

Insurance Information Guide

Issued 1 July 2011

The information in this document forms part of the Product Disclosure Statement (Member Guide) for the Quadrant Investment Choice Fund dated 1 July 2011 and the Product Disclosure Statement (Member Guide) for the Quadrant Personal Super Fund dated 1 July 2011.



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Tow trucks, Prozac, guide dogs, EPIRBs, physio, fire hoses, Crime Stoppers, wheelchairs...

When life happens, we'll be there for you.

1. About Quadrant insurance

The insurance arrangements offered by Quadrant are detailed in this guide. The Quadrant Trustee may vary some or all of these arrangements for particular members, members of certain participating employers or members transferring from other Quadrant funds. If the insurance arrangements do not relate to you, the Quadrant Trustee will provide you with information about the insurance arrangements that do when you apply to become a member of Quadrant.

The insurance is arranged in Quadrant by the Quadrant Trustee through one or more insurers. All cover is subject to acceptance by the insurer and the terms of the insurance policy. You can obtain a copy of the policy by contacting us on 1800 222 209.

The insurance policy is a group policy held with Commlnsure as at the date of this Information Guide. Commlnsure is a registered business name of the Colonial Mutual Life Assurance Society Limited (ABN 12 004 021 809, AFSL 235035 (CMLA)). Registered office is Level 12, 52 Martin Place, Sydney NSW 2000.

Why is insurance important?

You probably already insure tangible assets such as your home, personal valuables and car because you recognise that there is a risk that those assets could be damaged or destroyed and you would be financially worse off. Unfortunately the possibility of something happening to you is just as real. This is why when you insure against the potential risks of death or disablement, or temporary loss of income, you are in fact protecting your greatest assets of all – you and your family.

Quadrant recognises the importance of insurance protection and offers you a range of options to suit your individual insurance needs.

Types of membership and cover available

The type of insurance you may apply for varies according to your membership. The type of cover available is detailed in the following table.

	Quadrant Investment Choice	Quadrant Personal Super
Eligibility	You must be employed by a participating employer when you join Quadrant	Anyone can join as long as you are eligible to contribute to super
What types of cover are available?	<ul style="list-style-type: none"> Death and total and permanent disablement cover Death cover only Income protection cover 	<ul style="list-style-type: none"> Death and total and permanent disablement cover Death cover only Income protection cover
What cover can I automatically receive?	<ul style="list-style-type: none"> Standard default cover of 3 units of death and total and permanent disablement cover * Package Choice Options (upon joining or within 90 days of the date that the Welcome to Quadrant letter was issued to you without the need for health evidence)* 	<ul style="list-style-type: none"> None. Quadrant Personal Super members must apply for any insurance cover required, provide health evidence and must be accepted by the insurer.
What additional cover can I apply for?	<ul style="list-style-type: none"> Additional units above the Package Choice Options Fixed cover (up to maximum limits) Income protection units (up to maximum limits) 	<ul style="list-style-type: none"> Fixed death and total and permanent disablement cover or death cover only (up to maximum limits) Income protection units (up to maximum limits)

* Please refer to the section 'who is eligible for standard cover' on page 02 and 'limited cover' on page 04 for more information.

What are the different occupational categories?

Quadrant has two different categories of cover based on occupation, reflecting the different levels of risk associated with the range of occupations and roles in which Quadrant's members are engaged.

General category (default category) – available to all members regardless of their occupation.

Office category – available to members who undertake office-based duties such as lawyers, administration and managerial positions.

For unit-based cover, such as standard default cover, the cost will be \$0.90 per unit per week regardless of your category but the benefit will be higher if you are eligible for the 'office' category.

For fixed cover, the benefit amount will be determined by you, but the cost will be lower if you qualify for the 'office' category.

Eligibility rules will apply. If you are eligible for the 'office' category the benefits are generally higher or premiums lower than the 'general' category.

You will need to complete an eligibility question on your *application form* to indicate which category best describes your occupation. If you are unable to answer or do not complete this question you will be allocated to the 'general' category which is also the default category.

Please note that once you have been allocated a category based on the completion of your *application form*, you will retain this category until you complete a new *application form* or apply to vary your insurance cover. This will hold irrespective of whether your occupation has subsequently changed.

2. Standard insurance cover

What is standard cover?

Standard cover for eligible Quadrant Investment Choice members is insurance provided under 'automatic acceptance' which means without the need to supply health evidence.

Who is eligible for standard cover?

To be eligible for standard cover you must be an employee of a participating employer (known as an 'employer sponsored member') who works at least 15 hours per week, not employed on a casual basis and is under age 70. Cover may be limited in some circumstances. Please refer to the section 'limited cover' on page 04 for more information.

What is the standard default cover?

Eligible new employer sponsored members of the Quadrant Investment Choice fund are automatically provided with three units of death and total and permanent disablement cover (under 'general' category) if under age 65 or three units of death only cover if over age 65 and under age 70. This is also the default insurance cover for the fund which means if you do not select any other option on your *application form*, you will automatically be provided with this cover. If you qualify, you may be entitled to cover based on the 'office' category.

For more information on when and how standard cover will commence, please refer to the sections 'when will standard cover commence?' and 'limited cover' on page 04.

How much death and total and permanent disablement cover can I have?

Cover is provided in 'units' and the amount of cover per unit varies according to your age next birthday and your occupation as detailed in Table 1.

Table 1 - Standard cover for Quadrant Investment Choice members

Age next birthday	1 unit of death and total and permanent disablement cover - Office category	Standard default cover - 3 units of death and total and permanent disablement cover - Office category	1 unit of death and total and permanent disablement cover - General category	Standard default cover - 3 units of death and total and permanent disablement cover - General category
16-35	\$70,000	\$210,000	\$43,600	\$130,800
36-39	\$42,100	\$126,300	\$26,200	\$78,600
40-47	\$37,600	\$112,800	\$23,400	\$70,200
48	\$31,400	\$94,200	\$19,600	\$58,800
49	\$28,400	\$85,200	\$17,700	\$53,100
50	\$25,500	\$76,500	\$15,900	\$47,700
51	\$22,500	\$67,500	\$14,000	\$42,000
52	\$19,600	\$58,800	\$12,200	\$36,600
53-55	\$9,900	\$29,700	\$6,200	\$18,600
56-60	\$5,300	\$15,900	\$3,300	\$9,900
61-65	\$3,500	\$10,500	\$2,100	\$6,300
66-70	\$1,800*	\$5,400*	\$1,100*	\$3,300*

* This amount is for death only cover and does not include total and permanent disablement cover.

The two insurance categories ('general' and 'office') are based on your occupation and reflect the different levels of risk associated with the range of occupations and roles in which Quadrant members are engaged. Please refer to the section 'what are the different occupational categories' on page 02 for more information.

The level of cover per unit depends on your age next birthday upon joining the fund and then every subsequent 1 July as illustrated on Table 1. As you get older the level of cover per unit reduces, however the cost for each unit of cover remains the same.

