Macquarie Life

FutureWise

Macquarie Life

Smart insurance solutions made simple

Product Disclosure Statement issued jointly by:
Macquarie Life Limited ABN 56 003 963 773 AFSL 237 497 and
Macquarie Investment Management Limited ABN 66 002 867 003 AFSL 237 492
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FORWARD thinking

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Important Information

This Product Disclosure Statement (PDS) contains important information about insurance products issued by Macquarie Life Limited (Macquarie Life). This PDS also contains important information about FutureWise Super (a division of the Macquarie Superannuation Plan), of which Macquarie Investment Management Limited (Trustee) is the trustee. Both Macquarie Life and the Trustee take full responsibility for the whole PDS.

Macquarie Life and the Trustee are not authorised deposit-taking institutions for the purposes of the Banking Act (Cth) 1959, and their respective obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Life or the Trustee.

Information contained in this PDS can change from time to time. If the change is not materially adverse, the updated information will be available on our website, www.macquarie.com.au. A paper copy of any updated information will be given to you on request without charge.

Applications for a FutureWise policy, and to join FutureWise Super, can be made via the electronic application available through Macquarie Life's online insurance platform. It is important that you consider this PDS before completing the application form.

This PDS has been prepared by Macquarie Life and does not take into account your objectives, financial situation or needs. Before acting on this PDS you should consider whether it is appropriate to your situation. We recommend you obtain financial, legal and taxation advice before making any financial investment decision.

About this document

When reading this PDS a reference to "we", "our" and "us" means Macquarie Life, or where indicated, the Trustee. Any reference to "you" or "your" means:

- the applicant for, or owner of a FutureWise policy; or
- in the case of FutureWise Super, an applicant for membership or a member.

There are also some terms used which have a special meaning. These terms are shown in *italics* and are explained in the Glossary at the end of this PDS.

The importance of insurance

No matter how comprehensive and successful your investment plan may be, the most important asset you and your family have is your health. Without it, you lose your ability to provide for yourself and your family on a day-to-day basis, let alone achieve your long-term goals.

Being injured, or worse, dying prematurely, are subjects we would prefer to keep at the back of our minds. By taking out life, total and permanent disablement, trauma or disability income insurance, you can afford to concentrate on living, knowing that if the worst happens, you and your family will be protected.

That's where FutureWise fits in, providing you with a range of insurance solutions that can cover you for the financial consequences should the worst occur.

FutureWise summary

FutureWise provides insurance solutions that allow you to select from a range of policies that provide the right combination of benefits to meet your needs. Some of the policies may be taken within superannuation, catering for a range of circumstances.

FutureWise offers you the choice of the following types of policies:

- Life Insurance
- Total and Permanent Disablement (TPD) Insurance
- Trauma Insurance
- Blood Borne Disease Insurance
- Disability Income Insurance
- Business Expenses Insurance

The benefits provided under these policies are only briefly described in this summary. The terms and conditions applying to each type of benefit are set out in the next section of this PDS. These types of policies are generally available to individuals, companies, trusts, and in some cases, trustees of self managed superannuation funds.

Flexible Linking

Flexible Linking allows for TPD and/or Trauma Insurance under a policy owned by the insured person to be connected to Life Insurance and/or TPD insurance under a FutureWise Super policy for the same insured person.

Where Flexible Linking applies, claims made under any one insurance reduce the sums insured of the other insurances under either of the two connected policies. TPD and Trauma Insurance connected to another policy through Flexible Linking are referred to as Flexible TPD Insurance and Flexible Trauma Insurance.

Note that Flexible Linking is not available with FutureWise policies issued to trustees of self managed superannuation funds.

FutureWise

You can apply for cover under FutureWise on your own life or the life of another person (unless applying for Disability Income or Business Expenses Insurance which are generally only available on your own life).

If you are the trustee of a self managed superannuation fund, you may apply for FutureWise insurance as the trustee on behalf of a member or members of your self managed superannuation fund. It is your responsibility as trustee of a self managed superannuation fund to consider the appropriateness of providing each type of insurance cover within superannuation and superannuation law that operates to limit the release of benefits.

FutureWise Super

You can also apply for cover within superannuation by becoming a member of FutureWise Super, a division of the Macquarie Superannuation Plan. The Trustee of FutureWise Super, Macquarie Investment Management Limited (MIML), will own the policy on your life and any insured benefits that are payable will be paid by Macquarie Life to the Trustee.

FutureWise Super offers you the choice of Life Insurance and/or Total and Permanent Disablement (TPD) Insurance. The payment of any benefit from FutureWise Super by the Trustee to you or your beneficiaries is subject to superannuation laws current at the time of payment. If you are applying for membership of FutureWise Super, please read the section, 'FutureWise Super' on pages 30 to 32.

Life Insurance Policy

The Life Insurance Policy provides a lump sum (called the Life sum insured) if the insured person dies or is diagnosed with a *terminal illness.* Life Insurance is available in a policy on its own. Alternatively, Life Insurance is available in a policy that includes linked TPD and/or Trauma Insurance.

When TPD and/or Trauma Insurance are linked to Life Insurance under the same policy or connected through Flexible Linking, the Life sum insured will be reduced by any benefit paid for *terminal illness,* TPD or Trauma. Similarly, the TPD and/or Trauma Insurance will also be reduced by any benefit paid for *terminal illness,* TPD or Trauma under the policy or under a policy connected through Flexible Linking.

Total and Permanent Disablement (TPD) Insurance Policy

The TPD Insurance Policy provides a lump sum (called the TPD sum insured) if the insured person suffers *total and permanent disablement.* TPD Insurance is available as a policy on its own or in a Life Insurance Policy, and can include linked Trauma Insurance.

When linked Trauma Insurance is included in the TPD Insurance Policy, the TPD sum insured will be reduced by the benefit paid for Trauma. Similarly, the Trauma Insurance will also be reduced by any benefit paid for TPD under the policy.

The TPD Insurance Policy can be connected to a FutureWise Super Life Insurance Policy through Flexible Linking.

Trauma Insurance Policy

The Trauma Insurance Policy provides a lump sum (called the Trauma sum insured) if the insured person suffers a covered Trauma Condition (for some conditions a partial benefit is payable). Under a Trauma Insurance Policy, Trauma Insurance is only available on its own. If you want Trauma Insurance linked to Life and/or TPD Insurance, Trauma Insurance can be taken under a Life Insurance or TPD Insurance Policy.

Trauma Insurance is not available under FutureWise Super, although the Trauma Insurance Policy can be connected to a FutureWise Super Life Insurance or TPD Insurance Policy through Flexible Linking.

Blood Borne Disease Insurance Policy

The Blood Borne Disease Insurance Policy provides a lump sum (called the Blood Borne Disease sum insured) if the insured person is accidentally infected with HIV, Hepatitis B or Hepatitis C during the course of their regular occupation. Blood Borne Disease Insurance must be taken with at least one other type of policy issued by Macquarie Life.

Blood Borne Disease Insurance is not available under FutureWise Super or to trustees of self managed superannuation funds.

Disability Income Insurance Policy

The Disability Income Insurance Policy provides a *monthly benefit* that replaces *income* if the insured person is *disabled*, in most cases, for longer than the specified waiting period.

Disability Income Insurance is not available under FutureWise Super.

Business Expenses Insurance Policy

The Business Expenses Insurance Policy provides a *monthly* benefit that reimburses *allowable business expenses* if the insured person is *disabled*, in most cases, for longer than the specified waiting period.

Business Expenses Insurance is not available under FutureWise Super or to trustees of self managed superannuation funds.

The key characteristics of the types of insurance cover available are summarised in the following tables.

For each type of Insurance, when a benefit is payable is explained in the section titled 'FutureWise terms and conditions'.

Life Insurance

Provides a lump sum if the insured person dies or is diagnosed with a *terminal illness*.	
Entry ages	15 – 70
Expiry age	No expiry
Sum Insured	Minimum $100,000 No maximum; *terminal illness* is payable up to $2 million.
Included features	■ Indexation Increases ■ Future Increases
Available options	■ Business Increase option

Total and Permanent Disablement (TPD) Insurance

Provides a lump sum if the insured person suffers *total and permanent disablement*.	
Entry ages	15 – 60 (15 – 65 for *modified TPD*)
Expiry age	99 TPD definition changes at age 65
Type of cover	■ *Own occupation* (not available under FutureWise Super) ■ *Any occupation* ■ *Domestic duties* ■ *Modified TPD*
Sum Insured	Minimum $100,000 Maximum $3 million *own occupation* and *any occupation*; $1 million *domestic duties* and *modified TPD*
Included features	■ Indexation Increases ■ Future Increases ■ Life Insurance Buy Back
Available options	■ Double TPD option (available when TPD linked to Life Insurance) ■ Business Increase option

Trauma Insurance

(not available under FutureWise Super)

Provides a lump sum if the insured person suffers a Trauma Condition.	
Entry ages	15 – 65
Expiry age	99 Cover changes at age 70
Sum Insured	Minimum $50,000 Maximum $2 million
Included features	■ Indexation Increases ■ Future Increases ■ Life Insurance Buy Back
Available options	■ Trauma Plus option ■ Trauma Reinstatement option ■ Double Trauma option (available when Trauma linked to Life Insurance) ■ Business Increase option

Blood Borne Disease Insurance

(not available under FutureWise Super)

Provides a lump sum if the insured person is infected with HIV, Hepatitis B or Hepatitis C in a workplace accident. This policy must be taken with at least one other type of policy issued by Macquarie Life.	
Entry ages	19 – 60
Expiry age	65
Sum Insured	Minimum $50,000 Maximum $500,000
Included features	■ Indexation Increases

Disability Income Insurance

(not available under FutureWise Super)

Provides a benefit if the insured person is unable to work due to illness or injury and is *totally disabled* or *partially disabled* for longer than the specified waiting period.	
Entry ages	19 – 60
Expiry age	65
Monthly insured amount	The monthly equivalent of 75% of first $250,000 and 50% of the next $150,000 and 25% thereafter of the annual *income* of the insured person subject to a: Minimum $1,250 per month Maximum $30,000 per month
Type of cover (this affects the amount of benefit payable)	■ Indemnity ■ Agreed value ■ Endorsed agreed value
Waiting periods available	■ 30 days ■ 90 days ■ 2 years
Benefit periods available	■ 2 years ■ 5 years ■ To age 65
Included benefits and features	■ *Total Disability* ■ *Partial Disability* ■ Specific Injury benefit ■ Death benefit ■ Indexation Increases ■ Premium Waiver
Available options	■ Extra Benefits option (Includes Trauma benefit, Bed Confinement benefit, Home Care benefit, Rehabilitation Expenses benefit, Accommodation benefit, Future Increases, Cover Extension) ■ Accident option (available with 30 day waiting period only) ■ Claims Escalation option ■ Superannuation Cover option

Business Expenses Insurance

(not available under FutureWise Super)

Reimburses *allowable business expenses* if the insured person is unable to work due to illness or injury and is *totally disabled* or *partially disabled* for longer than the specified waiting period.	
Entry ages	19 – 60
Expiry age	65
Monthly insured amount	The insured person's share of *allowable business expenses* Minimum $1,250 per month ($750 per month if taken out with Disability Income Insurance) Maximum $60,000 per month
Waiting periods available	■ 30 days ■ 90 days
Included benefits and features	■ *Total Disability* ■ *Partial Disability* ■ Death benefit ■ Indexation Increases ■ Premium Waiver
Available options	■ Accident option (available with 30 day waiting period only)

FutureWise terms and conditions

The insured person

You can apply for cover on your own life or (except in the case of cover under FutureWise Super) the life of another person unless applying for Disability Income or Business Expenses Insurance which are generally only available on your own life. The person to be insured must be within the entry ages for the type of cover applied for. If you apply for cover on the life of another person, you must have an insurable interest in the person to be insured that is satisfactory to Macquarie Life.

Macquarie Life will assess your application and, if accepted, will issue you (or the Trustee in the case of cover on your life under FutureWise Super) a FutureWise policy detailing the Insurance cover provided.

The terms and conditions, applying to each type of Insurance included in your FutureWise policy, are set out in this section of the PDS. Words or expressions shown in italics have the meaning explained in the Glossary at the end of the PDS.

Life Insurance

Applying for Life Insurance

The person to be insured must be aged between 15 and 70.

You apply for a specified amount of cover that is known as the Life sum insured. The minimum amount you can apply for is $100,000 and, while there is no maximum, the sum insured must be reasonable for the financial position of the person to be insured and your insurable interest.

If you are applying to be a member of FutureWise Super, or as the trustee of a self managed superannuation fund, there may be circumstances in which the trustee will be unable to release the benefit at the time of claim under superannuation law. We recommend you seek advice before you apply if you are considering taking this insurance cover within superannuation.

Increases in Life Insurance

If your FutureWise policy includes Life Insurance, you can apply to increase the existing Life sum insured at any time while the insured person is aged between 15 and 70, by completing an application and providing any additional information requested by Macquarie Life. The minimum amount of any increase is $10,000 and is subject to acceptance by Macquarie Life.

When the Life sum insured is payable

If your FutureWise policy includes Life Insurance, the Life sum insured will be paid if the insured person:

- is diagnosed with a *terminal illness*; or
- dies,

after the Life Insurance cover start date shown in your policy and before the Life Insurance ends, explained in the section titled ‘When cover ends’ on page 26.

The maximum amount we will pay for *terminal illness* is $2 million inclusive of all cover held with Macquarie Life for the insured person. If, after paying a claim for *terminal illness*, part of the Life sum insured remains, the premium for your FutureWise policy is adjusted accordingly.

When the Life sum insured is reduced

The Life sum insured will be reduced by the following:

- the amount paid for *terminal illness*;
- the amount of any TPD Insurance paid, when TPD Insurance is:
  - included in a Life Insurance Policy; or
  - connected to a Life Insurance Policy through Flexible Linking; and
- the amount of any Trauma Insurance paid, when Trauma Insurance is:
  - included in a Life Insurance Policy; or
  - connected to a Life Insurance Policy through Flexible Linking.

Your FutureWise Life Insurance Policy will show whether TPD and/or Trauma Insurance are included in your policy and if another policy is connected to it through Flexible Linking.

Business Increase option

This option is explained on page 15 in the section, ‘Features and options applicable to Life, TPD and Trauma Insurance’.

When we won’t pay

A Life Insurance claim will not be payable if death or terminal illness is caused directly or indirectly by an intentional self inflicted act, within 13 months of:

- the cover start date;
- the date cover is reinstated, including under the Life Insurance Buy Back (but only in respect of the reinstated cover). The Life Insurance Buy Back feature is explained on page 14;
- the cover start date for any increase in cover that you applied for (but only in respect of that increase).

This exclusion does not apply to that part of the Life Insurance sum insured that replaces other similar insurance under a policy issued by another insurer or another policy issued by Macquarie Life (the other policy) if:

- we were specifically told about the intended replacement of the other policy in your answer to the relevant question in your application for this policy and we agreed to issue this policy on the basis that it replaced the other policy;
- the other policy was continuously in force for 13 months immediately prior to the issue of this policy; and
- no claim is pending or payable under the other policy.

Total and Permanent Disablement (TPD) Insurance

Applying for TPD Insurance

The person to be insured must be aged between 15 and 60 (or 15 and 65 if applying for the *modified TPD* definition).

You apply for a specified amount of insurance that is known as the TPD sum insured. The minimum amount you can apply for is $100,000. The maximum amount is:

- $3 million; or
- $1 million if you are applying for TPD Insurance on the basis of either the *domestic duties* definition or the *modified TPD* definition.

If TPD insurance is to be linked to Life Insurance (either on the same policy or through Flexible Linking) the amount of linked cover is limited to the sum insured of the Life Insurance to which it is to be linked.

These limits may be affected if you have existing cover with us or with another insurer.

Type of cover

You can apply for TPD Insurance on the basis of the following definitions of *total and permanent disablement*:

- *any occupation* or *own occupation* definition if the person to be insured is *gainfully employed* for a minimum of 20 hours per week at the time of application;
- *domestic duties* definition if the person to be insured is engaged in *domestic duties* at the time of application; or
- *modified TPD* definition.

For some occupations, the *own occupation* definition may not be available. The *own occupation* definition is not available under FutureWise Super.

If covered for TPD Insurance, your FutureWise policy will indicate whether the insured person is covered on the basis of the *own occupation*, *any occupation*, *domestic duties*, or *modified TPD* definition.

The *own occupation*, *any occupation* or *domestic duties* definition will convert to the *modified TPD* definition at the cover anniversary when the insured person is aged 65. The TPD sum insured after the cover anniversary when the insured person is aged 65 is limited to $3 million across all policies issued by Macquarie Life. Where there are multiple policies issued by Macquarie Life providing TPD insurance for the same insured person we will apply any reduction to the sum insured based on the cover start date of each policy (or the start date of any increases, other than indexation increases), reducing the most recently commenced policy (or approved increase) first.

