Pty Limited
ABN 43 058 013 773
RSE Licence No. L0000932

The Administrator

Maritime Financial Services Pty Limited
ABN 16 105 319 202
AFS Licence No. 241735

Insurer

Income protection insurance is provided under a policy underwritten by Various Underwriters at Lloyd's.

Terms and conditions

Please note that this is only a summary of the terms and conditions of Maritime Super IncomeProtect. The full terms and conditions are outlined in the *Policy document*. Please contact Maritime Super if you have any enquiries regarding the terms and conditions or if you require a copy of the *Policy document*.

Disclaimer

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