The default cover is three units of death and total and permanent disablement cover under the 'general' category.

How much standard income protection cover can I have?

To be eligible for Quadrant's standard income protection cover you must be working at least 15 hours per week, not employed on a casual basis, under age 65 and earning in excess of \$16,000 per annum.

The amount of income protection cover you can receive as an employer sponsored member under standard cover (Package Choice Option 1), without the need for any health evidence, depends on your occupation category.

For those under the 'general' category the maximum monthly benefit is \$4,500. For those who qualify under the 'office' category, the maximum monthly benefit is \$5,625. This benefit is payable up to a maximum period of two years.

Please note that any benefit payable is capped at 75% of your 'pre-disability income'. Where 75% of your average pre-disability income is less than the amount you are insured for, any amount greater than this can be paid as superannuation contributions to your Quadrant account up to a maximum of 10% of your average gross pre-disability income.

To calculate how much income protection cover you may need please refer to the section 'income protection cover' on page 09.

The premium for your income protection cover depends on a number of factors including your age next birthday, the monthly benefit (number of units) you require, your occupational category and the length of your waiting period. Please refer to Table 5a and Table 5b in the 'income protection cover' section on page 11 for the premium amounts.

Death cover only

You may wish to have the total and permanent disablement component removed from your death and total and permanent disablement cover. If you wish to do so then you will need to advise us in writing. The amount of cover is in accordance with Table 1 on page 02.

What are my options?

If eligible, new employer sponsored members joining the fund will automatically receive default cover as detailed below.

Default Cover

3 units of death and total and permanent disablement cover

The Package Choice Options are only available if Quadrant receives a satisfactory member *application form* within 90 days of the date that the *Welcome to Quadrant letter* was issued to you and are outlined below.

Package Choices

Option 1	3 units of death and total and permanent disablement cover plus income protection cover (up to a maximum of 12 or 15 units depending on your occupation category)
Option 2	7 units of death and total and permanent disablement cover
Option 3	Death and total and permanent disablement cover to a maximum amount of \$250,000. This cover is fixed cover.

You will need to select the level of cover you require on your *application form*.

Insurance premiums for standard cover

The cost of each unit of death and total and permanent disablement cover is \$0.90 per week or \$0.45 per unit per week for death cover only. For example:

Type of insurance cover	Cost per week
Standard default cover (3 x \$0.90 per unit)	\$2.70
Package Choices Option 1	\$2.70 plus income protection premiums
Package Choices Option 2	\$6.30
Package Choices Option 3	See fixed cover premiums for the amount of cover taken as shown in Table 3 on page 08

*For income protection premiums, please refer to Table 5a and Table 5b in the 'income protection cover' section on page 11.

Premiums are deducted from your account annually in advance on 1 July. If your cover commences after 1 July and before 30 June, your premium will be calculated from the date that your cover is accepted by the insurer through to 30 June. This premium will be deducted from your account on acceptance by the insurer.

Can I decrease or opt out of standard cover altogether?

Yes. You will need to advise us in writing if you do not require the cover that is automatically provided to you or if you would like to decrease your cover.

You can also choose to have death cover only by sending a written request to the Quadrant Trustee to remove the total and permanent disablement component from your insurance. Total and permanent disablement only cover is not available.

If you decide at a later date that you would like to commence or increase your insurance cover, you will need to reapply, which includes completing a *personal health statement*. The insurer may also request additional medical evidence or reports when assessing your application for insurance cover.

Can I apply for additional cover?

You may apply for tailored death and total and permanent disablement cover, death only cover and/or income protection cover in addition to your standard cover. Tailored cover is subject to acceptance by the insurer. Please refer to the sections 'tailored insurance cover' on page 05 and 'income protection cover' on page 09 for more information about the amount of cover available and how to apply.

When will standard cover commence?

If you are eligible for standard cover it commences on the date you commence employment with a participating employer of Quadrant which requires a contribution to be paid to Quadrant, provided that the employer contribution is paid in line with superannuation guarantee requirements.

Limited cover

If you do not become a member of the fund or do not receive a superannuation guarantee contribution into your Quadrant account within six months of becoming an employee of the employer making superannuation guarantee contributions to Quadrant, you may still receive the standard default cover and you may also select from the Package Choice Options. However this cover will be limited and it will not cover pre-existing conditions. Full cover will then apply after 24 months of continuous membership. Intentional self-inflicted injuries or suicide will not be covered within 13 months of cover commencing.

In addition, limited cover will also apply if you are not in 'active employment' on the date cover commences. Full cover will apply once you have returned to 'active employment' for two consecutive months. If you have not returned to 'active employment' for two consecutive months, you will continue to receive limited cover until this requirement is met.

Please refer to the section 'insurance definitions' on page 14 for definitions of 'limited cover' and 'active employment'.

Can I transfer my insurance cover from another fund?

You may be eligible to transfer your death cover, total and permanent disablement cover and/or income protection cover from your previous superannuation fund to Quadrant. To transfer your cover to Quadrant you will need to complete the *rollover form* and the *insurance transfer form* and provide the required documentation. Do not cancel your existing cover until you have received confirmation in writing that your transfer request has been accepted by Quadrant's insurer. Please note conditions apply to such transfer.

Important: if you are joining Quadrant as a result of a Choice of Fund nomination, and you have not arranged to transfer your insurance cover from your previous superannuation fund via the insurance transfer form, you can still be provided with Quadrant's standard cover and package choices.

Cover may be limited in some circumstances. Please refer to the section 'limited cover' for more information.

Can I recommence my cover?

If your Quadrant account reaches zero or negative balance and you joined the fund more than six months ago, you will be advised that your cover has been cancelled and that the cover can be reinstated from the cancellation date provided a contribution sufficient to cover premiums is made within 28 days of the date of the notification letter. If a contribution is received cover will be reinstated without change.

If your cover is not reinstated and you have ceased employment, you may request the reinstatement of your previous level and type of cover provided the following conditions are met:

- You recommence employment with a participating employer within six months of your cover ceasing, and
- The commencement date of the period for which the next contribution paid into your account is within six months of cover ceasing, and
- Your employer pays the contribution on time according to legislative requirements, and
- You are in 'active employment' on the cover recommencement date.

If you meet the first three points above but not the fourth, you will receive 'limited cover' for the amount of your previous cover. Once you have returned to 'active employment' for two consecutive months, full cover will be reinstated. Cover will commence from the effective date of the contribution described in the second dot point above.

In all other cases (except where you have opted out of cover) your cover will be reinstated to the lower of the previous level and type of cover and the default level. The cover will commence from the date the contribution is received by the fund.

Note: if you have previously opted out of cover, you will not be eligible for reinstatement of cover regardless of whether the request for reinstatement is made within the periods described above.

General information about insurance cover

Please refer to the section 'general information about insurance' on page 12 for a list of general questions which may apply to your insurance cover. If you have any additional questions, please contact us on 1800 222 209.