When the insured person is covered on the basis of the *own occupation* definition of *total and permanent disablement*, the *any occupation* definition applies if, at the time of the injury or illness for which the claim for *total and permanent disablement* is made, the insured person has not been *gainfully employed* within the preceding 6 months.

If you are applying to be a member of FutureWise Super, or as the trustee of a self managed superannuation fund, there may be circumstances in which the trustee will be unable to release the benefit at the time of claim under superannuation law (for example, in the case of a trustee of a self managed superannuation fund, you are paid an *own occupation* TPD benefit under the insurance cover but the member does not meet a condition of release under superannuation law). We recommend you seek advice before you apply if you are considering taking this insurance cover within superannuation.

Increases in TPD Insurance

If your FutureWise policy includes TPD Insurance, you can apply to increase the TPD sum insured at any time while the insured person is aged between 15 and 60. You can do this by completing an application and providing any additional information requested by Macquarie Life.

The minimum amount of any increase is $10,000 and is subject to acceptance by Macquarie Life.

When the TPD sum insured is payable

If your FutureWise policy includes TPD Insurance, the TPD sum insured will be paid if the insured person suffers *total and permanent disablement* after the TPD Insurance cover start date shown in your policy and before the TPD Insurance ends, explained in the section titled ‘When cover ends’ on page 26.

If you make a claim for TPD because the insured person has suffered:

- a permanent impairment of at least 25% of whole person function;
- *loss of limbs*; or
- *loss of independent existence*

the insured person must be living (and not declared brain dead) for 14 days from the date the insured person satisfies the definition.

If you make a claim for TPD under any part of the *total and permanent disablement* definition not referred to above, the requirement to survive 14 days from the date the definition is satisfied does not apply.

Double TPD option

This is an option, for which an additional premium is charged. It is only available if you take TPD Insurance under a Life Insurance Policy or connected to a Life Insurance Policy through Flexible Linking.

If the Double TPD option applies, it will be shown in the policy issued to you. If the Double TPD option applies, it replaces Life Insurance Buy Back, as explained on page 14.

This option allows you, up until the cover anniversary when the insured person is aged 65, to reinstate the Life sum insured 14 days after it was reduced by the payment of a TPD claim, without the need for medical underwriting. This option can not be exercised if a claim for *terminal illness* (or similar benefit) is in progress or has previously been paid for the insured person by Macquarie Life or any other insurer.

The premium will be waived on the reinstated Life sum insured. Any exclusions or special conditions which applied to the original Life Insurance will also apply to the reinstated Life Insurance.

The Future Increases and Indexation Increases features and the Business Increase option, explained in the section titled 'Features and options applicable to Life, TPD and Trauma Insurance', do not apply to the reinstated Life sum insured.

Business Increase option

This option is explained on page 15 in the section, 'Features and options applicable to Life, TPD and Trauma Insurance'.

When the TPD sum insured is reduced

The TPD sum insured will be reduced by the following:

- the amount of any Life Insurance paid for terminal illness, if TPD Insurance is:
  - included in a Life Insurance Policy; or
  - connected to a separate Life Insurance Policy through Flexible Linking; and
- the amount of any Trauma Insurance paid, if TPD Insurance is:
  - included in a policy along with Trauma Insurance; or
  - connected through Flexible Linking to another policy which includes Trauma Insurance.

Your policy will show what other types of insurance are included in it, and whether it is connected to another policy through Flexible Linking.

If the TPD sum insured is reduced, but part of the sum insured remains, the premium for your policy is adjusted accordingly.

When we won't pay

A TPD Insurance claim will not be payable if *total and permanent disablement* is caused directly or indirectly by an intentional self inflicted act.

Trauma Insurance

Applying for Trauma Insurance

The person to be insured must be aged between 15 and 65.

You apply for a specified amount of insurance that is known as the Trauma sum insured. The minimum amount you can apply for is $50,000. The maximum amount is $2 million.

If Trauma Insurance is to be linked to other insurances (either on the same policy or through Flexible Linking) the amount of linked cover is limited to the higher of the sums insured of the insurance to which it is to be linked.

These limits may be affected if you have existing cover with us or with another insurer.

Trauma Insurance is not available under FutureWise Super. If you are applying as the trustee of a self managed superannuation fund, there may be circumstances in which the trustee will be unable to release the benefit at the time of claim under superannuation laws. We recommend you seek advice before you apply if you are considering taking this insurance cover within superannuation.

Increases in Trauma Insurance

If your FutureWise policy includes Trauma Insurance, you can apply to increase the Trauma sum insured at any time while the insured person is aged between 15 and 65. You can do this by completing an application and providing any additional information requested by Macquarie Life. The minimum amount of any increase is $10,000 and is subject to acceptance by Macquarie Life.

When the Trauma sum insured is payable

If your FutureWise policy includes Trauma Insurance, all or part of the Trauma sum insured is payable if the insured person suffers one of the Trauma Conditions listed on the following page after the Trauma Insurance cover starts for the condition and before the earlier of:

- the Trauma Insurance ending, explained in the section titled 'When cover ends' on page 26; and
- the cover anniversary when the insured person is aged 70.

After the cover anniversary when the insured person is aged 70, if your FutureWise policy includes Trauma Insurance, the Trauma sum insured is only payable if the insured person suffers *loss of independent existence* or *loss of limbs* or *cognitive loss* before the Trauma Insurance ends, explained in the section titled 'When cover ends' on page 26. The Trauma sum insured after the cover anniversary when the insured person is aged 70 is limited to $2 million across all policies issued by Macquarie Life. Where there are multiple policies issued by Macquarie Life providing Trauma Insurance for the same insured person we will apply any reduction to the sum insured based on the cover start date of each policy (or the start date of any increases, other than indexation increases), reducing the most recently commenced policy (or approved increase) first.

We will only pay once for any one Trauma Condition, except in the case of *angioplasty*. You can claim for *angioplasty* more than once, where the subsequent *angioplasty* procedure being claimed for occurs at least six months after the previous *angioplasty* claim.

The insured person must be living (and not declared brain dead) for 14 days from the diagnosis or occurrence of the claimed condition.

The definitions for all the Trauma Conditions can be found in the Glossary at the end of this PDS.

When Trauma Insurance starts

Except for the Trauma Conditions marked #, Trauma Insurance starts on:

- the cover start date shown in your FutureWise policy;
- the date any cover is reinstated, including under the Trauma Reinstatement option explained on page 11 (but only in respect of the reinstated cover); or
- the cover start date for any increase in Trauma sum insured that you applied for (but only in respect of that increase).

For the Trauma Conditions marked #, Trauma Insurance starts 90 days after the applicable date referred to above.

The deferred commencement of cover by 90 days does not apply in respect of a Trauma Condition to that part of the Trauma Insurance sum insured that replaces other similar insurance under a policy issued by another insurer or another policy issued by Macquarie Life (the other policy) if:

- we were specifically told about the intended replacement of the other policy in your answer to the relevant question in your application for this policy and we agreed to issue this policy on the basis that it replaced the other policy;
- the other policy provided similar cover for the Trauma Condition;
- the other policy was continuously in force for 90 days immediately prior to the issue of this policy; and
- no claim is pending or payable under the other policy.

Trauma Insurance

Trauma Conditions for which the full Trauma sum insured is payable

aortic surgery[#]
aplastic anaemia
benign brain tumour
cancer[#]
cardiomyopathy
chronic kidney failure
chronic liver disease
chronic lung disease
cognitive loss
coma
coronary artery by-pass surgery[#]
dementia including Alzheimer's disease
encephalitis
heart attack[#]
heart valve surgery[#]
loss of hearing
loss of independent existence
loss of limbs
loss of sight
loss of speech
major head trauma
major organ transplant
medically acquired HIV
motor neurone disease with impairment level
multiple sclerosis with impairment level
muscular dystrophy with impairment level
occupationally acquired HIV
Parkinson's disease with impairment level
paralysis
primary pulmonary hypertension
severe burns
stroke[#]
triple vessel angioplasty[#]

Trauma Conditions for which part of the Trauma sum insured is payable

angioplasty[#]
carcinoma in situ of breast[#]
early stage melanoma[#]
early stage prostate cancer[#]
major organ transplant waiting list
motor neurone disease[#]
multiple sclerosis[#]
muscular dystrophy[#]
Parkinson's disease[#]

The partial benefit payable for the above conditions is 20% of the Trauma sum insured up to $100,000, except for *angioplasty*, for which the benefit is 10% of the Trauma sum insured to a maximum of $20,000. The Trauma sum insured will be reduced by the amount of benefit paid.

Trauma Plus option

Trauma Conditions for which the full Trauma sum insured is payable

advanced diabetes

Trauma Conditions for which the full Trauma sum insured is payable in place of a partial payment

major organ transplant waiting list
motor neurone disease[#]
multiple sclerosis[#]
muscular dystrophy[#]
Parkinson's Disease[#]

Trauma Conditions for which an additional (booster) amount is payable

loss of limbs
loss of sight
paralysis
severe burns

The booster amount payable for the above conditions is an additional 25% of the Trauma sum insured. The booster amount payable will be reduced so that the combined total of the booster amount and Trauma sum insured paid is no more than the Indexed Benefit Limit. The Indexed Benefit Limit is $2 million when your policy commences, and it increases in the same proportion as the Trauma sum insured increases due to Indexation Increases.

Trauma Conditions for which part of the Trauma sum insured is payable

carcinoma in situ of the cervix and cervical dysplasia[#]
carcinoma in situ of the fallopian tube[#]
carcinoma in situ of the ovary[#]
carcinoma in situ of the vagina[#]
carcinoma in situ of the vulva[#]
colostomy/ileostomy
diabetes complications
hydrocephalus
partial loss of hearing
partial loss of limbs
partial loss of sight
severe burns of limited extent
severe Crohn's disease
severe osteoporosis
severe rheumatoid arthritis
severe ulcerative colitis

The partial benefit payable for the above conditions is 20% of the Trauma sum insured up to $100,000. The Trauma sum insured will be reduced by the amount of benefit paid.

[#] special conditions apply to when cover starts for these Trauma Conditions. See the section titled 'When Trauma Insurance starts' on page 9.

The definitions for all the Trauma Conditions can be found in the Glossary at the end of this PDS.

Trauma Plus option

This is an option for which an additional premium is charged. If the Trauma Plus option applies, it will be shown in the policy issued to you.

The Trauma Plus option provides cover for a range of additional Trauma Conditions and greater benefits than would otherwise be payable for some Trauma Conditions covered under Trauma Insurance.

If your FutureWise policy includes the Trauma Plus option, all or part of the Trauma sum insured is payable if the insured person suffers one of the Trauma Conditions listed on the previous page after the Trauma cover starts for the condition and before the earlier of:

- the Trauma Insurance ending, explained in the section titled 'When cover ends' on page 26; and
- the cover anniversary when the insured person is aged 70.

We will only pay once for any one Trauma Condition under the Trauma Plus option.

The insured person must be living (and not declared brain dead) for 14 days from the diagnosis or occurrence of the claimed condition.

Trauma Reinstatement option

This is an option for which an additional premium is charged. If the Trauma Reinstatement option applies, it will be shown in the policy issued to you.

This option allows you, up until the cover anniversary when the insured person is aged 70, to reinstate the Trauma sum insured 12 months after it was reduced in full by the payment of a Trauma claim, without the need for medical underwriting. This option cannot be exercised if a claim for TPD or terminal illness (or similar benefit) is in progress or has previously been paid for the insured person by Macquarie Life or any other insurer. Any booster amount paid under the Trauma Plus option in addition to the Trauma sum insured cannot be reinstated under the Trauma Reinstatement option.

We will contact you within 12 months of the Trauma claim, notifying you of the option to reinstate the Trauma Insurance that was reduced. We must receive your acceptance within 30 days of the date that falls 12 months after the claim was paid. We will then tell you the date Trauma Insurance is reinstated or, if your FutureWise policy has terminated because the total cover under the policy was reduced to nil, we will issue a new policy for the reinstated Trauma Insurance.

The premium for the reinstated Trauma Insurance will be based on the FutureWise premium rates applying at the time of reinstatement. Any premium adjustments, exclusions or special conditions, which applied to the original Trauma Insurance, will also apply to the reinstated cover.

The Future Increases and Indexation Increases features, explained in the section titled 'Features and options applicable to Life, TPD and Trauma Insurance', do not apply to the reinstated cover. The Trauma Reinstatement option, Double Trauma option and the Business Increase option are not available with the reinstated cover.

Where Trauma Insurance is reinstated, no claim is payable under these general terms for:

- the same Trauma Condition for which a claim has been paid under Trauma Insurance;
- a condition which is directly or indirectly related to a condition for which a claim has been previously paid under Trauma Insurance (or treatment of that condition);
- a condition which first occurs or symptoms leading to the condition occurring or being diagnosed first became apparent before the reinstatement of the Trauma Insurance under this option.

Where Trauma Insurance is reinstated, no claim is payable under these specific terms for the following Trauma Conditions:

- *angioplasty*, *aortic surgery*, *cardiomyopathy*, *coronary artery by-pass surgery*, *heart attack*, *heart valve surgery*, *primary pulmonary hypertension*, *stroke*, *triple vessel angioplasty* or *chronic kidney failure* if a claim for any of these Trauma Conditions has been paid under Trauma Insurance;
- *paralysis* or *loss of sight*, resulting from cerebrovascular accident, if a claim for *angioplasty*, *aortic surgery*, *cardiomyopathy*, *coronary artery by-pass surgery*, *heart attack*, *heart valve surgery*, *primary pulmonary hypertension* or *triple vessel angioplasty* has been paid under Trauma Insurance;
- *cancer*, *carcinoma in situ of breast*, *carcinoma in situ of the cervix and cervical dysplasia*, *carcinoma in situ of the fallopian tube*, *carcinoma in situ of the ovary*, *carcinoma in situ of the vagina*, *carcinoma in situ of the vulva*, *early stage prostate cancer* and *early stage melanoma* if a claim for any of these Trauma Conditions has been paid under Trauma Insurance; or
- *stroke* and *heart attack* if a claim for *dementia including Alzheimer's Disease* has been paid under Trauma Insurance.

Double Trauma option

This is an option for which an additional premium is charged. It is only available if you take Trauma Insurance under a Life Insurance Policy or connected to a Life Insurance policy through Flexible Linking.

If the Double Trauma option applies, it will be shown in the policy issued to you. If the Double Trauma option applies, it replaces Life Insurance Buy Back, as explained on page 14.

This option allows you, up until the cover anniversary when the insured person is aged 65, to reinstate the Life sum insured 14 days after it was reduced by the payment of a Trauma claim, without the need for medical underwriting. This option cannot be exercised if a claim for *terminal illness* (or similar benefit) is in progress or has previously been paid for the insured person by Macquarie Life or any other insurer.

The premium will be waived on the reinstated sum insured. Any exclusions or special conditions which applied to the original Life Insurance will also apply to the reinstated Life Insurance.

The Future Increases and Indexation Increases features and the Business Increase option, explained in the section titled 'Features and options applicable to Life, TPD and Trauma Insurance', do not apply to the reinstated Life sum insured.

Business Increase option

This option is explained on page 15 in the section, 'Features and options applicable to Life, TPD and Trauma Insurance'.

When the Trauma sum insured is reduced

The Trauma Insurance sum insured will be reduced by the following:

- the amount of any Life Insurance paid for terminal illness, if Trauma Insurance is:
  - included in a Life Insurance Policy; or
  - connected to a separate Life Insurance Policy through Flexible Linking; and
- the amount of any TPD Insurance paid, if Trauma Insurance is:
  - included in a policy along with TPD Insurance; or
  - connected through Flexible Linking to a separate policy which includes TPD Insurance; and
- the amount of any Trauma Insurance paid in part for a Trauma Condition.

Your policy will show what other types of insurances are included in it, and whether it is connected to another policy through Flexible Linking.

If the Trauma sum insured is reduced, but part of the sum insured remains, the premium for your policy is adjusted accordingly.

When we won't pay

A Trauma Insurance claim will not be payable if the Trauma Condition (or where the condition involves surgery or a procedure, the disease or condition for which the surgery or procedure is undertaken):

- is caused directly or indirectly by an intentional self inflicted act; or
- first occurs or symptoms leading to the condition occurring or being diagnosed first became apparent before Trauma Insurance starts for that Trauma Condition. See section titled 'When Trauma Insurance starts' on page 9.

Features and options applicable to Life, TPD and Trauma Insurance

Indexation Increases

So that your cover retains its value over time in line with inflation, on each cover anniversary before the insured person reaches age 65, we will increase the sum insured by the greater of 3% and the increase in the *consumer price index*.

We will tell you the proposed indexation increase before it applies and you can choose not to accept the increase. If you decline an increase it will not affect future increase offers. To decline an increase, we must receive your notice of decline before the applicable cover anniversary.

Future Increases

Under this feature, after certain events you can apply to increase your existing Life, TPD and/or Trauma sums insured, and we will accept the increase without the need for medical underwriting. However satisfactory evidence of the personal or business event or change in financial position for which the increase is sought will be required. The application for an increase under this feature must be made on the appropriate form, available from your adviser.