3. Tailored insurance cover

Quadrant Personal Super members or Quadrant Investment Choice members requiring a higher level of cover than that provided under the standard cover, or are ineligible for standard cover, may apply for a tailored amount of death and total and permanent disablement cover, death only cover or income protection cover.

To apply for tailored insurance cover you must complete the *tailored insurance application form* and *personal health statement* provided and send them back to Quadrant for assessment. The insurer may also request additional medical evidence or reports when assessing your application for insurance. You will be written to if additional information is required.

No tailored insurance cover applies until accepted by the insurer. Quadrant will advise you in writing of the outcome of your application for cover.

The insurer will generally meet the cost of the health evidence they require to finalise your application. Should you wish to challenge the insurer's decision, the cost of any additional information will be at your own expense.

If you make an application for tailored insurance cover and it is accepted by the insurer, it will replace any prior insurance cover you may hold with Quadrant. When applying for tailored insurance cover please ensure that you nominate the total amount of insurance cover that you wish to have, including any standard cover.

All policy conditions for tailored death and total and permanent disablement cover and death only cover are the same as provided under the standard cover unless otherwise noted.

What are my options?

You may apply for death cover up to \$5 million and total and permanent disablement cover up to \$2 million in one of two ways. Please note that the total and permanent disablement cover cannot exceed your death cover.

- Unit-based cover (applicable to Quadrant Investment Choice members only)
- Fixed cover

Unit-based cover (applicable to Quadrant Investment Choice members only)

Unit-based cover is when you pay a set premium for cover regardless of your age as shown in Table 2 on page 06. The premium cost remains the same however the amount of cover you receive reduces as you get older. This option enables you to keep the same premium costs with the amount of cover reducing over time.

Fixed cover

Fixed cover is based on the set amount of cover you wish to nominate in multiples of \$1,000. The amount of cover remains the same however the premium increases as you get older.

This option provides you with a defined amount of insurance cover with only the premiums increasing over time.

Can I switch between unit-based and fixed cover?

When Quadrant Investment Choice members initially apply for death and total and permanent disablement cover you will need to specify whether you would like unit-based cover or fixed cover. However, you may switch between unit-based cover and fixed cover once in each financial year.

If you switch from unit-based cover to fixed cover, you will be given equivalent fixed cover.

If you switch from fixed cover to unit-based cover, you will be given adequate units to replace the amount of insurance you held.

If you switch between unit-based cover and fixed cover, the whole benefit must be transferred, as you are unable to hold a combination of both unit-based cover and fixed cover.

How much cover will I have?

Unit-based cover (Applicable to Quadrant Investment Choice members only)

The amount of your unit-based death and total and permanent disablement cover will depend on the number of units you choose, your age at the time of your death or total and permanent disablement and the category of your occupation for which you have been accepted as shown in Table 2 on page 06.

The level of cover per unit depends on your age next birthday upon joining the fund and then every subsequent 1 July as illustrated in Table 2 on page 06. As you get older the level of cover per unit reduces, however the cost per unit remains the same.

You will need to complete an eligibility question on your *tailored insurance application form* to indicate which category best describes your occupation. If you are unable to answer or do not complete this question you will be allocated to the 'general' category.

Please note that once you have been allocated a category based on the completion of your *tailored insurance application form*, you will retain this category until you complete a new application form or apply to vary your insurance cover. This will hold irrespective of whether your occupation has subsequently changed.

If you died and your age next birthday at the previous 1 July was 42 and you had five units of cover under the 'office' category, the amount payable would be:

Quadrant example 1:			Your calculation:		
Age at death or disablement		42	Age at death or disablement		
Occupational category		Office	Occupational category		
Number of units	(a)	5	Number of units	(a)	
Level of cover per unit	(b)	\$37,600	Level of cover per unit	(b)	
Amount of cover payable	(a) x (b)	\$188,000	Amount of cover payable	(a) x (b)	
Plus your Quadrant Investment Choice account balance.			Plus your Quadrant Investment Choice account balance.		

If you became totally and permanently disabled and your age next birthday at the previous 1 July was 57 and you had seven units of cover under the 'general' category, the amount payable would be:

Quadrant example 2:			Your calculation:		
Age at death or disablement		57	Age at death or disablement		
Occupational category		General	Occupational category		
Number of units	(a)	7	Number of units	(a)	
Level of cover per unit	(b)	\$3,300	Level of cover per unit	(b)	
Amount of cover payable	(a) x (b)	\$23,100	Amount of cover payable	(a) x (b)	
Plus your Quadrant Investment Choice account balance.			Plus your Quadrant Investment Choice account balance.		

Insurance premiums for unit-based cover

For unit-based cover, the cost is \$0.90 per unit per week of death and total and permanent disablement or \$0.45 per unit per week for death cover only.

Premiums are deducted from your account annually in advance on 1 July. If your cover commences after 1 July and before 30 June, your premium will be calculated from the date that your cover is accepted by the insurer through to 30 June. This premium will be deducted from your account on acceptance by the insurer.

Table 2 – Unit-based cover for tailored death and total and permanent disablement cover

Age next birthday	1 unit of death and total and permanent disablement cover - Office category	1 unit of death and total and permanent disablement cover - General category
16-35	\$70,000	\$43,600
36-39	\$42,100	\$26,200
40-47	\$37,600	\$23,400
48	\$31,400	\$19,600
49	\$28,400	\$17,700
50	\$25,500	\$15,900
51	\$22,500	\$14,000
52	\$19,600	\$12,200
53-55	\$9,900	\$6,200
56-60	\$5,300	\$3,300
61-65	\$3,500	\$2,100
66-70	\$1,800*	\$1,100*

*This amount is for death only cover and does not include total and permanent disablement cover.

Fixed cover

You can nominate the amount of fixed death cover only or fixed death and total and permanent disablement cover you require. If accepted, your cover remains at the fixed amount nominated by you until your cover ceases as detailed in 'when does cover cease'.

Insurance premiums for fixed cover

The cost of fixed cover varies depending on your age next birthday, the amount of cover you require and your category of occupation as shown in Table 3 on page 08. The two insurance categories ('general' and 'office') are based on your occupation and reflect the different levels of risk associated with the range of occupations and roles in which Quadrant members are engaged.

Premiums are deducted from your account annually in advance on 1 July. If your cover commences after 1 July and before 30 June, your premium will be calculated from the date that your cover is accepted by the insurer through to 30 June. This premium will be deducted from your account on acceptance by the insurer.

If you are a female age 31 next birthday and required \$200,000 worth of death and total and permanent disablement cover under the 'general' category, your annual premium would be:

Quadrant example:		Your calculation:	
Amount of cover required	(a) \$200,000	Amount of cover required	(a)
Occupational category	General	Occupational category	
Age next birthday	31 years	Age next birthday	
Type of cover	Death and TPD	Type of cover	
Annual premium (per \$1,000 of cover)	(b) \$0.56	Annual premium (per \$1,000 of cover)	(b)
Total annual premium payable	(a) / \$1,000 x (b) \$112.00	Total annual premium payable	(a) / \$1,000 x (b)

You will need to complete an eligibility question on your *tailored insurance application form* to indicate which category best describes your occupation. If you are unable to answer or do not complete this question you will be allocated to the 'general' category.