The following table sets out the events and the maximum amounts by which you can apply to increase the sum insured.

This feature is available until the insured person turns 55.

Personal events	Maximum increase
Marriage of the insured person	The lesser of: ■ 25% of the applicable sum insured when your policy started; and ■ $200,000.
The insured person or their partner gives birth to or adopts a child	
The insured person takes out a new mortgage or increases an existing mortgage (excluding refinance or draw down)	The lowest of: ■ 25% of the applicable sum insured when your policy started; ■ $200,000; and ■ the increase in the size of the mortgage.
The *income* of insured person increases by 15% or more in a 12 month period	The lowest of: ■ 25% of the applicable sum insured when your policy started; ■ $200,000; and ■ five times the increase in *income.*
Business events	**Maximum increase**
An increase in the insured person's value to your business (if the insured person is a key person in your business)	The lowest of: ■ 25% of the applicable sum insured when your policy started; ■ $200,000; and ■ the increase in the value of the insured person's value to the business.
An increase in the value of the insured person's interest/share in your business (if the insured person is a partner, shareholder or similar principal in your business and this policy supports a buy/sell, share purchase or business succession agreement)	The lowest of: ■ 25% of the applicable sum insured when your policy started; ■ $200,000; and ■ the increase in the value of the insured person's interest/share in the business.
Increase in the size of a business loan where the insured person has an interest in the business or is a key person for your business	The lowest of: ■ 25% of the applicable sum insured when your policy started; ■ $200,000; and ■ the increase in the size of the loan.

Future Increases (continued)

Only increases of $10,000 or more are eligible for applications under the Future Increases feature. An increase under this feature cannot be made until 12 months after the cover start date for the applicable insurance cover. The increase in cover must be requested within six months of the event and only one increase may be applied for in any 12 month period under this feature. This feature cannot be exercised for a business event if the Business Increase option has already been exercised for the same business event. The maximum amount by which the applicable sum insured can be increased under the Future Increases feature on your FutureWise policy is $1 million.

The TPD Insurance cannot be increased above $3 million if the *any occupation* or *own occupation* definition applies, and $1 million if the *domestic duties* or *modified TPD* definition of *total and permanent disablement* applies. Trauma Insurance cannot be increased above $2 million. (These maximum limits apply inclusive of all cover for the insured person held with Macquarie Life or another insurer.)

If included in a Life Insurance Policy or connected to a Life Insurance Policy through Flexible Linking, neither TPD nor Trauma sums insured can be increased to an amount greater than the Life sum insured. If included in a TPD Insurance Policy or connected to a TPD Insurance Policy through Flexible Linking, the Trauma sum insured cannot be increased to an amount greater than the TPD sum insured.

If an event or condition giving rise to a claim occurs (or in the event of Trauma Insurance, the symptoms leading to the condition occurring or being diagnosed first became apparent) during the first six months after an increase in the sum insured under this feature, we will only pay a claim in respect of the increased cover if:

- the condition for which the claim is being made is due to an *accident*; and
- the *accident* occurs after the date of the increase.

Life Insurance Buy Back

This feature only applies if TPD and/or Trauma Insurance is included in a Life Insurance Policy or connected to a Life Insurance Policy through Flexible Linking.

This feature allows you, up until the cover anniversary when the insured person is aged 65, to reinstate the Life sum insured 12 months after it was reduced by the payment of a TPD or Trauma claim, without the need for medical underwriting.

We will contact you within 12 months of the TPD or Trauma claim, notifying you of the option to reinstate the Life Insurance that was reduced. We must receive your acceptance within 30 days of the date that falls 12 months after the claim was paid. We will then tell you the date cover was reinstated or, if your policy has terminated because the Life sum insured was reduced to nil, we will issue a new policy for the reinstated cover.

If the Life Insurance that is being reinstated is provided under FutureWise Super, it can only be reinstated if the insured person is eligible to make contributions to FutureWise Super (for information on eligibility to make contributions please refer to the FutureWise Super section of this PDS on pages 30 to 32). If not, the insured person can request us to issue the reinstated policy to him or her on their own life.

The premium for the reinstated Life Insurance will be based on the FutureWise premium rates applying at the time of reinstatement. Any premium adjustments, exclusions or special conditions, which applied to the original Life Insurance, will also apply to the reinstated cover.

The Future Increases feature is not available for cover reinstated under Life Insurance Buy Back. The Indexation Increases feature will apply to the reinstated Life sum insured. Life Insurance Buy Back cannot be exercised if a claim for *terminal illness* (or similar benefit) is in progress, or has previously been paid, for the insured person by Macquarie Life or any other insurer.

Business Increase option

This is an option for which an additional premium is charged.

It is available with Life, TPD and/or Trauma Insurance. For policies where several types of insurance are linked, the option can be applied for on Life Insurance only or on all insurances under the policy. It is not available with TPD Insurance if the *modified TPD* definition is selected. The person to be insured must be aged between 19 and 60 to apply for this option.

If the Business Increase option applies, it will be shown in the policy issued to you.

When you apply for this option, you nominate a specific business insurance arrangement for which you may want to increase your cover in the future and the current value associated with this arrangement. Business insurance arrangements we may approve include key person insurance, business succession agreements, and loan guarantor insurance.

If after the policy start date the value associated with the business insurance arrangement increases (herein referred to as a business event) you may apply to increase the sum insured without the need for medical underwriting. Your application must be provided on the appropriate form (available from your adviser) and must be supported by financial evidence of the business event acceptable to us. The increase is subject to approval by us.

You can apply to increase the sum insured under this option, subject to the limits in the table opposite, so that the sum insured as a proportion of the value associated with the business insurance arrangement after the increase is no more than it was at the cover start date (or if increases have been made under this option, no more than it was after the previous increase was approved).

The following table sets out the maximum amounts by which you can apply to increase the sum insured under this option and the total amounts to which the sum insured can be increased over time under this option.

Life	■ $2 million for each individual increase ■ To a total of the lesser of $10 million and three times the original amount insured.
TPD	■ $1.5 million for each individual increase ■ To a total of the lesser of $3 million and three times the original amount insured.
Trauma	■ $1.5 million for each individual increase ■ To a total of the lesser of $2 million and three times the original amount insured.

Only increases of $10,000 or more are eligible for applications under the Business Increase option. Only one increase may be applied for in any 12 month period under this option. Increases under this option cannot be exercised for a business event if the Future Increases feature has already been exercised for the same business event.

This option cannot be cancelled once you have exercised an increase under this option.

This option expires at the cover anniversary when the insured person is aged 65.

Blood Borne Disease Insurance

Applying for Blood Borne Disease Insurance

The person to be insured must be aged between 19 and 60. You may apply for this insurance provided you also have at least one other type of policy issued by Macquarie Life for the person to be insured. Blood Borne Disease Insurance is only available to some occupations (generally medical professions and those occupations in which infection with HIV, Hepatitis B or Hepatitis C is an occupational hazard).

You apply for a specified amount of cover that is known as the Blood Borne Disease sum insured. The minimum amount you can apply for is $50,000 and the maximum is $500,000.

Blood Borne Disease Insurance is not available under FutureWise Super or under FutureWise if you are applying as the trustee of a self managed superannuation fund.

Increases in Blood Borne Disease Insurance

If your FutureWise policy includes Blood Borne Disease Insurance, you can apply to increase the existing Blood Borne Disease sum insured at any time while the insured person is aged between 19 and 60, by completing an application and providing any additional information requested by Macquarie Life. The minimum amount of any increase is $10,000 and is subject to acceptance by Macquarie Life.

When the Blood Borne Disease sum insured is payable

If your FutureWise policy includes Blood Borne Disease Insurance, the sum insured will be paid if the insured person becomes infected with HIV, Hepatitis B or Hepatitis C as the result of an *accident* during the course of the insured person's regular occupation after the Blood Borne Disease cover start date shown in your policy and before the Blood Borne Disease Insurance ends, explained in the section titled 'When cover ends' on page 26.

The production and detection (sero-conversion) of:

- HIV antibodies, by way of a positive HIV antibody test; or
- Hepatitis B surface antigen or HBV DNA, by way of a positive Hepatitis B surface antigen or HBV DNA test; or
- Hepatitis C antibodies, by way of a positive Hepatitis C antibody test

must be confirmed within six months of the *accident*.

Any *accident* giving rise to a potential claim must be reported to us within seven days of the incident and supported by a negative HIV, Hepatitis B or Hepatitis C test (as applicable) taken after the *accident*. We must be given access to test all blood samples used.

When the Blood Borne Disease sum insured is reduced

In the event of a claim for HIV infection that is payable both under this insurance and Trauma Insurance, if it applies, the amount payable under this insurance will be reduced so that the combined total of the Blood Borne Disease and the Trauma sums insured paid is no more than the Indexed Benefit Limit. The Indexed Benefit Limit is $2 million when your policy commences, and it increases in the same proportion as the Blood Borne Disease and Trauma sums insured increase due to Indexation Increases.

Indexation Increases

So that your cover retains its value over time in line with inflation, on each cover anniversary before the insured person reaches age 65, we will increase the sum insured by the greater of 3% and the increase in the *consumer price index*.

We will tell you the proposed indexation increase before it applies and you can choose not to accept the increase. If you decline an increase it will not affect future increase offers. To decline an increase, we must receive your notice of decline before the applicable cover anniversary.

When we won't pay

A Blood Borne Disease Insurance claim will not be payable if:

- HIV, Hepatitis B or Hepatitis C infection is caused by any other means, including sexual activity or recreational intravenous drug use;
- a treatment is developed and approved which renders the HIV, Hepatitis B or Hepatitis C virus (as applicable) inactive and non-infectious; or
- the insured person has not taken an approved vaccine that is recommended by the relevant government body for use in the insured person's occupation and is available prior to the event which causes infection.

We will only pay an amount under this insurance once.

Disability Income Insurance

Applying for Disability Income Insurance

The person to be insured must be aged between 19 and 60 and *gainfully employed* for a minimum of 20 hours per week.

You apply for a specified amount of cover that is known as the monthly insured amount. The minimum amount you can apply for is $1,250 per month and the maximum is the lesser of:

- $30,000 per month; and
- the monthly equivalent of 75% of the first $250,000, 50% of the next $150,000 and 25% of the balance of the annual *income* of the person to be insured.

These limits may be affected if you have existing cover with us or with another insurer.

Different limits apply if you select the Superannuation Cover option. See page 22 for further details.

Disability Income Insurance is not available under FutureWise Super. If you are applying as the trustee of a self managed superannuation fund, there may be circumstances in which the trustee will be unable to release some of the benefits at the time of claim under superannuation laws. We recommend you seek advice before you apply if you are considering taking this insurance cover within superannuation.

Type of Disability Income Insurance

If you have a FutureWise Disability Income Insurance Policy, it will be either on an indemnity, agreed value or endorsed agreed value basis, as shown in the policy issued to you.

For some occupations, Disability Income Insurance may only be available on an indemnity basis.

If provided on an **indemnity** basis the benefit payable in the event of a claim is based on the insured person's *pre-disability income* to a maximum of the monthly insured amount.

If Disability Income Insurance is provided on an **agreed value** basis, the benefit payable in the event of a claim will be based on the insured person's *income* at the time you applied for the cover (or if we have accepted an application for an increase in cover, the insured person's *income* at the time you applied for the increase in cover that we accepted) to a maximum of the monthly insured amount. To make a claim, you must provide satisfactory financial evidence confirming the insured person's *income* at the applicable time.

If Disability Income Insurance is provided on an **endorsed agreed value** basis, the benefit payable in the event of a claim is based on the insured person's *income* at the time you applied for the cover (or, if we have accepted an application for an increase in cover, the insured person's *income* at the time you applied for the increase in cover). Disability Income Insurance is provided on an endorsed agreed value basis if you have provided financial evidence of the insured person's *income* at the time you applied, and your policy indicates that the 'Type of cover' is 'endorsed agreed value'.

It is important to note that, while the benefit payable will never exceed the monthly insured amount, in some cases it may be less than the monthly insured amount.

Increases in Disability Income Insurance

If you have a FutureWise Disability Income Insurance Policy, you can apply to increase the monthly insured amount at any time while the insured person is aged between 19 and 60, by completing an application and providing any additional information requested by Macquarie Life. The minimum amount of any increase is $500 per month and is subject to acceptance by Macquarie Life.

Waiting period

The majority of benefits under Disability Income Insurance are subject to a waiting period before the benefits become payable.

The following waiting periods are available:

- 30 days
- 90 days
- 2 years

The 2 year waiting period is only available with a benefit period to age 65.

The waiting period that applies is shown in the policy issued to you.

The waiting period begins the day the insured person is *disabled* due to illness or injury and has consulted a *medical practitioner*.

On the basis of medical and other evidence acceptable to us, we will reduce the waiting period by the number of continuous days for which the insured person was absent from *gainful employment* due to illness or injury prior to first consulting a *medical practitioner* in relation to their *disability*, to a maximum of 7 days.

The insured person can return to work (and not be *disabled*) during the waiting period for up to:

- five consecutive days if your waiting period is 30 days;
- 10 consecutive days if your waiting period is 90 days or 2 years; and
- six consecutive months if your waiting period is two years and the insured person is also covered by a type of disability income insurance with a benefit period of two years provided through membership of a regulated superannuation scheme in Australia

before we will restart the waiting period. The waiting period will be extended by the number of days worked while the insured person is not *disabled*.

Benefit period

The benefit period is the maximum period for which a claim for a *disability* is payable.

The following benefit periods are available:

- 2 years
- 5 years
- to age 65

For some occupations, the maximum benefit period available may be 5 years.

The benefit period that applies is shown in the policy issued to you.

The benefit period for an individual claim starts at the end of the waiting period and continues until the earlier of:

- the end of the selected benefit period (if the benefit period selected is 'to age 65', the benefit period ends at the cover anniversary when the insured person is aged 65); and
- the date when cover ends (see the section, 'When cover ends' on page 26).

Recurrent Disability

If the benefit period under your FutureWise Disability Income Insurance policy is to age 65, any claim for a *disability* arising from the same or a related cause as a previous claim within 12 months of the previous claim ending, will be treated as a continuation of the previous claim and the waiting period will be waived. If the claim is made more than 12 months after the previous claim ended it will be treated as a new claim and a new waiting period will apply.

If the benefit period under your FutureWise Disability Income Insurance policy is 2 years or 5 years, or this insurance has been extended beyond the cover anniversary when the insured person is aged 65 under the terms of the Cover Extension on page 21, any claim for a *disability* arising from the same or a related cause as a previous claim within 6 months of the previous claim ending, will be treated as a continuation of the previous claim and the waiting period will be waived. If the claim is made more than six months after the previous claim ended a new waiting period will apply. A new benefit period will apply if and only if the insured person made a successful return to *gainful employment* for a continuous period of six months.

Total Disability

If you have a FutureWise Disability Income Insurance Policy, a benefit is payable if, after the cover start date shown in your policy and before the Disability Income Insurance ends, the insured person:

- has been continuously *disabled* during the waiting period and *totally disabled* for at least 5 consecutive days during that time; and
- is *totally disabled* after the end of the waiting period, or after a period during which a benefit for *partial disability* has been paid for the same *disability*.

The benefit payable is the *monthly benefit*, adjusted to take into account any:

- offsets which apply, as explained in the section titled 'When the *monthly benefit* is reduced' on page 22; and
- increases under the Claims Escalation option, if it applies, as explained on page 21.

The *monthly benefit* for *total disability* is payable monthly in arrears for each day of *total disability* after the end of the waiting period (1/30th of the *monthly benefit* per day if the benefit is only payable for part of a month), but not beyond the end of the benefit period for that *disability*.

Partial Disability

If you have a FutureWise Disability Income Insurance Policy, a benefit is payable if, after the cover start date shown in your policy and before Disability Income Insurance ends, the insured person:

- has been continuously *disabled* during the waiting period; and
- is *partially disabled* after the end of the waiting period, or after a period during which a benefit for *total disability* has been paid for the same *disability*.

The benefit payable is a proportion of the *monthly benefit*, calculated as follows:

$$\frac{\textit{pre-disability income} - \textit{post-disability income}}{\textit{pre-disability income}} \times \textit{monthly benefit}$$

adjusted to take into account any:

- offsets which apply, as explained in the section titled 'When the *monthly benefit* is reduced' on page 22; and
- increases under the Claims Escalation option, if it applies, as explained on page 21.

The *monthly benefit* for *partial disability* is payable monthly in arrears for each day of *partial disability* after the end of the waiting period (1/30th of the *monthly benefit* for *partial disability* per day if the benefit is only for part of a month) but not beyond the end of the benefit period for that *disability*.

Specific Injury benefit

If you have a FutureWise Disability Income Insurance policy and the insured person suffers one of the injuries listed below after the cover start date shown in your policy and before the Disability Income Insurance ends, we will pay the *monthly benefit* for the number of months indicated, regardless of whether the insured person is *totally disabled*. Payments will be made during the waiting period.