Please note that once you have been allocated a category based on the completion of your *tailored insurance application form*, you will retain this category until you complete a new application form or apply to vary your insurance cover. This will hold irrespective of whether your occupation has subsequently changed.

When does tailored cover commence?

Tailored death and total and permanent disablement cover or death only cover will not commence until accepted by the insurer. The insurer may also request additional medical evidence or reports when assessing your application for insurance cover. Quadrant will advise you in writing of the outcome of your application for cover.

Is tailored death cover only available?

Yes. You may select death cover only on your *tailored insurance application form*.

For unit-based cover the premium for each unit of death cover only is \$0.45 per week. Please refer to Table 2 on page 06 for benefit amounts.

For fixed cover the insurance premiums for death cover only are shown on Table 3 on page 08.

Total and permanent disablement only cover is not available.

General information about insurance cover

Please refer to the section 'general information about insurance' on page 12 for a list of general questions which may apply to your insurance cover. If you have any additional questions, please contact Quadrant on 1800 222 209.

Table 3 - Fixed cover for tailored death and total and permanent disablement cover

Occupational Category – Office Examples: Lawyers, clerical, administration Annual premium per \$1,000 of cover				
Age next birthday	Death only		Death & TPD	
	Male	Female	Male	Female
16	0.50	0.24	0.50	0.25
17	0.59	0.27	0.61	0.29
18	0.71	0.30	0.76	0.34
19	0.80	0.33	0.87	0.37
20	0.81	0.33	0.90	0.38
21	0.77	0.31	0.87	0.36
22	0.72	0.29	0.84	0.35
23	0.68	0.27	0.81	0.34
24	0.63	0.25	0.77	0.32
25	0.61	0.24	0.74	0.30
26	0.56	0.22	0.70	0.29
27	0.52	0.20	0.66	0.27
28	0.50	0.19	0.65	0.27
29	0.48	0.21	0.65	0.29
30	0.47	0.21	0.65	0.30
31	0.47	0.22	0.66	0.33
32	0.46	0.23	0.66	0.34
33	0.46	0.24	0.67	0.38
34	0.47	0.26	0.71	0.42
35	0.48	0.28	0.73	0.46
36	0.49	0.30	0.77	0.52
37	0.50	0.33	0.81	0.59
38	0.52	0.36	0.86	0.66
39	0.56	0.40	0.93	0.75
40	0.60	0.44	1.03	0.85
41	0.63	0.48	1.12	0.97
42	0.68	0.51	1.24	1.08
43	0.73	0.56	1.35	1.19
44	0.79	0.57	1.51	1.28
45	0.86	0.59	1.68	1.37
46	0.93	0.61	1.87	1.46
47	1.01	0.63	2.08	1.58
48	1.09	0.66	2.30	1.73
49	1.19	0.71	2.57	1.93
50	1.28	0.76	2.85	2.16
51	1.39	0.85	3.18	2.46
52	1.50	0.94	3.52	2.78
53	1.61	1.04	3.92	3.11
54	1.73	1.14	4.33	3.46
55	1.86	1.23	4.79	3.76
56	2.00	1.34	5.24	4.08
57	2.15	1.46	5.72	4.44
58	2.33	1.57	6.29	4.79
59	2.53	1.69	6.95	5.17
60	2.77	1.83	7.70	5.57
61	3.01	1.96	8.53	5.99
62	3.27	2.12	9.45	6.48
63	3.54	2.32	10.41	7.09
64	3.81	2.57	11.45	7.86
65	4.10	2.86	12.57	8.74
66	4.67	3.20	N/A	N/A
67	5.32	3.56	N/A	N/A
68	6.04	3.96	N/A	N/A
69	6.85	4.39	N/A	N/A
70	7.76	4.85	N/A	N/A

Occupational Category – General Examples: Electricians, bakers, computer technicians Annual premium per \$1,000 of cover				
Age next birthday	Death only		Death & TPD	
	Male	Female	Male	Female
16	0.79	0.38	0.82	0.40
17	0.94	0.43	0.99	0.47
18	1.13	0.48	1.23	0.54
19	1.28	0.52	1.43	0.60
20	1.29	0.52	1.48	0.61
21	1.22	0.50	1.44	0.61
22	1.15	0.47	1.39	0.59
23	1.09	0.43	1.34	0.56
24	1.01	0.40	1.28	0.54
25	0.97	0.38	1.24	0.51
26	0.89	0.34	1.18	0.49
27	0.83	0.32	1.13	0.45
28	0.79	0.31	1.09	0.45
29	0.77	0.33	1.09	0.50
30	0.76	0.33	1.11	0.52
31	0.75	0.34	1.12	0.56
32	0.73	0.36	1.14	0.60
33	0.73	0.39	1.16	0.66
34	0.75	0.41	1.21	0.74
35	0.77	0.45	1.27	0.82
36	0.78	0.49	1.35	0.92
37	0.81	0.53	1.41	1.03
38	0.83	0.58	1.51	1.18
39	0.88	0.64	1.64	1.35
40	0.95	0.70	1.81	1.52
41	1.01	0.77	1.99	1.73
42	1.09	0.82	2.20	1.94
43	1.17	0.88	2.42	2.15
44	1.26	0.92	2.70	2.33
45	1.37	0.94	3.01	2.51
46	1.49	0.98	3.36	2.69
47	1.61	1.01	3.74	2.91
48	1.74	1.06	4.17	3.20
49	1.89	1.14	4.66	3.57
50	2.04	1.21	5.20	4.01
51	2.21	1.36	5.80	4.58
52	2.39	1.51	6.45	5.19
53	2.57	1.66	7.19	5.81
54	2.77	1.81	7.97	6.46
55	2.98	1.97	8.85	7.01
56	3.20	2.14	9.66	7.62
57	3.45	2.32	10.58	8.29
58	3.73	2.51	11.65	8.97
59	4.05	2.71	12.89	9.66
60	4.42	2.92	14.30	10.40
61	4.81	3.14	15.86	11.18
62	5.22	3.39	17.57	12.10
63	5.65	3.71	19.40	13.24
64	6.10	4.11	21.37	14.68
65	6.56	4.58	23.49	16.33
66	7.47	5.12	N/A	N/A
67	8.50	5.70	N/A	N/A
68	9.65	6.33	N/A	N/A
69	10.95	7.02	N/A	N/A
70	12.40	7.75	N/A	N/A

4. Income protection cover

Income protection cover provides a benefit when you are unable to work due to total disablement, whether from sickness or injury, for longer than the selected waiting period. This benefit will either be paid monthly for a maximum period of two years or until you reach age 65, depending upon the type of cover you choose.

Quadrant's income protection cover is unit-based with each unit of cover providing a benefit of \$375 per month. The benefit cannot exceed 75% of your average gross pre-disability income or \$25,000 per month (whichever is lower).

Where 75% of your average pre-disability income is less than the amount you are insured for, any amount greater than this can be paid as superannuation contributions to your Quadrant account up to a maximum of 10% of your average gross pre-disability income.

The premium for your income protection cover depends on a number of factors including your age next birthday,

the monthly benefit (number of units) you require, your occupational category and the length of your waiting period. Please refer to Table 5a and Table 5b on page 11 for the premium amounts.

Standard income protection cover

If you are a new Quadrant Investment Choice member and apply for income protection as part of your standard cover (Package Choice Option 1) you are able to select up to \$4,500 per month (12 units under 'general' category) or up to \$5,625 per month (15 units under 'office' category) of income protection cover without the need to provide any health evidence. This will provide a benefit paid monthly up to a maximum period of two years.

You will need to advise the amount of units you require in your *application form*. The salary range applicable to a number of units is detailed below and on the *application form*. If you do not provide this information, Quadrant will write to you to obtain details so the applicable amount of units can be allocated to you.

Table 4 – Fixed cover for tailored death and total and permanent disablement cover

Annual salary range	Units of income protection cover	Monthly benefit - General category	Monthly benefit - Office category
\$0 - \$6,000	1	\$375	\$375
\$6,001 - \$12,000	2	\$750	\$750
\$12,001 - \$18,000	3	\$1,125	\$1,125
\$18,001 - \$24,000	4	\$1,500	\$1,500
\$24,001 - \$30,000	5	\$1,875	\$1,875
\$30,001 - \$36,000	6	\$2,250	\$2,250
\$36,001 - \$42,000	7	\$2,625	\$2,625
\$42,001 - \$48,000	8	\$3,000	\$3,000
\$48,001 - \$54,000	9	\$3,375	\$3,375
\$54,001 - \$60,000	10	\$3,750	\$3,750
\$60,001 - \$66,000	11	\$4,125	\$4,125
\$66,001 - \$72,000	12	\$4,500	\$4,500
\$72,001 - \$78,000	13	N/A	\$4,875
\$78,001 - \$84,000	14	N/A	\$5,250
\$84,001 - \$90,000	15	N/A	\$5,625

If the amount of cover provided under Package Choices Option 1 does not meet your needs or you would like to apply for cover that will provide a benefit payable to age 65, you will need to apply for tailored income protection cover. However this cover is subject to health assessment by the insurer. Please refer to the section 'tailored income protection' for more information.

Tailored income protection

If you are a Quadrant Personal Super member or Quadrant Investment Choice member requiring a higher level of cover than that provided under the standard cover, or require a benefit payable to age 65, you may apply for income protection cover that suits your needs. The maximum benefit you can apply for under tailored income protection is \$25,000 per month.

If you are aged 35 next birthday and your average gross pre-disability income is \$42,000, you would require:

Quadrant example:		Your calculation:	
Average gross pre-disability income p.a.	(a) <i>\$42,000</i>	Average gross pre-disability income p.a.	(a)
Maximum salary benefit (a) x 75%	(b) <i>\$31,500</i>	Maximum salary benefit (a) x 75%	(b)
Optional superannuation benefit (a) x 10%	(c) <i>\$4,200</i>	Optional superannuation benefit (a) x 10%	(c)
Maximum total benefit per month (b) + (c) / 12	(d) <i>\$2,975</i>	Maximum total benefit per month (b) + (c) / 12	(d)
Total number of units required (d) / \$375 (rounded up to whole number)	(e) <i>7.93 units (8 units)</i>	Total number of units required (d) / \$375 (rounded up to whole number)	(e)

Insurance premiums for income protection cover

The cost of your income protection cover varies depending on a number of factors. These include your age next birthday, the number of units you require, your category of occupation, your waiting period and the length of your benefit period.

The two insurance categories ('general' and 'office') are based on your occupation and reflect the different levels of risk associated with the range of occupations and roles in which Quadrant members are engaged. Please refer to the section 'what are the different occupational categories' in the 'about insurance' section on page 01 for more information.

Premiums are deducted from your account annually in advance on 1 July. If your cover commences after 1 July and before 30 June, your premium will be calculated from the date that your cover is accepted by the insurer through to 30 June. This premium will be deducted from your account on acceptance by the insurer.

If you are aged 35 next birthday and your average gross pre-disability income is \$42,000, you would require 8 units. The annual premium for 8 units would be:

If you are aged 35 next birthday and your average gross pre-disability income is \$42,000, you would require 8 units. The annual premium for 8 units would be:

Quadrant example:		Your calculation:	
Benefit period	<i>Two years</i>	Benefit period	
Occupational category	<i>General</i>	Occupational category	
Age next birthday	<i>35 years</i>	Age next birthday	
Selected waiting period	<i>30 days</i>	Selected waiting period	
Total number of units required	(e) <i>8</i>	Total number of units required	(e)
Premium per unit of cover per week	(f) <i>\$0.84</i>	Premium per unit of cover per week	(f)
Total annual premium payable (e) x (f) x 52	<i>\$349.44</i>	Total annual premium payable (e) x (f) x 52	

What are the waiting periods?

You can choose between a 30, 60 or 90 day waiting period. In choosing a waiting period it is important to consider financial commitments such as mortgage and other regular debts weighed up against any funds at your disposal. Unused sick leave and annual leave entitlements may also influence your choice of waiting periods. The cost of income protection cover decreases if you are prepared to wait longer to receive a benefit. If you do not select a waiting period the default waiting period you will be allocated is 30 days.

If you select a longer waiting period and then want to reduce the waiting period, say from 90 days to 30 days, you must complete the *tailored insurance application form* and *personal health statement* and send them back to Quadrant for assessment. You can choose a longer waiting period by simply writing to the Fund.

Table 5a – Income protection premiums for a two year benefit period

Including cover provided under standard income protection cover

Occupational Category - Office Examples: Lawyers, clerical, administration, managerial positions Premium per unit of cover per week				Occupational Category - General Examples: Electricians, bakers, computer technicians Premium per unit of cover per week			
Age next birthday	30 day waiting period	60 day waiting period	90 day waiting period	Age next birthday	30 day waiting period	60 day waiting period	90 day waiting period
16-40	0.44	0.31	0.15	16-40	0.84	0.59	0.28
41-45	0.59	0.41	0.24	41-45	1.12	0.78	0.46
46-50	0.79	0.56	0.39	46-50	1.50	1.06	0.74
51-55	1.13	0.79	0.64	51-55	2.15	1.50	1.22
56-60	1.63	1.31	1.03	56-60	3.10	2.49	1.96
61-65	2.12	1.58	1.07	61-65	4.03	3.00	2.03

Table 5b – Income protection premiums for an age 65 benefit period

Occupational Category - Office Examples: Lawyers, clerical, administration, managerial positions Premium per unit of cover per week				Occupational Category - General Examples: Electricians, bakers, computer technicians Premium per unit of cover per week			
Age next birthday	30 day waiting period	60 day waiting period	90 day waiting period	Age next birthday	30 day waiting period	60 day waiting period	90 day waiting period
16-40	1.08	0.86	0.42	16-40	2.41	1.92	0.94
41-45	1.62	1.30	0.69	41-45	3.62	2.90	1.54
46-50	2.35	1.88	1.20	46-50	5.25	4.20	2.68
51-55	3.17	2.53	1.90	51-55	7.08	5.65	4.24
56-60	3.96	3.17	2.57	56-60	8.84	7.08	5.74
61-65	3.45	2.77	1.87	61-65	7.70	6.18	4.17

Who can apply?