Injury	Payment period
Paralysis	60 months*
Total and permanent loss of any two of: ■ the use of a foot from the ankle joint ■ the use of a hand from the wrist ■ the sight in an eye that is irreversible	24 months
Total and permanent loss of any one of: ■ the use of a foot from the ankle joint ■ the use of a hand from the wrist ■ the sight in an eye that is irreversible	12 months
Total and complete severance of the thumb and index finger from the phalangeal joint of the same hand	6 months
fracture of thigh or pelvis	3 months
fracture of the leg (between the knee and foot) or knee cap	2 months
fracture of the upper arm (including elbow and shoulder bone)	2 months
fracture of the skull (except bones of the nose or face)	2 months
fracture of the lower arm (including wrist, but excluding elbow, hands or fingers)	1 month
fracture of the jaw or collarbone	1 month

* If the benefit period is two years, the payment period for *paralysis* under this feature is 24 months.

If the benefit period is two or five years, the benefit period for a *disability* due or related to an injury for which we have paid the Specific Injury benefit is reduced by the number of months for which we have paid the Specific Injury benefit.

If the insured person suffers more than one specific injury at the same time, we will only pay for one specific injury, being the one with the longest payment period.

If we are paying benefits under the Specific Injury benefit, payments will cease if Disability Income Insurance ends, explained in the section titled 'When cover ends' on page 26.

Death benefit

If you have a FutureWise Disability Income Insurance policy and the insured person dies after the cover start date shown in your policy and before the Disability Income Insurance ends, we will pay an amount equal to four times the monthly insured amount, to a maximum of $75,000 on receipt of the death certificate.

Indexation Increases

So that your cover retains its value over time in line with inflation, on each cover anniversary we will increase the monthly insured amount by the increase in the *consumer price index*. If the change in the *consumer price index* is zero or negative, the monthly insured amount won't change.

We will tell you the proposed indexation increase before it applies and you can choose not to accept the increase. If you decline an indexation increase it will not affect future Indexation Increases offers. To decline an indexation increase, we must receive your notice of decline before the applicable cover anniversary.

If your FutureWise Disability Income Insurance policy provides cover on an indemnity basis, you should consider whether, by accepting an increase, your monthly insured amount will exceed the *monthly benefit*.

If your FutureWise Disability Income Insurance policy provides cover on an agreed value or endorsed agreed value basis, the indexation increases applied to the monthly insured amount will not need to be financially verified at time of claim.

Premium Waiver

We will waive the premium and policy fee payable under your Disability Income Insurance policy while a benefit is payable.

Extra Benefits option

This is an optional package of additional benefits and features for which an additional premium is charged. If the Extra Benefits option applies, it will be shown on the policy issued to you.

The Extra Benefits option includes the following benefits and features:

- Trauma benefit
- Bed Confinement benefit
- Home Care benefit
- Rehabilitation Expenses benefit
- Accommodation benefit
- Future Increases
- Cover Extension

Trauma benefit

If you have a FutureWise Disability Income Insurance policy and the insured person suffers one of the Trauma Conditions listed below after the Trauma benefit starts and before Disability Income Insurance ends, we will pay the *monthly benefit* for six months, regardless of whether the insured person is *totally disabled*. Payments will be made during the waiting period.

aortic surgery#
benign brain tumour
cancer#
coma
coronary artery by-pass surgery#
heart attack#
heart valve surgery#
major head trauma
major organ transplant
severe burns
stroke#

Except for the Trauma Conditions marked #, the Trauma benefit starts on:

- the cover start date shown in your FutureWise Disability Income Insurance policy;
- the date Disability Income Insurance is reinstated (but only in respect of the reinstated cover); or
- the cover start date for any increase in the monthly insured amount that you applied for (but only in respect of that increase).

For the Trauma Conditions marked #, the Trauma benefit starts 90 days after the applicable date referred to above.

We will only pay once for each Trauma Condition under this benefit.

If the benefit period is two or five years, the benefit period for a *disability* due or related to a condition for which we have paid the Trauma benefit is reduced by number of months for which we have paid the Trauma benefit.

If the insured person suffers more than one Trauma Condition, we will only pay for one Trauma Condition at a time.

If we are paying benefits under the Trauma benefit, payments will cease if Disability Income Insurance ends, explained in the section titled 'When cover ends' on page 26.

Bed Confinement benefit

If you have a FutureWise Disability Income Insurance policy and the insured person is *totally disabled*, confined to bed, as confirmed by a *medical practitioner*, and is under the care of a registered nurse for 72 hours or more during the waiting period, we will pay 1/30th of the *monthly benefit* for each day of such bed confinement.

The Bed Confinement benefit is payable for a maximum of 90 days.

Home Care benefit

If a benefit for *total disability* has been paid for at least 30 days, and the insured person is confined to bed as a result of continuing *total disability*, as confirmed by a *medical practitioner*, we will reimburse:

- the forgone *income* of an *immediate family member* who provides satisfactory evidence to Macquarie Life that they were *gainfully employed* for at least 20 hours per week prior to the insured person suffering the disability and have ceased to be *gainfully employed* to care for the insured person; or
- the cost of employing a registered nurse or housekeeper.

We will reimburse the above to a limit of the lesser of $5000 or the amount equivalent to the *monthly benefit*, per month for a maximum of six months. This benefit starts to accrue on the first day all of the above requirements are met and is paid monthly in arrears.

This benefit is in addition to any benefit payable for *total disability*.

Rehabilitation Expenses benefit

If a benefit for *total disability* is payable, we will pay all or part of any rehabilitation expenses or costs associated with a rehabilitation programme for the insured person that we have approved in advance. A maximum payment of twelve times the *monthly benefit* applies under this benefit. This benefit is in addition to any benefit payable for *total disability* or *partial disability*.

Accommodation benefit

If the insured person is hospitalised while *totally disabled*, and an *immediate family member* requires accommodation at a location more than 100km from their home to be closer to the insured person, we will reimburse the costs of accommodation up to $250 per day for a maximum of 30 days in any 12 month period.

The accommodation benefit is payable during the waiting period. This benefit is in addition to any benefit payable for *total disability*.

Future Increases

Under this feature, you can apply to increase your monthly insured amount by up to 10% on each cover anniversary until the insured person turns 55, and we will accept the increase without the need for medical underwriting.

Only increases between $500 and $1000 per month to the monthly insured amount are eligible for applications under the Future Increases feature. The maximum amount of the total increases to the monthly insured amount cannot exceed the monthly amount insured originally applied for.

Financial evidence is required to support the increased cover, which cannot exceed the maximum amounts allowable, explained in the sections titled, 'Applying for Disability Income Insurance' on page 17 and 'Superannuation Cover Option' on page 22 (if applicable).

The increase in cover must be requested within 30 days of the applicable cover anniversary and must be made on the appropriate form, which is available from your adviser.

Cover Extension

This feature applies if the occupation category shown on your policy is 1E, 1M, 1L or 1P.

Under this feature we will offer to continue Disability Income Insurance beyond the cover anniversary when the insured person is aged 65, if the insured person is employed in an occupation which we insure under our standard underwriting guidelines at the time the offer is made.

This offer will not apply if:

- we originally offered cover with a limitation on the term of the policy so that cover expires earlier than the cover anniversary when the insured person is aged 65;
- we originally offered cover with a premium adjustment due to medical reasons; or
- the insured person was eligible to receive a *disability* claim in the preceding 12 month period.

Cover under this feature will be provided on the following modified terms:

- on an indemnity basis;
- a benefit period of 12 months;
- benefits will only be payable for *total disability, partial disability* and the Death benefit;
- the Extra Benefits option, Claims Escalation option, Accident option and Superannuation Cover option will not apply;
- Indexation Increases will not apply; and
- the maximum monthly benefit we will pay is $15,000.

Cover can continue on the modified basis until the earlier of:

- the cover anniversary when the insured person is aged 70; and
- the insured person's permanent retirement from employment.

Claims Escalation option

This is an option for which an additional premium is charged. If the Claims Escalation option applies, it will be shown in the policy issued to you.

While a benefit for *total disability* or *partial disability* is being paid, we will increase the *monthly benefit* by any increase in the *consumer price index* on each 12 month anniversary of the commencement of your claim.

When claim payments cease, the monthly insured amount will not be less than the *monthly benefit* applying immediately prior to the cessation of the claim.

Accident option

This is an option for which an additional premium is charged. It is only available if a 30 day waiting period applies. For some occupations, the Accident option may not be available.

If the Accident option applies, it will be shown in the policy issued to you.

If the insured person is *totally disabled* for at least four consecutive days within 30 days of suffering an *accident* the monthly benefit for *total disability* will be payable during the waiting period.

The *monthly benefit* is payable in arrears for each day of *total disability* including the first four consecutive days (1/30th of the *monthly benefit* per day if the benefit is only payable for part of the month), but not beyond the end of the waiting period for that *disability*.

Superannuation Cover option

This option allows you to have a monthly insured amount that is higher than is usually available under Disability Income Insurance (generally the monthly insured amount can be up to 75% of your *income* however with this option you can insure up to 80% of your *income*) so that in the event of *disability* you can make a level of contribution into superannuation. Part of the *monthly benefit* will be paid to you and part must be paid to a nominated superannuation fund.

The amount you can insure is (subject to a maximum of $30,000 per month) up to the monthly equivalent of the sum of:

- the annual *income* that you contribute to superannuation (to a maximum of 20% of annual *income*); and
- the percentage of the remainder of *income* (that is, annual *income* less the Superannuation Cover amount determined above), as follows:
  - 75% of the first $250,000;
  - 50% of the next $150,000; and
  - 25% of the balance.

For example, an applicant who earns an annual salary of $100,000 and has superannuation guarantee contributions of $9,000 made on their behalf each year. Their annual income is $109,000 which can been insured as follows:

	Superannuation Cover amount	Remainder of *income*	Monthly insured amount
Without Superannuation Cover option	0	75% x 109,000	
	0	=81,750/12	
		$6,813	**$6,813**
With Superannuation Cover option	100% x 9,000	75% x 100,000	
	9,000/12	=75,000/12	
	$750	**$6,250**	**$7,000**

If the Superannuation Cover option applies, it will be shown in the policy issued to you. The policy will also include a Superannuation Cover Percentage which is the proportion of the *monthly benefit* that will be paid to your nominated superannuation fund (after any adjustment for tax – see below) while we are paying you a *monthly benefit* under Disability Income Insurance.

The Superannuation Cover Percentage is calculated at the time of application and is calculated as the Superannuation Cover amount divided by the monthly insured amount. In the example above, the Superannuation Cover Percentage is worked out as 750 (the Superannuation Cover amount) divided by 7,000 (the monthly insured amount) which equals 10.71%.

The *monthly benefit*, inclusive of any Superannuation Cover amount, is included in your assessable income and will be subject to tax at your marginal rate of tax. We will adjust the Superannuation Cover amount for the potential tax liability that may apply to this amount based on the marginal rate of tax that would otherwise have applied to the last dollar of the insured person's *pre-disability income*. The tax adjustment amount will be paid directly to you and the Superannuation Cover amount reduced by this tax adjustment amount before it is paid to your nominated superannuation fund.

By applying for this option, you agree to provide us with the name and details of your nominated superannuation fund to which the Superannuation Cover amount of your monthly benefit is to be paid. If you do not provide us with a direction at time of claim, we may not be able to pay the Superannuation Cover amount.

The amount that we pay to your nominated superannuation fund is a personal contribution and subject to the standard superannuation rules relating to preservation, contributions and tax.

More than one benefit payable

If the insured person is eligible for one or more of the *monthly benefit* for *total disability*, *monthly benefit* for *partial disability*, Specific Injury benefit, Trauma benefit, Bed Confinement benefit or Accident option at the same time, only one benefit is payable, being the benefit which provides the highest payment.

When the *monthly benefit* is reduced

The *monthly benefit* payable for *total disability* or *partial disability* may be reduced by any of the following payments you receive:

- legislated compensation schemes and workers Compensation (unless your FutureWise policy shows the insured person is categorised as an occupation class 1E, 1M, 1L or 1P); and
- any other insurance that provides income payments due to sickness or injury, unless we have expressly agreed not to apply a reduction.

If a lump sum is received from any of the above sources, we will convert that lump sum to a monthly payment at the rate of 1% of the lump sum paid per month.

The benefit we will pay will only be reduced to ensure that, when combined with the payments from any of the above sources, it does not exceed the monthly equivalent of 75% of pre-disability income (100% for partial disability).

When we won't pay

A benefit will not be payable under Disability Income Insurance for a claim which is caused by or attributed to:

- an intentional self inflicted act;
- normal or uncomplicated pregnancy or childbirth;
- war or an act of war;
- intentional criminal activity; or
- elective surgery that occurs within 6 months of:
  - the cover start date;
  - the date any cover is reinstated (but only in respect of the reinstated cover); or
  - the cover start date for any increase in cover that you applied for (but only in respect of that increase).

We will not pay for any period while the insured person is in jail.

Benefits are only payable for up to 3 months while the insured person is outside Australia. Upon return to Australia, benefits can continue if otherwise payable.

Business Expenses Insurance

Applying for Business Expenses Insurance

The person to be insured must be aged between 19 and 60 and *gainfully employed* for a minimum of 20 hours per week.

You apply for a specified amount of cover that is known as the monthly insured amount. The minimum amount you can apply for is $1,250 per month (or $750 per month if this insurance is taken out with Disability Income Insurance) and the maximum is $60,000 per month.

These limits will be affected if you have existing cover with us or with another insurer.

Business Expenses Insurance is not available under FutureWise Super or under FutureWise if you are applying as the trustee of a self managed superannuation fund.

Business Expenses Insurance

The benefit payable in the event of a claim is based on the *allowable business expenses* incurred each month by the insured person up to a maximum of the monthly insured amount.

Increases in Business Expenses Insurance

If you have a FutureWise Business Expenses Insurance Policy, you can apply to increase the monthly insured amount at any time while the insured person is aged between 19 and 60, by completing an application and providing any additional information requested by Macquarie Life. The minimum amount of any increase is $500 per month and is subject to acceptance by Macquarie Life.

Waiting period

The benefits under Business Expense Insurance are subject to a waiting period before the benefits become payable.

The following waiting periods are available:

- 30 days
- 90 days

The waiting period that applies is shown in the policy issued to you.

The waiting period begins the day the insured person is *disabled* due to illness or injury and has consulted a *medical practitioner*.

On the basis of medical and other evidence acceptable to us, we will reduce the waiting period by the number of continuous days for which the insured person was absent from *gainful employment* due to illness or injury prior to first consulting a *medical practitioner* in relation to their *disability*, to a maximum of 7 days.

The insured person can return to work (and not be *disabled)* during the waiting period for up to:

- five consecutive days if your waiting period is 30 days; and
- 10 consecutive days if your waiting period is 90 days

before we will restart the waiting period. The waiting period will be extended by the number of days worked while the insured person is not *disabled*.

Benefit period

The benefit period is the maximum period for which a claim for *disability* is payable.

The benefit period for any one claim starts at the end of the waiting period and continues until the earlier of:

- the end of a 24 month period;
- the total of benefits paid for the claim reaching 12 times the monthly insured amount; and
- the date when cover ends (see the section, 'When cover ends' on page 26).

Recurrent disability

Any Business Expenses claim for a *disability* arising from the same or a related cause as a previous claim within six months of the previous claim ending will be treated as a continuation of the previous claim and the waiting period will be waived. If the claim is made more than six months after the previous claim ended a new waiting period will apply. A new benefit period will apply if and only if the insured person made a successful return to *gainful employment* for a continuous period of six months.

Total Disability

If you have a FutureWise Business Expenses Insurance Policy, a benefit is payable if after the cover start date shown in your policy and before the Business Expenses Insurance ends, the insured person:

- has been continuously *disabled* during the waiting period and *totally disabled* for at least 5 consecutive days during that time; and
- is *totally disabled* after the end of the waiting period, or after a period during which a benefit for *partial disability* has been paid for the same *disability*.

The benefit payable for *total disability* is the *monthly benefit* adjusted to take into account any offsets which apply, as explained in the section titled 'When the *monthly benefit* is reduced' on page 25.

The *monthly benefit* for *total disability* is payable monthly in arrears for each day of *total disability* after the end of the waiting period (1/30th of the *monthly benefit* per day if the benefit is only payable for part of a month), but not beyond the end of the benefit period for that *disability*.

Partial Disability

If you have a FutureWise Business Expenses Insurance Policy, a benefit is payable if, after the cover start date shown in your policy and before Business Expenses Insurance ends, the insured person:

- has been continuously *disabled* during the waiting period; and
- is *partially disabled* after the end of the waiting period, or after a period during which a benefit for *total disability* has been paid for the same disability.

The benefit payable for partial disability is a proportion of the *monthly benefit*, calculated as follows:

$$\frac{\textit{pre-disability income} - \textit{post-disability income}}{\textit{pre-disability income}} \times \textit{monthly benefit}$$

adjusted to take into account any offsets which apply, as explained in the section titled 'When the *monthly benefit* is reduced' on page 25.