Anyone who is earning in excess of \$16,000 per annum can apply for tailored income protection cover. This is regardless of how many hours you work or your employment status.

How do I qualify for an income protection benefit?

To qualify for a benefit you must suffer a sickness or injury while insured that meets the definition of ‘total disability for income protection’ or the definition of ‘partial disability for ‘income protection’ and be unable to work for the chosen waiting period. Please refer to the Definitions section for the definitions of total disability for ‘income protection’ or ‘partial disability for income protection’.

When will I be paid a benefit?

Benefits are not payable until the waiting period you have selected has expired. After this, benefits will accrue and be payable at the end of the first month after the waiting period. The waiting period commences on the first day your condition is certified by a medical practitioner.

What happens if I receive money from other sources?

Your benefit may be reduced by the amount of disability income you receive from any one of the following sources:

- a) Any income (other than benefits received under this cover) or commutation of income you received or are entitled to receive as a result of your sickness or injury including:
 - i. Sick leave payments
 - ii. Amounts payable under legislation such as workers’ compensation or motor accident compensation, and
 - iii. Any benefits payable under other income protection insurance policies
- b) Any income earned by you from personal exertion while disabled, but excluding any such income earned from your employer, and
- c) Any income which, in the insurers opinion, you could reasonably be expected to earn in your occupation while disabled.

Where you are entitled to and continue to receive superannuation contributions from your employer, any such payment will be included as disability income in addition to the items listed above.

When will cover commence?

For new Quadrant Investment Choice members receiving income protection cover as part of the standard cover, cover commences on the date you commence employment with a participating employer of Quadrant which requires a contribution to be paid to Quadrant, provided that the employer contribution is paid in line with superannuation guarantee requirements.

If you do not become an insured member and/or do not receive a superannuation guarantee contribution into your Quadrant account within six months of becoming an employee of the employer making superannuation guarantee contributions to Quadrant, you may still receive the default standard cover. However this cover will be limited and it will not cover pre-existing conditions. Full cover will then apply after 24 months of continuous membership. Other exclusions may apply.

In addition, limited cover will also apply if you are not in 'active employment' on the date cover commences. Full cover will apply once you have returned to 'active employment' for two consecutive months. If you have not returned to 'active employment' for two consecutive months, you will continue to receive limited cover until this requirement is met. Please refer to the 'insurance definitions' section on page 16 for the definitions of 'limited cover' and 'active employment'.

For Quadrant Personal Super members or Quadrant Investment Choice members not receiving income protection as part of their standard cover, cover will commence once accepted by the insurer. Quadrant will advise you in writing of the outcome of your application.

How do I apply?

If you are a Quadrant Investment Choice member applying for income protection cover as part of your standard cover, you will need to complete the relevant information on your *application form*.

Otherwise if you are applying for a tailored amount of income protection cover, you must complete the *tailored insurance application form* and *personal health statement* and send them back to Quadrant for assessment. The insurer may also request additional medical evidence or reports when assessing your application for additional cover. You will be written to if this is the case.

No income protection cover applies until accepted by the insurer.

What happens if I die while receiving the benefit?

Your income protection benefits will cease upon your death.

What happens if I return to work and earn less?

If you return to work and are earning an income that is less than your pre-disability income as a result of being recently totally and temporarily disabled, you may be eligible for a 'partial disability'. You must have satisfied the definition for 'total disability', as defined in the 'insurance definitions' section on page 14, for 14 days and still have a reduced income at the end of the waiting period.

What happens if my disablement returns?

If you have been receiving income protection benefits, subsequently recover and therefore cease benefits, then within six months of your recovery become totally and temporarily disabled again due to the same cause or related cause, this period of total and temporary disability will be treated as a continuance of the previous claim and there will be no further waiting period providing you are still a member of Quadrant. Both periods of disability, and any subsequent periods, are added together to determine when the benefit payment period ends. After six months back at work, normal waiting periods apply.

5. General information about insurance

Am I covered while I apply for insurance?

Death and total and permanent disablement cover

Yes. A benefit is provided if you die or become totally and permanently disabled as a result of an accident that happens during the interim accident cover period, that is, the period in which an application for cover is being considered. The date of death or total and permanent disablement must occur within 60 days of the accident.

Interim accident cover will commence on the date that Quadrant receives your application for cover or additional cover and will end on the earliest of the following dates:

- a) The date you withdraw your request for cover
- b) The date the insurer accepts or declines your request for cover
- c) The date the insurer cancels the interim accident cover
- d) 90 days from the date the insurer is notified of your application for cover or additional cover.

Accident is defined as bodily injury caused solely and directly by accidental, external and visible means, independent of any other causes. Your accident cover will be the amount of death or total and permanent disablement benefit you would have received to a maximum of \$1 million, less the amount of any insurance cover.

Income protection cover

A benefit is provided as a result of an accident if you become totally disabled for longer than the waiting period and the total disability happens during the interim

accident cover period, that is, the period in which an application for cover is being considered.

The benefit amount payable equals the amount of cover or additional cover you have requested up to the maximum accident cover amount of \$15,000 per month. The benefit starts to accrue from the day after the end of the waiting period and ends on the earliest of the following:

- a) When you are no longer totally disabled
- b) The end of the benefit payment period that applies to you or would have applied had the insurer accepted the request for cover
- c) The cover expiry date with respect to you
- d) Your death.

Interim accident cover will commence on the date that Quadrant receives your application for cover or additional cover and will end on the earliest of the following dates:

- a) The date you withdraw your request for cover
- b) The date the insurer accepts or declines your request for cover
- c) The date on which a benefit becomes payable for you under this condition
- d) The date the insurer cancels the interim accident cover, and
- e) 90 days from the date the insurer is notified of your request for cover.

Accident is defined as bodily injury caused solely and directly by accidental, external and visible means, independent of any other causes.

How long will cover continue for?

Your death and total and permanent disablement cover, death cover only and/or income protection cover (as applicable) will continue automatically, regardless of any changes in your employment for as long as you remain a member of Quadrant, provided there is sufficient money in your account to cover the costs of the premiums, or until it ceases.

Loyalty Benefit

At the time of a claim, an additional five per cent of the death cover or total and permanent disablement cover (for a maximum of three units) may be paid as part of the death benefit or total and permanent disablement benefit of a member where the member has had 10 or more years of continuous cover.

When does cover cease?

Your cover will end on the earliest of the following events:

- The date you cease to be a member of Quadrant
- You reach age 70 for death only or death and total and permanent disablement cover
- You reach age 65 for income protection cover
- The date a death or total and permanent disablement benefit is paid to Quadrant in respect of you
- The date of your death
- The date you commence duty with the armed services of any country, other than the Australian Army Reserve (during scheduled Army Reserve exercises, but not if called up for active service)
- The date the policy is terminated or cancelled for any reason
- The date you advise that cover is to cease
- The date that Quadrant receives a request from you asking that your cover cease
- The last day of the week in respect of which the last premium deduction is made from your membership account if there is insufficient money in your account to meet premiums
- In any other circumstances referred to by way of special condition.

Are there any restrictions or exclusions?

Death and total and permanent disablement cover

If you are covered under 'limited cover' because you have joined Quadrant more than six months after commencement of your employment, no benefit will be paid if your death is due to suicide within 13 months of cover, whether or not you are sane or not at the time. Similarly, no benefit will be payable if your terminal illness or, if applicable, total and permanent disablement is due to intentional self-inflicted injury or infection or attempt at suicide, whether or not you are sane or not at the time, within 13 months of cover commencing.

The insurer will not pay a benefit for you if your death, terminal illness or total and permanent disablement is caused directly or indirectly by an act of war. However, this clause will not disentitle you of a benefit should you die on war service. War includes any act of war (whether declared or not), revolution, invasion, rebellion or civil uprising. In the event of a pandemic outbreak, the insurer will not pay a benefit if your death is caused directly or indirectly by a pandemic illness or any other condition which is directly caused by, or related to, the pandemic illness, and your death occurs within 30 days of your insured cover for death starting, recommencing or increasing with the insurer's written acceptance.

Please refer to the 'insurance definitions' section for the definition of 'pandemic illnesses' on page 16.

Income protection cover

No benefit will be payable if your injury or illness is directly or indirectly caused by:

- Intentional self-inflicted injury or infection or attempt at suicide (whether or not you are sane or not at the time)
- War
- Your service in the armed forces of any country
- Normal pregnancy or childbirth

Quadrant's insurer will not make a payment under this policy if the payment would cause them to infringe the Health Insurance Act 1973 (Cth) or the National Health Act 1953 (Cth) or any succeeding legislation in connection with health insurance.

Am I able to get terminal illness cover?

Terminal illness cover is provided to all insured members at no additional cost. If you qualify for the payment of a benefit under terminal illness cover the benefit paid will be equivalent to your death cover under both death cover only and death and total and permanent disablement cover. Please refer to the 'insurance definitions' section for the definitions of 'terminal illness' and 'medical practitioner' on page 16.

Am I covered worldwide?

Yes. Worldwide cover is automatically provided regardless of your employment status or residential status however it is still subject to the general exclusions under the policy. Please refer to the section 'Are there any restrictions or exclusion' on page 13 for further information about the restrictions and exclusions applicable to the insurance cover. You are not required to advise Quadrant or the insurer before you travel overseas. Please note that your income protection benefit is only payable for six months while outside of Australia.

Are there any tax implications?

Death and total and permanent disablement cover

Quadrant's death and total and permanent disablement cover is provided as a benefit through the fund and so, for taxation purposes, any insurance benefits payable are treated as superannuation death or total and permanent disablement benefits. As such, death benefits paid to your dependants, spouse or partner will be tax free. If the lump sum death benefit is paid to a non-dependant, tax will be paid at the applicable rates.

The tax payable on total and permanent disablement benefits will vary due to a number of factors, such as age, length of service and the amount of the benefit.

Premiums deducted from your Quadrant account do not provide you with a personal tax deduction. However, you may receive the benefit of a tax deduction available to the fund in respect of the premium.

For information on 'tax and super' please refer to Fact Sheet FS05 – Tax and Super or contact the Australian Taxation Office on 13 1020 or visit www.ato.gov.au.

Income protection cover

Quadrant's income protection cover is a benefit provided through the fund therefore you cannot claim a tax deduction for the premiums.

If you are self-employed, tax deductions are generally available for your superannuation contributions and any additional contributions you make to Quadrant to cover the premiums payable for any insurance cover.

The benefits paid under the income protection cover are paid out as taxable income and attract Pay As You Go (PAYG) tax, the same will be deducted from the benefit before it is paid, and forwarded to the Australian Taxation Office.

If you receive income protection cover benefits you will be asked to provide your Tax File Number to Quadrant. If you do not provide your Tax File Number, Quadrant will be required to deduct tax from your benefit payments at the maximum personal tax rate applicable at the time, rather than your marginal tax rate.

For information on 'tax and super' please refer to Fact Sheet FS05 – Tax and Super or contact the Australian Taxation Office on 13 1020 or visit www.ato.gov.au.

6. Insurance definitions

Definition of total and permanent disablement

An insured member is totally and permanently disabled if one of the following applies:

- a) The insured member suffers, as a result of sickness or injury:
 - i. The total and permanent loss of the use of two limbs
 - ii. Blindness in both eyes; or
 - iii. The total and permanent loss of the use of one limb and blindness in one eye.

Where:

- Limb means the whole hand below the wrist or the whole foot below the ankle, and
- Blindness means the permanent loss of sight to the extent that visual acuity is 6/60 or less, or to the extent that the visual field is reduced to 20 degrees or less of arc.

or

- b) The insured member as a result of sickness or injury, has been absent from all employment for three consecutive months from the date of

disablement and the insurer considers on the basis of medical and other evidence satisfactory to the insurer, the insured member is unlikely ever to be able to engage in any occupation, whether or not for reward.

Where:

- Occupation means an occupation that the person can perform, on a full-time or part-time basis, based on the skills and knowledge the person has acquired through previous education, training or experience. Without limiting this definition, an occupation of the insured member will also include any reasonable alternative occupation the insured member engaged in for six months or more at any time.

or

c) The insured member, as a result of sickness or injury, is totally unable to perform without the physical assistance of another person any two of the following activities of daily living:

- **Dressing:** The ability to put on and take off clothing without assistance
- **Toileting:** The ability to use the toilet, including getting on and off without assistance
- **Mobility:** The ability to get in and out of bed and on and off a chair without assistance
- **Continence:** The ability to control bowel and bladder function without assistance
- **Feeding:** The ability to get food from a plate into the mouth without assistance and the insured member is permanently and irreversibly unable to do so for life.

or

d) All of the following paragraphs (i), (ii), (iii) and (iv) apply to the insured member if:

- i. The insured member was, on the 'date of disablement', aged 65 years or less.
- ii. The insured member is absent from all work as a result of suffering cardiomyopathy, primary pulmonary hypertension, major head trauma, motor neurone disease, multiple sclerosis, muscular dystrophy, paraplegia, quadriplegia, hemiplegia, diplegia, tetraplegia, dementia and Alzheimer's disease, Parkinson's disease, blindness, loss of speech, loss of hearing, chronic lung disease or severe rheumatoid arthritis (each as defined in the Schedule

of Medical Condition Definitions set out in the insurance policy).