The benefit for *partial disability* is payable monthly in arrears for each day of *partial disability* after the end of the waiting period (1/30th of the *monthly benefit* for *partial disability* per day if the benefit is only for part of a month) but not beyond the end of the benefit period for that *disability*.

Death benefit

If you have a FutureWise Business Expenses Insurance Policy and the insured person dies after the cover start date shown in your policy and before the Business Expenses Insurance ends, we will pay an amount equal to four times the monthly insured amount, to a maximum of $75,000 on receipt of the death certificate.

Indexation Increases

So that your cover retains its value over time in line with inflation, on each cover anniversary we will increase the monthly insured amount by the increase in the *consumer price index*. If the change in the *consumer price index* is zero or negative, the monthly insured amount won't change.

We will tell you the proposed indexation increase before it applies and you can choose not to accept the increase. If you decline an increase it will not affect future increase offers. To decline an increase, we must receive your notice of decline before the applicable cover anniversary.

You should consider whether, by accepting an increase, your monthly insured amount will exceed the *monthly benefit*.

Premium Waiver

We will waive the premium and policy fee payable under your Business Expenses Insurance Policy while a benefit is payable.

Accident option

This is an optional benefit, for which an additional premium is charged. It is only available if a 30 day waiting period applies. For some occupations, the Accident option may not be available.

If the Accident option applies, it will be shown in the policy issued to you.

If the insured person is *totally disabled* for at least four consecutive days within 30 days of suffering an *accident* the *monthly benefit* for *total disability* will be payable during the waiting period.

The *monthly benefit* is payable in arrears for each day of *total disability* including the first four consecutive days (1/30th of the *monthly benefit* per day if the benefit is only payable for part of the month), but not beyond the end of the waiting period for that *disability*.

When the *monthly benefit* is reduced

The *monthly benefit* payable for *total disability* or *partial disability* may be reduced by any other insurance that provides business expense payments due to sickness or injury, unless we have expressly agreed not to apply a reduction.

The benefit we pay will only be reduced to ensure that, when combined with the payments from the above source, it does not exceed 100% of *allowable business expenses*.

Conditions which apply to the payment of benefits

We will apportion pre-paid or accrued *allowable business expenses* over the period to which they relate, to determine the amount of *allowable business expenses* which are attributable to the month for which we are assessing the benefit payable, unless we agree to a different basis.

If more than one person generates *income* in the insured person's business we will attribute the *allowable business expens*es in equal proportion between the insured person and the other person(s), to determine the insured person's own share, unless we agree to attribute the business expenses on a different basis.

We only consider *allowable business expenses* for which receipts are provided to us within 90 days of the date they were incurred.

When we won't pay

A benefit will not be payable under Business Expenses Insurance for a claim which is caused by or attributable to:

- an intentional self-inflicted act;
- normal or uncomplicated pregnancy or child birth;
- war or an act of war;
- intentional criminal activity; or
- elective surgery that occurs within 6 months of:
  - the cover start date;
  - the date any cover is reinstated (but only in respect of that reinstated cover); or
  - the cover start date for any increase in cover that you applied for (but only in respect of that increase).

We will not pay for any period while the insured person is in jail.

Benefits are only payable for up to 3 months while the insured person is outside of Australia. Upon return to Australia, benefits can continue if otherwise payable.

Your policy

When cover starts

Subject to any special conditions noted on your policy, cover starts for each type of insurance from the cover start date shown for that cover in the policy issued to you, or in the case of cover under FutureWise Super, the Trustee on your behalf. Cover for some benefits provided in Trauma Insurance and Disability Income Insurance starts 90 days after the cover start date.

If we accept your application, we will issue a policy (or policies) detailing:

- policy owner(s);
- insured person;
- type of cover provided;
- type of policy under which cover is provided (and hence whether cover is provided on a linked basis);
- whether the policy is linked to another policy by Flexible Linking;
- sum insured/monthly insured amount for the insurance(s) provided;
- if TPD Insurance is included, whether the insured person is covered on the basis of *own occupation*, *any occupation*, or *domestic duties* or *modified TPD* definition;
- if Disability Income Insurance is included, whether the cover is provided on an indemnity, agreed value, or endorsed agreed value basis, the waiting period and the benefit period;
- if Business Expenses Insurance is included, the waiting period;
- any options that apply:
- cover start date;
- cover anniversary;
- any premium adjustments which apply;
- any special conditions which apply; and
- the premium and policy fee payable for the first year and when it is payable.

Your FutureWise policy is referable to our No 4 Statutory Fund and any claims paid under the policy will be paid from this fund.

Macquarie Life may, when lawfully entitled to do so, avoid or adjust your cover if you have breached your duty of disclosure (or you or the person to be insured have made a misrepresentation) in your application for FutureWise or when applying for an increase in cover.

When cover ends

Insurance cover provided under a FutureWise policy ends on the earliest of:

- the cover anniversary following the expiry age shown in the table following;
- the death of the insured person;
- payment of the sum insured for that Insurance in full;
- the sum(s) insured for all insurance(s) included under the policy is reduced to nil;
- cancellation of the cover upon the written request of the policy owner;
- cancellation of the cover by Macquarie Life due to non-payment of the premium (and policy fee) when due; and
- any other date applied under a special condition shown in your policy or applicable to members of FutureWise Super (for more information on FutureWise Super see pages 30 to 32).

Cover type	Expiry age
Life Insurance	No expiry
TPD Insurance	99
Trauma Insurance	99
Blood Borne Disease Insurance	65
Disability Income Insurance	65*
Business Expenses Insurance	65

* Disability Income Insurance may be extended beyond the cover anniversary when the insured person is aged 65 subject to the terms of the Cover Extension feature (see page 21 for details).

Flexible Linking

Flexible Linking allows you to connect two policies to each other, in order to link together Life, TPD and/or Trauma Insurances covering the same insured person. The first policy must be a FutureWise Super policy and the second policy must be a FutureWise policy owned by the insured person. Where Flexible Linking applies, claims made under one policy reduce the sums insured of the insurances under the other policy.

TPD and/or Trauma Insurance connected to another policy through Flexible Linking are referred to in the policy issued to you as Flexible TPD Insurance or Flexible Trauma Insurance. Each policy will identify the other policy to which it is connected through Flexible Linking. The following table shows the possible ways in which policies can be set up using Flexible Linking.

FutureWise Super policy	FutureWise policy
Life insurance	Flexible Trauma Insurance
Life insurance	Flexible TPD Insurance
Life insurance	Flexible Trauma Insurance Flexible TPD Insurance
Life insurance TPD Insurance (Linked)	Flexible Trauma Insurance
TPD Insurance	Flexible Trauma Insurance

You may connect policies through Flexible Linking subject to the approval of the Trustee of FutureWise Super. Any changes your may request to your TPD and/or Trauma Insurances are subject to the approval of the Trustee and Macquarie Life. Changes are not effective until they are confirmed in writing by Macquarie Life and the Trustee.

If either of the two connected policies is cancelled, we reserve the right to recalculate the premiums for the continuing policy using the premium rates applicable at the time of the recalculation, taking into account the discontinuation of the cancelled insurances.

Flexible Linking is not available with FutureWise policies issued to trustees of self managed superannuation funds.

Nominating your beneficiary – Life Insurance

If you are the policy owner, generally you will receive any benefit payment.

If you are the policy owner and also the insured person (and you do not own the policy in your capacity as trustee of a self managed superannuation fund), you can nominate up to ten beneficiaries to receive the Life sum insured should you die. If you do not nominate a beneficiary, the Life sum insured will be paid to your legal personal representative or other person we are permitted to pay under the Life Insurance Act.

Each beneficiary you nominate must be a person, a company or a legally recognised charity. You can change or cancel these nominations at any time in writing. A change in a nomination only takes effect when received by us.

At time of claim, if part of a nomination is invalid or one of the nominated beneficiaries has predeceased the insured person, the proceeds in relation to that invalid part or predeceased nominated beneficiary will be paid to your legal personal representative.

If a nominated beneficiary is a minor, we will pay the proceeds in relation to that nominated beneficiary to their legal guardian or into a trust for which that minor is a beneficiary.

All nominations will automatically cease if ownership of the policy is transferred.

If you are a member of FutureWise Super, benefit payments will be made to the Trustee and paid to you or your beneficiaries in accordance with the governing rules of the Macquarie Super Plan and superannuation law current at the time of payment. For more information on the payment of benefits from FutureWise Super, refer to pages 30 to 32.

If you own the policy in your capacity as trustee of a self managed superannuation fund, any benefit will be paid to you in that capacity. You are then responsible for the payment of the benefit in accordance with the rules of your self managed superannuation fund and superannuation law current at the time of payment.

Guaranteed upgrades to your cover

We will automatically pass on any future improvements we make to FutureWise when they do not result in an increase in the premium rates. Where they do result in an increase in the premium rates, you have the option not to take up the offer of the upgrade.

Improvements will not apply to a claim resulting from an illness which first occurs (or symptoms leading to the condition occurring or being diagnosed first became reasonably apparent), or an injury or event which occurred, before these improvements took effect.

Guaranteed renewable

Provided you continue to pay your premiums and policy fee when due, your FutureWise policy is guaranteed renewable until the policy anniversary after the expiry age, shown in the table in the section titled ‘When cover ends’. This means that we cannot cancel or alter the terms of the cover because of changes in the insured person’s health, occupation or pastimes.

If you request to extend, vary or reinstate your cover, your duty of disclosure applies but only in respect of the cover that is being extended, varied or reinstated.

World wide cover

Your policy covers the insured person 24 hours a day, anywhere in the world.

Transferring ownership of your policy

If the Trustee of FutureWise Super holds the policy on your life, you can request the Trustee to transfer the policy to you on your life subject to superannuation laws. Otherwise, you can transfer your policy by completing a Memorandum of Transfer, which must be signed by both you and the transferee, and sending it to us, with your policy, for registration.

You can apply for membership of FutureWise Super and transfer your benefits to the Trustee, subject to superannuation laws.

The transferee must have an insurable interest in the insured person that is satisfactory to Macquarie Life.

You can obtain a Memorandum of Transfer by contacting us.

Keeping us informed

To ensure that our records are kept up to date and correct, we request that you advise us in writing:

- of a change in your address or contact details;
- of a change in banking or credit card details; or
- if you or the insured person plan to leave Australia for more than a year.

Premiums and other costs

How the premium is calculated

The premium that you pay for your FutureWise policy is calculated as at the cover start date and each subsequent cover anniversary, by applying our FutureWise premium rates to the sum insured/monthly insured amount for each type of insurance.

The factors upon which the premium will depend include, the sum insured/monthly insured amount, the options which apply, the premium payment frequency and the insured person's:

- age (premiums generally increase with age);
- gender;
- general health;
- smoking status (premiums are higher for smokers);
- recreational pursuits;
- occupation; and
- state of residence.

The premiums for each type of insurance also depend on the following additional factors:

- for TPD Insurance, the TPD definition which applies;
- for TPD and Trauma Insurances, the other types of insurances to which they are linked, and on whether they are linked within the same policy or connected through Flexible Linking;
- for Disability Income Insurance, the waiting period, benefit period and whether the cover is provided on an indemnity, agreed value or endorsed agreed value basis; and
- for Business Expenses Insurance, the waiting period.

The premium rates are 'stepped' which means that, generally, each year the premium increases based on insured person's age. If the sum insured increases then the premium will also increase. Before each cover anniversary, we will notify you of the premium and policy fee for the period to the next cover anniversary.

As part of the application process, an indicative premium will be provided to you. You can also request a copy of our FutureWise premium rates. The actual premium could increase if the person to be insured has a birthday after the indicative premium is provided and before the cover start date. We may also only be able to offer you cover if you agree to a higher premium.

Policy fee

A policy fee per insured person per application is also payable each year and is shown in the policy issued to you. If more than one FutureWise policy is issued as a result of a single application for an insured person, only one policy fee is payable. As at 1 March 2008, the policy fee is $77.25 per annum if you pay your premium annually or $6.44 per month if you pay your premium monthly. The policy fee will be adjusted each year on the 1st March by the greater of 3% and the *consumer price index*, and will be effective from the cover start date or cover anniversary on or following that date.

Payment of the premium

Your premium is calculated on an annual basis and can be paid yearly or monthly in advance. However, if you choose to pay it monthly, a loading of 6% will apply.

The premium can be paid from the following sources:

- credit card;
- direct debit from a bank account;
- 'cash hub' of a Macquarie Investment Manager or Investment Accumulator account;
- Macquarie Cash Management Trust (CMT).

You must provide us with a valid premium deduction authority to enable us to deduct the premium and policy fee when due for payment.

The premium and policy fee payable for the first year are shown in the policy. If you pay annually, we will deduct the premium (and policy fee) on the cover anniversary each year. If you pay monthly, we will deduct the premium (and policy fee) every month on the same day of the month as the cover anniversary. If the date shown falls on a weekend or public holiday, the premium and policy fee will be deducted on the next business day following the due date.

All payments to us must be in Australian dollars.

Non payment of premium

If a premium (and policy fee) payment is not made, we will notify you advising the date on which the policy will end if the amount due is not paid. If a payment sufficient to meet the amount due is not made by that date, we will cancel the policy.

We will give at least 20 business days notice before the policy is cancelled because of non-payment of premiums.

Changes to the premium and/or policy fee

We can change the FutureWise premium rates and/or policy fee but only if we do this for all policies in a defined risk group. Any changes to premium rates will come into effect for your policy on the next cover anniversary after we make the change.

We reserve the right to pass on any government taxes and charges which may be introduced or increased during the life of your policy.

If we increase premium rates (or the policy fee by an amount more than the annual adjustment provided for above in the section 'Policy fee') we will usually provide 60 days prior notice before the increase comes into effect for your policy.

Surrender value

Your FutureWise policy does not have a surrender value.

A pro-rata refund will be made where a premium and policy fee is paid annually and cover is cancelled prior to the next cover anniversary.

FutureWise Super

If you are a member of FutureWise Super, the Trustee will use your contributions to FutureWise Super to pay the premium and policy fee for the policy on your life. For further information on FutureWise Super, see pages 30 to 32.

Making a claim

Notifying us of a claim

Please contact Macquarie Life if you think you are eligible to make a claim, or are unsure and would like some assistance. It is important that you notify us as soon as possible after any event that may lead to a claim. If you do not notify us within 30 days of an event, we may be able to adjust the benefit payable if we have been prejudiced by the delay.

We will send you a claim form and explain in detail our requirements and what the next steps are.

Assessing a claim

Macquarie Life will pay a benefit only after all our claim requirements have been met and we admit liability. To assess the claim, and ongoing payments in the case of Disability Income and Business Expenses Insurance, we will require some or all of the following (to be provided at your expense), in a form that is satisfactory to us:

- a completed claim form;
- your policy;
- proof of age of the insured person (unless previously provided);
- a certified copy of the death certificate (for death claims only);
- evidence of *terminal illness*, *total and permanent disablement*, Trauma Condition or disability, whichever is applicable for the claim being made, including test results and medical attendant statements;
- financial evidence including evidence of other insurance cover on the insured person's life;
- evidence of *pre-disability income* and *post-disability income* and any payments received while on claim (for Disability Income Insurance claims);
- evidence of income at time of application (and, if we have accepted an application for an increase in cover, the insured person's income at the time you applied for the increase in cover) if Disability Income Insurance is provided on an agreed value basis; and
- evidence of *pre-disability business income* and *post-disability business income*, *allowable business expenses* incurred and any payments received while on claim (for Business Expenses Insurance claims).

Macquarie Life may also require medical and occupational assessments and other information where relevant to assess or finalise payment of the claim.

All claim payments may be subject to an appropriate specialist physician approved by Macquarie Life verifying the diagnosis.

Where we request an examination, assessment or financial audit by a person we nominate, Macquarie Life will meet the cost. Otherwise you must meet the cost of satisfying our claim requirements.

Payment of a claim

We will pay the claim as soon as possible once it has been approved.

All claims will be paid in Australian dollars.

FutureWise Super

This section is applicable if you want the Trustee of FutureWise Super to apply to Macquarie Life for Life Insurance and/or Total and Permanent Disablement (TPD) Insurance on your behalf. Trauma Insurance, Blood Borne Disease Insurance, Disability Income Insurance and Business Expenses Insurance are not available through FutureWise Super.

FutureWise Super is a division of the Macquarie Superannuation Plan, a resident regulated superannuation fund within the meaning of the Superannuation Industry (Supervision) Act 1993. The Macquarie Superannuation Plan is not subject to a direction from the Australian Prudential Regulation Authority under Section 63 of that Act, not to accept any contributions made to the Plan by an employer sponsor. A reference to 'the Trustee' or 'we' in this section, is a reference to the Trustee of FutureWise Super, Macquarie Investment Management Limited (MIML).

Who can apply

You can apply to become a member of FutureWise Super if you are eligible to make superannuation contributions or have them made on your behalf.