- iii. The insurer will consider, on the basis of medical and other evidence satisfactory to them, that the insured member is unlikely ever to be able to engage in any occupation, whether or not for reward; and
- iv. The insured member is likely to be so disabled for life.

Where:

- Occupation means an occupation that the person can perform, on a full-time or part-time basis, based on the skills and knowledge the person has acquired through previous education, training or experience.

or

e) The insurer is satisfied that the insured member has become so disabled by bodily injury or sickness that he/she will never be able to perform at least four of the following activities of daily work:

- **Bending:** The ability to bend, kneel or squat to pick something up from the floor and straighten up again.
- **Communicating:** The ability to clearly hear with or without a hearing aid or alternative aid if required; and comprehend and express oneself by spoken or written language with clarity; to successfully function on a day to day basis and in a work environment.
- **Vision (reading):** The ability to read, with or without correction with suitable lenses, to the extent that an ophthalmologist can certify that: visual acuity is equal or better than 6/48 in both eyes; or constriction is within or greater than 20 degrees of fixation in the eye with the better vision.
- **Walking:** The ability to walk more than 200m on a level surface without stopping due to breathlessness, angina or severe pain elsewhere in the body.
- **Lifting:** The ability to lift, carry or otherwise move objects weighing up to 5kg using either or both hands.
- **Manual dexterity:** The ability, with reasonable precision and success, to use at least one hand, its thumb and fingers, including the ability to pick up and manipulate small objects; and use a keyboard.

Note: A claim that the insured member will never be able to perform four of these activities of daily work must be supported by evidence that the insured member has been prescribed and is undergoing appropriate treatment.

Definition of limited cover

'Limited cover' means the insured member is only covered for claims arising from:

- A sickness which first became apparent,
- or
- An injury which first occurred on or after the date the cover last commenced, recommenced or increased for the member in Quadrant.

Definition of active employment

'Active employment' means for an insured member employed on a 'permanent basis':

- a) Is gainfully employed and attending work and is performing his or her normal duties with their employer without restriction due to injury or illness

or

- b) Is on employer approved leave for reasons other than illness or injury and is capable of performing his or her normal duties without restriction due to injury or illness.

'Active employment' means for an insured member employed on a 'casual basis':

- i. Is gainfully employed and attending work and is performing his or her normal duties with their employer without restriction due to injury or illness

or

- ii. If not working, is capable of being gainfully employed and performing his or her normal duties with their employer without restriction due to injury or illness

or

- iii. Is on employer approved leave for reasons other than illness or injury and is capable of performing his or her normal duties without restriction due to injury or illness.

Definition of terminal illness

'Terminal illness' means an insured member suffers from a sickness which:

- a) A medical practitioner, specialising in the insured member's sickness, certifies in writing that the member will despite reasonable medical

treatment lead to the insured member's death within 12 months of the date of certification; and

- b) The insurer is satisfied, on medical or other evidence, will despite reasonable medical treatment lead to the insured member's death within 12 months of the date of the certification referred to in paragraph (a), and both the certification and diagnosis are made whilst you are covered under this policy.

The sickness from which the insured member suffers must occur, and the date of the certification referred to in paragraph (a) must take place, while the insured member is covered under this policy.

Definition of pandemic illnesses

'Pandemic' means an illness:

- a) From which the insured member suffers when his or her insured cover for death starts, recommences or increases, and
- b) Which, at the time the insured member's insured cover for death starts, recommences or increases, is the subject of a pandemic alert, advisory, notification, declaration or other similar publication issued by:

- The Australian Government (including a relevant Australian Government department, authority, minister or officer);

or

- The World Health Organisation

Definition of medical practitioner

'Medical practitioner' means a person, acceptable to the insurer, who is registered and practising as a medical practitioner in Australia other than:

- a) The insured member
- b) The insured member's spouse or partner, parent, child or sibling
- c) The insured member's business partner, associate or employee.

Definition of remuneration

'Remuneration' means remuneration generated by the insured member's personal exertion or activities and include bonuses, overtime, shift allowance and any packaged elements not received directly by the person as taxable earnings, but excludes any director's fees, compulsory employer superannuation entitlements, commission, investment income and profit distribution.

Definition of pre-disability income

'Pre-disability income' is the average monthly remuneration the insured member earned working for his or her employer in the 12 months immediately before becoming disabled.

However, if the insured member:

- a) Was not, at the time of becoming disabled, an employee of the employer on a permanent basis; and
- b) Had not been an employee of the employer for the entire 12 month period immediately before becoming disabled

Then the insured member's pre-disability income is the remuneration the insured member earned working for his or her employer in the 12 months immediately before becoming disabled, averaged over the greater of:

- Three months
- The number of months the insured member had been an employee of the employer in the 12 month period immediately before becoming disabled.

Definition of total disability for income protection

An insured member is totally disabled if, because of sickness or injury, he or she is:

- a) Unable to perform at least one income producing duty of his or her regular occupation
- b) Under the regular care of, and following the advice of, a medical practitioner, and
- c) Not working in any occupation, whether or not for reward.

Definition of waiting period for income protection

The continuous period of 30, 60 or 90 days for which a person has to be disabled before a disability benefit starts to accrue under this policy, subject to the following requirements:

- a) The waiting period starts on the date a medical practitioner examines the person and certifies that he or she is disabled.
- b) The person must be totally disabled for at least 14 out of the first 19 consecutive days of the waiting period to qualify for a disability benefit.
- c) If the person returns to work at full capacity during the waiting period, the waiting period starts again unless the return to work happens once and it is for no more than 5 consecutive days. If this happens, we will add the number of days of work to the waiting period.

Definition of partial disability for income protection

An insured member is partially disabled if he or she is not totally disabled but, because of sickness or injury, he or she:

- a) Has been totally disabled for at least 14 days
- b) Is unable to work in his or her own occupation at full capacity immediately after he or she became totally disabled because of the sickness or injury that caused his or her disability
- c) Is working in his or her own occupation in a reduced capacity, or working in another occupation
- d) Earns a monthly income that is less than his or her pre-disability income, and
- e) Is under the regular care of, and following the advice of, a medical practitioner.

The partial 'monthly benefit' is the monthly benefit reduced by the amount calculated in accordance with this formula:

$$\frac{C}{PDI \text{ or II}} \times \text{monthly benefit}$$

PDI or II

Where: C = current income

PDI = pre-disability income

For each month the insured member is continuously partially disabled, where current income is the income the insured member earned working for the employer during the month.

Maximum monthly benefit amount for total disability applies to partial disability.

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Need help? If you have any questions or would like further information contact the Quadrant Member Services Team

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