Generally, you are eligible to contribute to superannuation (or have contributions made on your behalf) if you are either:

- under age 65; or
- aged 65 to 74 and have worked at least 40 hours in a period of not more than 30 consecutive days in the financial year in which contributions are made.

Membership in FutureWise Super is solely for the purpose of the provision of insurance cover within superannuation. The Trustee will only accept your application for membership of FutureWise Super if your application for insurance is accepted by Macquarie Life.

FutureWise Super does not offer a superannuation savings facility. The only amounts that the Trustee will accept are contributions that are made for the purpose of paying the premiums for your FutureWise Super insurance cover. The Trustee will not accept other amounts, including contributions that are made for a purpose other than the payment of a premiums, rollovers, transfers or Government co-contributions.

Benefit payments

The Trustee will only pay a benefit from FutureWise Super if it receives a benefit from Macquarie Life in respect of a FutureWise Super insurance policy under which you are covered, and the Trustee is able to pay the benefit in accordance with superannuation laws current at the time of payment.

If you die while covered by Life Insurance, and Macquarie Life pays a benefit to the Trustee, the Trustee will pay the insurance benefit as a lump sum to one or more of your beneficiaries (see the section following titled 'Death benefits').

If Macquarie Life pays a benefit under Life Insurance to the Trustee because you are diagnosed with a *terminal illness*, or a benefit under TPD Insurance because you suffer total and *permanent disablement*, the Trustee will pay the benefit to you as a lump sum if you also meet the criteria for payment of a benefit from the fund under superannuation law current at the time of payment.

There may be some circumstances where the Trustee will not be able to pay the benefit out of FutureWise Super under superannuation law at the time of claim. If the Trustee is unable to pay you a benefit at the time of claim, your entitlement will remain in the superannuation system and will be paid to you when you satisfy the relevant benefit payment criteria under superannuation law.

Death benefits

You are given a number of options for nominating to whom a death benefit payable from FutureWise Super will be paid.

No nomination – if you do not nominate a beneficiary, your benefit will be paid as a lump sum to your legal personal representative (your estate).

Non-lapsing death benefit nomination – where the Trustee has consented to your nomination, your benefit will be paid as a lump sum to the person that you have nominated as long as your nomination:

- is valid; and
- has been made in the prescribed manner.

A non-lapsing nomination can only be made by you. We will not accept a non-lapsing nomination made by an attorney or any other agent.

We can only consent to a nomination in respect of one or more of your dependants (explained on page 31) or legal personal representative. To remain a valid nomination, a dependant must remain a dependant at the time of death.

If we have consented to your nomination to pay one or more dependants and that nomination, or a part of it, is no longer valid at the time of payment, we will pay the non-valid portion of your death benefit to your legal personal representative.

It is very important that you periodically review your nomination to ensure you still wish us to pay the person(s) you have nominated, because:

- unlike a Will, your non-lapsing nomination will not automatically become invalid in the event of marriage, divorce or any other life-changing event; and
- unlike binding nominations available under other superannuation schemes, it will not become invalid after a period of time.

We will send you regular reminders with the details of your nomination.

We can only consent to a nomination if it is being made to us in writing, signed by you in the presence of two witnesses who are over 18 years of age and not named as beneficiaries in your nomination. To make a nomination simply complete the death benefit nomination section of the application, or complete a death benefit nomination form and send it to us.

You may revoke or change your nomination at any time by completing and sending to us a new non-lapsing death benefit nomination form. It will come into effect once we have confirmed it with you.

Because there are special rules regarding how benefits can be paid from a superannuation fund in the event of your death, care should be taken when making your nomination as you may need to consider the impact it could have on your overall estate planning. You may want to seek legal or financial advice.

In some cases, upon special request, the Trustee will consent to nominations which are not catered for on the non-lapsing death benefit nomination form (eg. because they are complex or because payment is contingent upon certain events occurring). If you wish to make a more detailed nomination, please speak to your financial adviser or contact the Trustee.

Who is a dependant?

Under current superannuation law a dependant includes:

- your spouse (including a defacto spouse);
- your children of any age (including adopted children and step-children);
- any person financially dependent on you; and
- any other person with whom you have an interdependent relationship.

Two people will typically have an interdependent relationship if:

- they have a close personal relationship; and
- they live together; and
- one of each of them provides the other with financial support; and
- one or each of them provides the other with domestic and personal care.

Also, if two people have a close personal relationship but do not satisfy the conditions referred to above because either or both of them suffer from a physical, intellectual or psychiatric disability, they may nevertheless have an interdependent relationship.

Depending on the circumstances, relationships involving the following people may qualify as interdependent relationships:

- same sex partners;
- adult siblings living together; and
- family members looking after elderly parents or grandparents.

Tax

The information provided in this section is a guide only and we recommend you speak to your tax adviser regarding the tax consequences of insurance cover and policy ownership. Any reference to 'you' is in respect of your capacity as a member of FutureWise Super.

Tax treatment of premiums

We recommend you consult your tax adviser regarding the tax treatment of premiums and the overall tax effectiveness of insurance obtained through superannuation.

Your contributions are used by the Trustee to pay the premiums and policy fee due on the FutureWise Super policy. In some circumstances, you may be entitled to claim a tax deduction in respect of the personal contributions you make to FutureWise Super. Generally the Trustee is required to pay tax of 15% on all employer contributions and personal contributions on which you have claimed a tax deduction. Higher tax rates are applicable if certain contribution caps set by the Government are exceeded, and contributions may have to be returned to repay the tax liability. The policy premiums are generally tax deductible to the Trustee. This deduction can be used by the Trustee to offset the effect of the 15% tax on any taxable contributions. In situations where the contributions are not taxable (for example, where you or your spouse has made personal non-deductible contributions within the Government's caps) the tax effect of a deduction available to the Trustee in relation to policy premiums is not credited to your FutureWise Super policy.

Tax treatment of benefits

Any insurance benefit that is payable from FutureWise Super is paid after allowance for any fund tax liability. Special tax treatment may apply to payments that are made from FutureWise Super as a result of your death, diagnosis of a terminal medical condition or disablement.

A lump sum benefit paid from FutureWise Super in the event of your death is tax free when it is paid to one or more of your tax dependants (either directly or via the estate). For tax purposes, a dependant includes a spouse (married or de facto), a child under the age of 18 years (including adopted children and step-children), and interdependent person or a person financially dependent on you. In other circumstances, part or all of the death benefit may not be tax free. The level of tax applicable will depend on a number of factors.

A lump sum benefit that is paid from FutureWise Super in the event of disablement may be a taxable superannuation benefit. In some cases, special tax treatment may apply to the payment.

The Government has proposed to amend the tax law making lump sum benefits that are paid from FutureWise Super to an individual who suffers a terminal medical condition in certain circumstances tax free. At the date of this PDS, the proposed amendments had not become law.

The tax information contained in this PDS is based upon our understanding of the tax laws that were current at the date of this PDS. These laws can change so you should consult your tax adviser to discuss the tax effect of arranging your insurance cover through FutureWise Super.

Tax file number collection

Collection of tax file numbers (TFNs) is authorised by the tax and superannuation laws. By providing your TFN to your superannuation fund you will allow the Trustee to use your TFN for purposes authorised by superannuation and taxation laws.

The purposes currently authorised include:

- taxing benefit payments at concessional rates;
- passing your TFN to the Australian Taxation Office (ATO); and
- allowing the Trustee to provide your TFN to another superannuation fund or Retirement Savings Account (RSA) if your benefit is transferred to that fund. However, we will not do so if you advise us in writing that you do not want us to pass it on.

You are not required to provide your TFN. Declining to quote your TFN is not an offence, however, if you do not give your superannuation fund your TFN, either now or later:

- the Trustee cannot accept contributions made by you or someone on your behalf (other than your employer);
- certain concessional contributions and other payments may be subject to an additional TFN tax at the rate of 31.5%;
- you may pay more tax on your superannuation benefits than you have to (you may get this back in your income tax assessment); and
- it may be more difficult to find your superannuation benefits if you lose contact with your superannuation fund.

If the Trustee is unable to accept contributions or contributions that have been made are subject to additional tax, the amount available in your FutureWise Super account may be inadequate to pay the premiums and policy fee, and therefore the amount insured or the contribution required to meet your premium and policy fee may need to be adjusted.

The lawful purpose for which your TFN can be used and the consequences of not quoting your TFN may change in future, as a result of legislative amendments.

Regular reports

The annual report contains information about the management and financial condition of the Plan and FutureWise Super. A copy of the most recent annual report is available free of charge on request from the Trustee. The Trustee will send you an annual report each year and will also send you an annual statement confirming your current levels of insurance cover.

Management fees and charges

The Trustee applies no management fees or costs to members or their benefits. The only amounts paid by members are contributions to meet the premium and policy fee for FutureWise Super insurance.

The Trust Deed

The rights and obligations of the members of FutureWise Super are set out in the Trust Deed and Rules for the Plan, a copy of which is available on request.

General Information

Your adviser

This product is available through licensed financial advisers who can assist you with advice in considering FutureWise and help you determine the amount and type of cover you require considering your personal circumstances.

Your adviser is your main point of contact for your insurance so, if you have any questions about your FutureWise cover, please talk to your adviser.

If your application for FutureWise is accepted, we may pay your adviser a commission for selling this product. The commission is paid by Macquarie Life and does not affect your premium. You can obtain details from your adviser of any commission paid.

How to apply

To apply for cover you need to complete an application, which your adviser can assist you with. Generally the application will include an application for FutureWise and a detailed health declaration. We may ask for additional information or require medical tests so we can assess your application further. This will usually be arranged through our nominated pathology provider, who can arrange for their services to be undertaken at the workplace or home of the person to be insured or at medical centres across Australia. If your adviser submits the application on your behalf, it is your responsibility to ensure that the information provided to your adviser and to us is accurate and complete and we may contact you to verify that the information we have received from your adviser is accurate and complete.

Your duty of disclosure

Before entering into a contract with Macquarie Life Limited you have a duty, under the Insurance Contracts Act, to disclose to us every matter you know, or could reasonably be expected to know, that is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to us before your cover is extended, varied or reinstated. Your duty, however, does not require disclosure of a matter:

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- that we know or, in the ordinary course of our business, ought to know;
- as to which compliance with your duty is waived by us.

Non-disclosure

If you fail to comply with your duty of disclosure and we would not have entered into the contract on any terms if the failure had not occurred, we may avoid the contract within 3 years of entering into it. If your non-disclosure is fraudulent, we may avoid the contract at any time.

If we are entitled to avoid a contract of life insurance, we may, within 3 years of entering into it, elect not to avoid it but reduce the amount that you have been insured for in accordance with a formula that takes into account the premium that would have been payable if you had disclosed all relevant matters to us.

Underwriting

We will promptly notify you or your adviser of any additional information needed to underwrite your application. If you do not want your adviser to receive information relating to the underwriting assessment of the person to be insured, you must inform us in writing at the time of application.

We may seek additional information about the medical and financial circumstances of the person to be insured, as well as any hazardous pursuits or pastimes, occupational duties and other information that may assist with assessment of your application. Macquarie Life may ask the person to be insured to undergo a medical examination or blood tests. We will cover the associated costs of any tests required. The tests and requirements vary depending on the age and occupation of the person to be insured and the amount and type of cover applied for.

On request, we can send medical examination and blood test results to a doctor nominated by the person to be insured.

Who should authorise the application

Both you and the person to be insured (if not you) must authorise the declaration, payment authority and medical authority that are required to complete the application.

If the applicant is a company, the application must be authorised by two directors or one director and the company secretary or by one director for a single director company. You must specify whether you are a director or secretary when authorising the application.

If the applicant is the trustee of a self managed superannuation fund, the trustee(s) must authorise the application and Trustee Declaration.

Cooling-off period

You have a 14 day “cooling-off period” after your FutureWise policy commences during which time you can cancel your policy if you decide that the insurance cover does not meet your needs. You will receive a refund of the premium and policy fee that you have paid (if you applied for membership of FutureWise Super, superannuation regulations may require your refund to be preserved within the superannuation system, in which case you will need to nominate an acceptable superannuation vehicle to receive the refund). If you wish to use the cooling off period, you must not have made a claim and must notify us within 14 days of the earlier of:

- the date you receive your policy; or
- the end of the 5th day after we issue the policy.

Privacy

Your privacy and that of the insured person, is important to Macquarie Life and the Trustee. This statement explains how personal information can be used or disclosed and provides information about your privacy rights.

By completing the application you and the person to be insured agree to allow Macquarie Life (and, if you have applied for membership of FutureWise Super, the Trustee) to use the personal information of you and the person to be insured to:

- assess and process the application for insurance;
- communicate with you and your nominated adviser about the application and any cover Macquarie Life supplies to you;
- monitor, audit, evaluate and otherwise administer your policy; and
- assess, process and investigate any claims.

Unless you notify Macquarie Life and the Trustee otherwise, the personal information may be used by us or other companies in the Macquarie Group to offer products or services which may be of interest to you.

If you, or the person to be insured, do not supply Macquarie Life and the Trustee with the personal information requested, Macquarie Life may not be able to provide the cover applied for.

Health information

The references in this Privacy Statement to personal information include sensitive information such as medical and health related details of the person to be insured.

If required to assess your application, administer your policy or process any claims, Macquarie Life (and, if you have applied for membership of FutureWise Super, the Trustee) may seek further information from any medical attendant consulted by the insured person.

Disclosure of personal information

You and the person to be insured also agree that other companies in the Macquarie Bank Group and our external service providers (including for example, reinsurers, mailing houses and claims assessors) may access personal information when appropriate to assess your application, administer your policy or process any claims.

Macquarie Life and the Trustee may also disclose the personal information of you and the person to be insured:

- if acting in good faith, we believe that the law requires or permits us to do so;
- if you or the person to be insured consent; or
- to the doctor identified in the application of the person to be insured in the event that any medical tests that we have requested return an abnormal result.

The personal information will also be provided to your adviser in connection with the application for insurance and on-going management of your policy, unless you instruct us not to supply your adviser with any detailed medical information received by us. You can do this in the declaration that forms part of your application, or by writing to us.

Your rights and responsibilities

If you do not supply all of the personal information requested, Macquarie Life may not be able to provide you with the cover for which you apply. You also have a duty of disclosure (explained on page 33) under the Insurance Contracts Act.

Under the Privacy Act, you may request access to your personal information held by Macquarie Life (and, if you have applied for membership of FutureWise Super, the Trustee). You can contact us to make such a request or for any other reason relating to the privacy of your personal information. Contact details are shown in the section titled 'Who to contact'.

Anti-money laundering (AML) terms and conditions

Laws have recently been enacted which seek to prevent money laundering and terrorist financing (AML Laws). We are bound by the AML Laws and have various obligations under them. Accordingly, your application for cover is bound by the following terms and conditions.

In applying under this PDS, you:

- agree not to knowingly do anything to put us in breach of the AML Laws and will notify us if you are aware of anything that would put us in breach of AML Laws;
- if requested, will provide us with additional information and assistance and comply with our reasonable requests to facilitate our compliance with AML Laws in Australia or an equivalent overseas jurisdiction;
- are not aware and have no reason to suspect that:
  - the money used to fund your cover is derived from or related to money laundering, terrorism financing or similar activities; and
  - proceeds of your cover will fund such activities; and
- if we are required by AML Laws to do so, consent to us disclosing your personal information, to the extent required by those laws.

In certain circumstances we may be obliged to freeze or block an account where it is used in connection with illegal activities or suspected illegal activities. Freezing or blocking can arise as a result of the account monitoring that is required by AML Laws. If this occurs, we are not liable to you for any consequences or losses whatsoever and you agree to indemnify us if we are found liable to a third party in connection with the freezing or blocking of your account

We retain the right not to issue cover to any applicant that we decide, in our sole discretion, we do not wish to supply.

Direct Debit Service Agreement

Where you have elected to have your FutureWise premium deducted from your account by direct debit, you agree to the terms detailed below.

1. I/we have requested Macquarie Life Limited, ABN 56 003 963 773 AFSL No. 237497, (User ID 145096) to deduct my nominated account with:
   - any amounts that become payable in relation to my FutureWise policy; or
   - any amount needed to cover contributions to FutureWise Super,

   through the BECS (Bulk Electronic Clearing System).
2. The financial institution may, in its absolute discretion, at any time by notice in writing to me terminate this request as to future debits.
3. Macquarie Life may, by notifying me within 14 days, vary the timing of future debits.
4. Where the due date does not fall on a business day and I am uncertain whether sufficient cleared funds will be available to meet the direct debit, I will contact my financial institution directly and ensure that sufficient cleared funds are available.
5. I can modify or defer this regular Direct Debit Request at any time by giving Macquarie Life 14 days notice.
6. I can stop or cancel the regular Direct Debit Request at any time by giving Macquarie Life or my financial institution 14 days notice.
7. If at any time I feel that a direct debit against my nominated account is inappropriate or wrong it is my responsibility to notify Macquarie Life or my financial institution as soon as possible.
8. If I believe there has been an error in debiting my account, I will notify Macquarie Life or my financial institution and confirm that notice in writing with Macquarie Life as soon as possible.
9. Direct debiting through BECS is not available on all accounts. I can check my account details against a regular statement or check with my financial institution as to whether I can request a direct debit from my account.
10. It is my responsibility to ensure that there are sufficient cleared funds in my nominated account to honour the Direct Debit Request. I understand that the Direct Debit Request will be automatically cancelled if two debit payments are dishonoured because of insufficient funds. Macquarie Life will give me 14 days notice in writing if they intend to cancel my Direct Debit Request. Macquarie Life will also charge the cost of dishonoured direct debits against my account. Macquarie Life may cancel my FutureWise cover if the Direct Debit Request is cancelled because of dishonours.
11. Macquarie Life may need to pass on details of my direct debit request to their sponsor bank in BECS to assist with the checking of any incorrect or wrongful debits to my nominated account.

Who to contact

We are here to help with any questions you have about your cover. The contact details for Macquarie Life and Macquarie Investment Management Limited are:

Telephone: 1800 005 057

Fax: 1800 812 175

Email: insurance@macquarie.com

Post: Macquarie Life
GPO Box 5216
Brisbane QLD 4001

You should be aware that we record all of our telephone conversations with you or your adviser relating to your policy.

What to do if you have a complaint

Macquarie Life has procedures in place to properly consider and deal with your enquiries and complaints within 45 days of a complaint being made. If you have a complaint you may contact the Complaints Officer of Macquarie Life on the contact details shown above.

If your complaint is not resolved to your satisfaction within 90 days you may refer it to the Financial Industry Complaints Service on 1300 780 808.

If you are a member of FutureWise Super, superannuation law requires the Trustee to properly consider and deal with complaints from you or your beneficiaries within 90 days.

Complaints may be made to the Complaints Officer of the Trustee on the contact details shown above. If a complainant is not satisfied with the resolution of the complaint, it may be possible for it to be referred to the Superannuation Complaints Tribunal on 1300 884 114.

Tax

The information provided in this section is a guide only and we recommend you speak to your tax adviser regarding the tax consequences of insurance cover and policy ownership. Any reference to 'you' is in respect of your capacity as the policy owner (including circumstances in which you own the policy in your capacity as trustee of a self-managed superannuation fund).

For information on the tax implications of membership of FutureWise Super, see the section, 'Tax' on page 31.

Tax treatment of premiums

Generally you are unable to claim a tax deduction in respect of the premiums that you pay for Life, TPD, Trauma and Blood Borne Disease Insurance. However, there are some circumstances where the premium may be claimed as a tax deduction. For example, this may be relevant in situations where an employer owns the policy or pays the premiums, or where the policy owner is the trustee of a self-managed superannuation fund. We recommend you consult your tax adviser to discuss your particular circumstances.

The premiums that you pay for Disability Income and Business Expenses Insurance are generally a tax deductible expense to you.

If you are applying for FutureWise as the trustee of a self managed superannuation fund, the premiums you pay for Life Insurance on behalf of your member/s will generally be a deductible expense to you. Deductions for the policy premiums of other types of insurance may be available where certain conditions are met.

Tax treatment of benefits

Generally a benefit that is payable under a Life, TPD, Trauma or Blood Borne Disease Insurance policy is not subject to income tax or capital gains tax (CGT). However, there may be some cases where the benefit is taxable and we recommend you discuss your particular circumstances with your tax adviser.

Benefits that are payable under a Disability Income (including any Superannuation Cover) or Business Expenses Insurance policy are generally included in your assessable income and will be subject to tax at your marginal tax rate.

If you are applying for FutureWise as the trustee of a self managed superannuation fund, the gross amount of any benefit that is payable under a FutureWise policy will be paid by Macquarie Life to you in your capacity as the trustee. You are responsible for determining any tax liability in respect of a FutureWise benefit that you distribute from your self managed superannuation fund. We recommend independent tax advice is sought.

Interim cover

We provide you with interim cover for *accidental* injury or death, while your application is being assessed.

Life Insurance

If you have applied for a Life Insurance policy, we will pay the interim Life Insurance if the person to be insured dies as the result of an *accident*, where the *accident* occurs during the period of interim cover and death occurs within 3 months of the *accident*.

TPD Insurance

If you have applied for a policy that includes TPD Insurance, we will pay the interim TPD Insurance if the person to be insured, suffers *total and permanent disablement* as a result of an *accident*, where the *accident* occurs during the period of interim cover and *total and permanent disablement* occurs within 3 months of the *accident*.

The definition of TPD that applies for interim cover is generally the definition applied for, subject to the following conditions:

- If you have applied for the *own occupation* definition and the person to be insured is in *gainful employment* at the time of the *accident* causing *total and permanent disablement,* the definition that applies for interim cover is the *any occupation* definition.
- If you have applied for the any *occupation* or the *own occupation* definition and the person to be insured is not in *gainful employment* at the time of the *accident* causing *total and permanent disablement,* the definition that applies for interim cover is the *modified TPD* definition.

Trauma Insurance

If you have applied for a policy that includes Trauma Insurance, we will pay the interim Trauma Insurance if the person to be insured suffers one of the Trauma Conditions listed below as the result of an *accident*, where the *accident* occurs during the period of interim cover and the condition occurs within 3 months of the *accident*.

Trauma Conditions covered for interim cover are:

- *coma*
- *paralysis*
- *loss of hearing*
- *loss of limbs*
- *loss of sight*
- *major head trauma*
- *severe burns*

Disability Income Insurance

If you have applied for a FutureWise Disability Income Insurance policy, we will pay the interim benefit for *total disability* from the end of the waiting period applied for in the application, for up to a maximum of six months, if the person to be insured is *totally disabled* as the result of an *accident* that occurs during the period of interim cover and *total disability* due to the *accident* starts within 3 months of the *accident*.

Business Expenses Insurance

If you have applied for a FutureWise Business Expenses Insurance policy, we will pay the interim benefit for *total disability* from the end of the waiting period applied for in the application for up to a maximum of six months, if the person to be insured is *totally disabled* as the result of an *accident* that occurs during the period of interim cover and *total disability* due to the accident starts within 3 months of the *accident.*

When interim cover starts

Interim cover starts on the date an authorised application is received by Macquarie Life.

When interim cover ends

Interim cover will end when the application for cover is:

- accepted;
- declined;
- cancelled or withdrawn by you;
- cancelled by Macquarie Life by written notice to you;

OR

- 14 days from the date we advise that cover may be available if you apply for Insurance on special terms;
- 90 days from the date the interim cover started; or
- a claim under this interim cover is accepted or declined, whichever occurs first.

When interim cover is not payable

Nothing will be payable if the condition or event giving rise to the claim under interim cover was caused directly or indirectly by:

- an *accident* or injury that first occurred before interim cover started;
- an intentional self-inflicted act;
- consumption of alcohol or drugs; or
- the person to be insured engaging in any sport, pastime or occupation that we would not normally cover at standard rates.

What we will pay

The maximum that we will pay across all interim cover (including interim cover provided by other insurers) that applies to the person to be insured is the lesser of:

- the amount of FutureWise cover that has been applied for to a maximum of:
  - Life Insurance $1 million;
  - TPD Insurance $500,000;
  - Trauma Insurance $500,000;
  - Disability Income Insurance $5,000 per month;
  - Business Expenses Insurance $5,000 per month; and
- In the case of Disability Income Insurance, the monthly equivalent of 75% of the first $250,000, 50% of the next $150,000 and 25% thereafter of your *pre-disability income*, adjusted for any offsets which apply, as explained in the section titled ‘When the *monthly benefit* is reduced’, on page 22;
- In the case of Business Expenses Insurance, the insured person’s share of *allowable business expenses* which are incurred while they are *disabled*, adjusted for any offsets which apply, as explained in the section titled ‘When the *monthly benefit* is reduced’, on page 25; and
- the sum insured or monthly insured amount that we would offer under our usual underwriting rules based on the proposed premium.

We may adjust the interim cover otherwise payable to take into account any amount payable in respect of the person to be insured under interim cover with another company.

Glossary

Trauma Conditions

advanced diabetes means severe diabetes mellitus, either insulin or non-insulin dependent, as certified by a consultant endocrinologist and resulting in at least two of the following criteria:

- severe diabetic retinopathy resulting in visual acuity uncorrected and corrected of 6/36 or worse in both eyes;
- severe diabetic neuropathy causing motor and/or autonomic impairment;
- diabetic gangrene leading to surgical intervention; or
- severe diabetic nephropathy causing chronic irreversible renal impairment (as measured by a corrected creatinine clearance below the laboratory/ies measured normal range).

Diabetes complications (as defined on page 39) is excluded.

angioplasty means the undergoing of *angioplasty* on one or two coronary arteries to correct a narrowing or blockage that is considered the appropriate and necessary treatment on the basis of angiographic evidence.

aortic surgery means the undergoing of surgery that is considered the appropriate and necessary treatment to correct any narrowing, dissection or aneurysm of the thoracic or abdominal aorta. *Angioplasty*, intra-arterial procedures or other non-surgical techniques are excluded.

aplastic anaemia means severe aplasia of bone marrow which results in anaemia, neutropenia and thrombocytopenia requiring one of the following treatments:

- immunosuppressive agents;
- bone marrow transplant; or
- peripheral blood stem cell transplant.

benign brain tumour means a non-malignant tumour in the brain resulting in a neurological deficit causing:

- a permanent impairment of at least 25% whole person function; or
- total and irreversible inability to perform at least one of the numbered *activities of daily living*.

The presence of the tumour must be confirmed by imaging studies such as CT scan or MRI. Cysts, granulomas, aneurysms in or of the arteries or veins of the brain, haematomas, and tumours in the pituitary gland or spine are not covered.

cancer means the presence of one or more malignant tumours, including malignant lymphoma, Hodgkin's disease, leukaemia and malignant bone marrow disorders, that are characterised by the uncontrolled growth and spread of malignant cells and the invasion and destruction of normal tissue.

The following cancers are excluded:

- tumours which are histologically described as premalignant or show the malignant changes of carcinoma in situ (including cervical dysplasia CIN-3 and lower). Carcinoma in situ of the breast is covered if it results directly in the removal of the entire breast. This procedure must be performed specifically to arrest the spread of malignancy and be considered the appropriate and necessary treatment;
- melanomas which are both less than 1.5mm Breslow thickness and less than Clark level 3 depth of invasion;
- all hyperkeratoses and basal cell carcinomas, and squamous cell carcinomas of skin unless there has been a spread to other organs;
- chronic lymphocytic leukaemia less than Rai stage 1; and
- prostatic cancers which are TNM Classification T1 or less and have a Gleason score of 6 or less.

Prostatic cancer which is TNM classification T1 or less and which has a Gleason score of 6 or less is covered if it results in the entire removal of the prostate. This procedure must be performed specifically to arrest the spread of malignancy and be considered the appropriate and necessary treatment.

carcinoma in situ of breast means localised cancer characterised by a focal autonomous new growth of cancer cells, which has not yet infiltrated or destroyed normal tissue, and where there is a confirmed histopathological diagnosis of ductal carcinoma in situ without evidence of invasive cancer.

carcinoma in situ of the cervix and cervical dysplasia means high grade dysplasia of the cervix at CIN3 or above, confirmed histologically by biopsy.

carcinoma in situ of the fallopian tube means a focal autonomous new growth of carcinomatous cells within the fallopian tube which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be limited to the tubal mucosa and classified as Tis according to the TNM staging method or FIGO* Stage 0.

carcinoma in situ of the ovary means a focal autonomous new growth of carcinomatous cells within the ovary which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO* Stage 0.

carcinoma in situ of the vagina means a focal autonomous new growth of carcinomatous cells within the vagina which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO* Stage 0.

* FIGO refers to the staging method of the International Federation of Gynaecology and Obstetrics.

carcinoma in situ of the vulva means a focal autonomous new growth of carcinomatous cells within the vulva which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO* Stage 0.

cardiomyopathy means disease of the heart muscle causing it to enlarge and become weaker, resulting in significant cardiac impairment to the degree of at least Class 3 of the New York Heart Association functional classification system.

chronic kidney failure means chronic irreversible failure of the function of both kidneys requiring either regular renal dialysis or renal transplantation.

chronic liver disease means end stage liver failure resulting in permanent jaundice, ascites and encephalopathy.

chronic lung disease means end stage lung disease requiring permanent and continuous oxygen therapy.

colostomy/ileostomy means the creation of a permanent nonreversible opening, linking the colon and/or ileum to the external surface of the body.

cognitive loss means a total and permanent deterioration or loss of intellectual capacity (supported by a score of 15 or less out of 30 in a Mini Mental State Examination) that has required the insured person to be under continuous care and supervision by another person for at least three consecutive months and at the end of that three month period the insured person is likely to require ongoing continuous care and supervision by another person.

coma means a state of total unconsciousness and unresponsiveness to all external stimuli, resulting in a score of 8 or less on the Glasgow Coma Scale, as outlined below, for a continuous period of at least three days.

Glasgow coma scale is a scoring system used to measure the level of consciousness following traumatic brain injury. It is composed of three parameters as given below:

Best Eye Response. (4)

1. No eye opening.
2. Eye opening to pain.
3. Eye opening to verbal command.
4. Eyes open spontaneously.

Best Verbal Response. (5)

1. No verbal response
2. Incomprehensible sounds.
3. Inappropriate words.
4. Confused
5. Orientated

Best Motor Response. (6)

1. No motor response.
2. Extension to pain.
3. Flexion to pain.
4. Withdrawal from pain.
5. Localising pain.
6. Obeys Commands.

A Coma Score of 13 or higher correlates with a mild brain injury, 9 to 12 a moderate injury and 8 or less a severe brain injury.

coronary artery by-pass surgery means the undergoing of coronary artery by-pass surgery for the treatment of coronary artery disease that is considered the appropriate and necessary treatment.

dementia including Alzheimer's disease means diagnosis of dementia by neurological assessment confirming that the insured person requires continual supervisory care as the result of cognitive impairment characterised by a Mini Mental State Examination score of 24 or less out of 30.

diabetes complications means diagnosis of Type 1 insulin dependent diabetes mellitus, as certified by a consultant endocrinologist and resulting in at least two of the following criteria:

- urinary protein excretion of more than 300mg per day;
- diabetic retinopathy with a minimum severity of at least exudates and/or dot-blot haemorrhages; or
- persistent sensory neuropathy.

early stage melanoma means the presence of one or more malignant melanomas, confirmed histologically by biopsy.

early stage prostate cancer means localised cancer characterised by focal autonomous new growth of cancer cells. The tumour must be described histologically as TNM Classification T1 and have a Gleason score of 6 or less.

encephalitis means acute inflammation of the brain caused by viral infection resulting in neurological deficit and leading to:

- permanent impairment of at least 25% whole person function; or
- total and irreversible inability to perform at least one of the numbered *activities of daily living*.

heart attack means myocardial infarction, characterised by death of a portion of heart muscle due to inadequate blood supply. The following clinical features must be present (and not caused by medical intervention):

- new ECG changes; and
- elevation of cardiac biomarkers with CK-MB above the upper limit of normal or Troponin I greater than 2.0 ug/L or Troponin T greater than 0.6ug/L.

If the above is inconclusive then we will consider a claim based on conclusive evidence that myocardial infarction has occurred, resulting in either one of the following:

- new pathological Q-waves;
- a permanent left ventricular ejection fraction of 50% or less, measured six weeks or more after the event.

* FIGO refers to the staging method of the International Federation of Gynaecology and Obstetrics.

heart valve surgery means the undergoing of surgery that is considered necessary to replace or repair cardiac valves as a consequence of heart valve defects or abnormalities.

It does not include *angioplasty*, intra-arterial procedures or other non-surgical techniques.

hydrocephalus means an excessive accumulation of cerebrospinal fluid within the cranium requiring the insertion of a shunt.

loss of hearing means the total and irreversible loss of hearing in both ears.

loss of independent existence means the total and irreversible inability to perform at least two of the numbered *activities of daily living* without the assistance of another person.

loss of limbs means the total and irreversible loss of the use of:

- two limbs; or
- sight in both eyes; or
- one limb and the sight in one eye,

where 'limb' means whole hand or whole foot.

loss of sight means the irrecoverable loss of sight to the extent that eyesight is reduced in both eyes to 6/60 or less of central visual acuity on the Snellen test chart or the degree of vision is less than or equal to 20 degrees of arc.

loss of speech means total and irreversible loss of speech. The loss must be confirmed to be total and irreversible at least three months after speech was first lost.

Loss of speech due to psychological reasons is excluded.

major head trauma means accidental head injury, leading to neurological deficit causing:

- permanent impairment of at least 25% whole person function; or
- total and irreversible inability to perform at least one of the numbered *activities of daily living*.

major organ transplant means the insured person is the recipient of an organ transplant of one of the following organs:

- heart;
- kidney;
- liver;
- lung;
- pancreas;
- small bowel; or
- the transplantation of bone marrow.

The transplant must be considered the appropriate and necessary treatment.

major organ transplant waiting list means the insured person, upon the advice of an appropriate medical specialist, has been placed on an official Australian waiting list, approved by us, for the organ transplant of one of the following organs:

- heart;
- kidney;
- liver;
- lung;
- pancreas;
- small bowel; or
- the transplantation of bone marrow.

medically acquired HIV means the accidental infection with Human Immunodeficiency Virus (HIV), which on the balance of probabilities arose from one of the following medical procedures:

- transfusion of blood or blood products;
- organ transplant;
- assisted reproduction techniques;
- other medical procedure or operation performed by a doctor or at a registered medical facility.

The procedure must have been performed by a registered health professional and have occurred in Australia. We require a statement from the appropriate Statutory Health Authority that provides documented proof of the incident and confirms that the infection is medically acquired.

A Trauma claim for *medically acquired HIV* will not be payable if:

- HIV infection is caused by any other means, including sexual activity or recreational intravenous drug use; or
- a treatment is developed and approved which renders the HIV virus inactive and non-infectious.

motor neurone disease with impairment level means unequivocal diagnosis of motor neurone disease, leading to neurological deficit, resulting in:

- permanent impairment of at least 25% whole person function; or
- total and irreversible inability to perform at least one of the numbered *activities of daily living*.

motor neurone disease means unequivocal diagnosis of motor neurone disease, leading to neurological deficit.

multiple sclerosis with impairment level means unequivocal diagnosis of multiple sclerosis with more than one episode of well defined neurological deficit with persisting neurological abnormalities, and evidenced by appropriate neuro-imaging and spinal fluid abnormalities, leading to neurological deficit and resulting in:

- permanent impairment of at least 25% whole person function; or
- total and irreversible inability to perform at least one of the numbered *activities of daily living*.

multiple sclerosis means unequivocal diagnosis of multiple sclerosis, and evidenced by appropriate neuro-imaging and spinal fluid abnormalities, leading to neurological deficit.

muscular dystrophy with impairment level means unequivocal diagnosis of muscular dystrophy, which causes progressive and selective degeneration and weakness of

voluntary muscles resulting in:

- permanent impairment of at least 25% whole person function; or
- total and irreversible inability to perform at least one of the numbered *activities of daily living*.

muscular dystrophy means unequivocal diagnosis of muscular dystrophy, which causes progressive and selective degeneration and weakness of voluntary muscles.

occupationally acquired HIV means infection with Human Immunodeficiency Virus (HIV) as the result of an *accident* during the course of the insured person's regular occupation. The production and detection of HIV antibodies (sero-conversion) must be confirmed by way of a positive HIV antibody test within six months of the accident.

Any *accident* giving rise to a potential claim must be reported to us within seven days of the incident and supported by a negative HIV antibody test taken after the *accident.* We must be given access to test all blood samples used.

A Trauma claim for *occupationally acquired HIV* will not be payable if:

- HIV infection is caused by any other means, including sexual activity or recreational intravenous drug use;
- a treatment is developed and approved which renders the HIV virus inactive and non-infectious; or
- the insured person has elected not to take an approved vaccine that is recommended by the relevant government body for use in the insured person's occupation and is available prior to the event which causes infection.

Parkinson's disease with impairment level means unequivocal diagnosis of Parkinson's disease, leading to irreversible neurological deficit, resulting in

- permanent impairment of at least 25% whole person function; or
- total and irreversible inability to perform at least one of the numbered *activities of daily living*.

Parkinson's disease means unequivocal diagnosis of Parkinson's disease, leading to irreversible neurological deficit.

paralysis means the total and irreversible loss of the use of two limbs, where a limb is defined as the shoulder down to the hand or the hip down to the foot.

partial loss of hearing means the total and irreversible loss of hearing in one ear.

partial loss of limb means the total and irreversible loss of the use of one limb, where 'limb' means whole hand or whole foot.

partial loss of sight means the irrecoverable loss of sight in one eye to the extent that eyesight is reduced in that eye to 6/60 or less of central visual acuity on the Snellen test chart.

primary pulmonary hypertension means primary pulmonary hypertension characterised by enlargement of the right ventricle as a result of high pulmonary artery pressure. It must have resulted in significant cardiac and respiratory impairment leading to impairment equivalent to at least Class 3 of the New York Heart Association functional classification system.

severe burns means tissue injury caused by thermal, electrical or chemical agents causing third degree burns to at least:

- 20% of body surface as measured by the Rule of Nines or the Lund and Browder Body Surface Chart;
- the whole of both hands, requiring surgical debridement and/or grafting; or
- the whole of the face, requiring surgical debridement and/or grafting.

severe burns of limited extent means tissue injury caused by thermal, electrical or chemical agents causing third degree burns to at least:

- 10% of body surface as measured by the Rule of Nines or the Lund and Browder Body Surface Chart;
- 50% of the combined surface area of both hands, requiring surgical debridement and/or grafting; or
- 50% of the face, requiring surgical debridement and/or grafting.

severe Crohn's disease means diagnosis of Crohn's disease that has failed to be controlled by standard therapy including cortisone treatment, and requires permanent immunosuppressive medication.

severe osteoporosis means:

- before the age of 50, the insured person suffers at least two vertebral body fractures or a fracture of the neck or the femur, due to osteoporosis; and
- the insured person has a bone mineral density reading with a T-score of less than -2.5 (ie. 2.5 standard deviations below the young adult mean for bone density). This must be measured in at least two sites by dual energy x-ray absorptiometry (DEXA).

severe rheumatoid arthritis means diagnosis of rheumatoid arthritis, confirmed by appropriate radiology and blood tests, that has failed to be controlled by standard therapy including cortisone treatment and anti-inflammatory medication, and which requires permanent immunosuppressive therapy.

severe ulcerative colitis means diagnosis of ulcerative colitis that has failed to be controlled by standard therapy including cortisone treatment, and requires permanent immunosuppressive medication.

stroke means a neurological event caused by a cerebrovascular incident. The stroke must:

- be confirmed by an appropriate medical specialist; and
- be evidenced by neuro-imaging.

Transient ischaemic attacks, cerebral events due to reversible neurological deficits, migraine, hypoxia or trauma, and vascular disease affecting the eye, optic nerve or vestibular functions are excluded.

triple vessel angioplasty means the undergoing of *angioplasty* on three or more coronary arteries in the same procedure to correct a narrowing or blockage. It must be considered the appropriate and necessary treatment on the basis of angiographic evidence.

Other defined terms

accident/accidental means a fortuitous and unforeseen event, resulting in an injury, which is not caused, or contributed to, by an intentional act of the insured person.

activities of daily living means:

1. bathing and showering;
2. dressing and undressing;
3. eating and drinking;
4. using the toilet to maintain personal hygiene;
5. moving from place to place by walking, wheelchair or with assistance of a walking aid or getting in and out of bed, a chair or wheelchair.

allowable business expenses means the normal day to day expenses incurred in the insured person's business and include, but are not limited to:

- accounting and audit fees
- bank fees and charges
- cleaning costs
- electricity and gas charges
- property rates
- equipment hire
- motor vehicle leases, registration and insurance
- business related insurance premiums (not including this policy)
- interest payments on business loans and mortgages
- office leasing fees
- rents on business premises
- salaries including superannuation of employees and payroll tax not directly involved in the generation of income or revenue
- regular advertising costs
- telephone costs
- fees for professional associations
- cost of a locum less any earnings generated by the locum
- printing, postage and stationery costs
- contracted maintenance
- contracted advertising
- contracted security
- any other expenses agreed by us

The following expenses are specifically not included:

- The insured person's personal remuneration, salary, fees or drawings from the business
- cost of goods or merchandise
- repayment of capital on business loans and mortgages
- costs of implements of profession
- premiums payable on this policy
- salaries including superannuation of employees and payroll tax directly involved in the generation of income or revenue
- depreciation

any occupation means any occupation, business or employment for which the insured person is suited by education, training or experience that would generate earnings greater than 25% of the insured person's earnings in the most recent period of 12 months in which he or she was *gainfully employed*.

business income means the monthly income of the business in which the insured person is *gainfully employed* before expenses and before tax.

cognitive loss means a total and permanent deterioration or loss of intellectual capacity (supported by a score of 15 or less out of 30 in a Mini Mental State Examination) that has required the insured person to be under continuous care and supervision by another person for at least three consecutive months and at the end of that three month period the insured person is likely to require ongoing continuous care and supervision by another person.

consumer price index is the weighted average of the eight Australian capital cities combined, published by the Australian Bureau of Statistics or any body which succeeds it, in respect of the 12 month period finishing on or prior to 30th September. It will be determined at 31st December each year and applied at the cover anniversary on or following 1st March in the next year.

disability/disabled means *total disability* or *partial disability*.

domestic duties means the tasks performed by an insured person whose sole occupation is to maintain the family home.

These tasks include, unassisted by another person, cleaning of the home, cooking of meals for their family, doing the family laundry, shopping for the family's groceries and taking care of dependent children (where applicable).

Domestic duties do not include duties performed outside the insured person's home for remuneration or reward.

fracture means any fracture that requires a pin, traction, plaster of other immobilising structure.

gainful employment/gainfully employed means that the insured person is engaged in an occupation, business or employment for remuneration or reward.

immediate family member means a married or de facto partner, child, brother, sister or parent.

income means income earned through personal exertion calculated:

- after the deduction of expenses incurred in producing that income; and
- before the deduction of income tax.

It is based on the total remuneration package and includes salary, wages, packaged fringe benefits, regular commissions, regular bonuses, regular overtime payments and pre-tax superannuation contributions.

For the self-employed it also includes that share of net income of the business directly generated by personal exertion after deduction of all business expenses but before the deduction of tax.

Income does not include:

- income that the insured person would continue to receive from his or her business even if unable to work, including any ongoing profit generated by other employees of the business; or
- other unearned income such as dividends, interest, rental income.

loss of independent existence means the total and irreversible inability to perform at least two of the numbered *activities of daily living* without the assistance of another person.

loss of limbs means the total and irreversible loss of the use of:

- two limbs; or
- sight in both eyes; or
- one limb and the sight in one eye,

where 'limb' means whole hand or whole foot.

medical practitioner means a doctor who is legally qualified and registered to practise in Australia (or if outside Australia, has equivalent qualifications and registration) not being you, the insured person, or a business partner or *immediate family member* of you or the insured person.

modified TPD means the insured person has suffered:

- *loss of limbs*;
- *loss of independent existence*; or
- *cognitive loss*.

monthly benefit means:

- in relation to Disability Income Insurance provided on an indemnity basis and without the Superannuation Cover option selected, the lesser of:
  - the monthly insured amount; and
  - the monthly equivalent of 75% of the first $250,000, 50% of the next $150,000 and 25% of the balance of the insured person's *pre-disability income*;
- in relation to Disability Income Insurance provided on an indemnity basis and with the Superannuation Cover option selected, the lesser of:
  - the monthly insured amount; and
  - the monthly equivalent of 100% of the insured person's *pre-disability income* contributed to superannuation (up to a maximum of 20% of *pre-disability income* but no more than the proportion of *pre-application income* contributed to superannuation) plus 75% of the next $250,000 of *pre-disability income*, 50% of the next $150,000 and 25% of the balance;
- in relation to Disability Income Insurance provided on an agreed value basis and without the Superannuation Cover option selected, the lesser of:
  - the monthly insured amount; and
  - the monthly equivalent of 75% of the first $250,000, 50% of the next $150,000 and 25% of the balance of the insured person's *pre-application income*;
- in relation to Disability Income Insurance provided on an agreed value basis and with the Superannuation Cover option selected, the lesser of:
  - the monthly insured amount; and
  - the monthly equivalent of 100% of the insured person's *pre-application income* contributed to superannuation (up to a maximum of 20% of *pre-application income*), 75% of the next $250,000 of *pre-application income*, 50% of the next $150,000 and 25% of the balance;
- in relation to Disability Income Insurance provided on an endorsed agreed value basis, the monthly insured amount;
- in relation to Business Expenses Insurance, the lesser of:
  - the monthly insured amount; and
  - the insured person's share of *allowable business expenses* which are incurred while they are disabled.

New York Heart Association functional classification system means a scale used to assess cardiac impairment.

I. No symptoms and no limitation in ordinary physical activity.

II. Mild symptoms and slight limitation during ordinary activity. Comfortable at rest.

III. Marked limitation in activity due to symptoms, even during less-than-ordinary activity. Comfortable only at rest.

IV. Severe limitations. Experiences symptoms even while at rest.

own occupation means the occupation, business or employment in which the insured person was *gainfully employed* at the time of the injury or illness for which the claim for *total and permanent disablement* is made (or, if not *gainfully employed* at that time, the occupation, business or employment in which the insured person was most recently *gainfully employed*).

partial disability/partially disabled means that the insured person is, solely as a result of injury or illness:

- unable to perform at full capacity one or more of the duties of their *usual occupation* necessary to produce income as confirmed by a *medical practitioner*; and
- is *gainfully employed* but their post disability income is less than *pre-disability income*, and is under the regular care and following the advice of a *medical practitioner*.

pre-application income means the insured person's annual income at the time you applied for the cover or, if you have applied to increase the monthly insured amount which we accepted, when you applied for the increase.

pre-disability business income means the monthly average of the insured person's share of business income for the 12 months before disability.

pre-disability income means, if Disability Income Insurance is provided on an:

- agreed value or endorsed agreed value basis, the highest average income of the insured person for 12 consecutive months between two years before the cover start date and the start of the waiting period applying to the claim;

- indemnity basis, the greater of:
  - average income of the insured person over the 3 year period immediately prior to the start of the waiting period applying to the claim; and
  - average income of the insured person over the 12 months immediately preceding the start of the waiting period applying to the claim.

Pre-disability income will be increased by the increase in the *consumer price index* after each 12 month period the insured person remains on claim.

post-disability business income means the insured person's share of business income for the applicable month (excluding any Business Expense Insurance benefit payable under your policy). If post-disability business income is negative in a month, we will treat it as zero.

post-disability income means the average monthly income earned by the insured person from personal exertion following injury or illness while *partially disabled*.

terminal illness means that the insured person is diagnosed with an illness, which reduces life expectancy to less than 12 months from the date of claim, as confirmed by a specialist physician approved by Macquarie Life.

total and permanent disablement means that due to injury or illness:

a) if the *own occupation* definition applies:
   - the insured person has been absent from work for a continuous period of at least three months, and in our opinion, is incapacitated to the extent that they are unlikely ever again to be able to engage in their *own occupation*

     OR
   - the insured person has suffered a permanent impairment of at least 25% of whole person function (as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 4th edition, or an equivalent guide to impairment which we approve), and in our opinion, is incapacitated to the extent that they are unlikely ever again to be able to engage in their *own occupation*

     OR
   - the insured person meets the *modified TPD* definition

b) if the *any occupation* definition applies:
   - the insured person has been absent from work for a continuous period of at least three months, and in our opinion, is incapacitated to the extent that they are unlikely ever again to be able to engage in *any occupation*

     OR
   - the insured person has suffered a permanent impairment of at least 25% of whole person function (as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 4th edition, or an equivalent guide to impairment which we approve), and in our opinion, is incapacitated to the extent that they are unlikely ever again to be able to engage in *any occupation*

     OR
   - the insured person meets the *modified TPD* definition

c) if the *domestic duties* definition applies:
   - the insured person has not performed *domestic duties* for a continuous period of at least three months, and in our opinion, is incapacitated to the extent that they are unlikely ever again to be able to perform *domestic duties*, or engage in *any occupation*

     OR
   - has suffered a permanent impairment of at least 25% of whole person function (as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 4th edition, or an equivalent guide to impairment which we approve), and in our opinion, is incapacitated to the extent that they are unlikely ever again to be able to perform *domestic duties*, or engage in *any occupation*

     OR
   - the insured person meets the *modified TPD* definition

d) if the *modified TPD* definition applies:
   - the insured person has suffered *loss of limbs*;
   - the insured person has suffered *loss of independent existence*; or
   - the insured person has suffered *cognitive loss*.

total disability/totally disabled means that the insured person is, solely as a result of injury or illness:

- unable to perform one or more of the duties of their *usual occupation* necessary to produce income as confirmed by a *medical practitioner*; and
- not *gainfully employed* in any capacity, and is under the regular care and following the advice of a *medical practitioner*.

usual occupation means the occupation in which the insured person is regularly engaged, except:

- if your policy shows that we classified the occupation of the insured person as occupation class 4, after three years of claim, *usual occupation* means *any occupation* which the insured person is reasonably capable of performing having regard to their education, training or experience;
- if the insured person has been unemployed or on maternity, paternity or sabbatical leave for greater than 12 months at the time of disability, then *usual occupation* means *any occupation* which the insured person is reasonably capable of performing having regard to their education, training or experience.

How to contact Macquarie Life and Macquarie Investment Management Limited

Financial Advisers

1800 005 057

Existing Clients

Your adviser is your main point of contact for your insurance cover, so if you have any questions about your cover, please talk to your financial adviser.

You can contact us by mail at:
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