Macquarie Life FutureWise

Macquarie Life

Product Disclosure Statement issued jointly by:
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Macquarie Investment Management Limited ABN 66 002 867 003 AFSL 237 492
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FORWARD thinking

Contents

01 The importance of insurance

02 FutureWise summary

06 FutureWise terms and conditions

- 06 Life Insurance
- 08 Total and Permanent Disablement (TPD) Insurance
- 11 Trauma Insurance
- 15 Features and options applicable to Life, TPD and Trauma Insurance
- 17 Child Trauma Insurance
- 19 Blood Borne Disease Insurance
- 20 Disability Income Insurance
- 26 Business Expenses Insurance
- 28 Your policy
- 30 Premiums and other costs
- 32 Making a claim

33 FutureWise Super

- 33 Who can apply
- 33 Benefit payments
- 34 Death benefits
- 34 Who is a dependant?
- 35 Tax
- 36 Tax file number collection
- 36 Refunds
- 37 Regular reports
- 37 Management fees and charges
- 37 The Trust Deed

38 General information

- 38 Your adviser
- 38 How to apply
- 40 Direct Debit Service Agreement
- 41 Who to contact
- 41 Tax
- 42 Interim cover

44 Glossary

- 44 Trauma Conditions
- 51 Other defined terms

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.macquarielife.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 or a current paper application form. 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 have peace of mind 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 Insurances that provide the right combination of benefits to meet your needs. Some of the Insurances may be taken within superannuation, catering for a range of circumstances.

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

- 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 Insurances 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 Insurance are generally available to individuals, companies, trusts, and in some cases, trustees of self managed superannuation funds.

Life Insurance

Life Insurance provides a lump sum (called the Life sum insured) if the insured person dies or is diagnosed with a *terminal illness*.

Total and Permanent Disablement (TPD) Insurance

TPD Insurance provides a lump sum (called the TPD sum insured) if the insured person suffers *total and permanent disablement*.

Trauma Insurance

Trauma Insurance provides a lump sum (called the Trauma sum insured) if the insured person suffers a Trauma Condition for which they are covered. For some conditions a partial benefit is payable.

Trauma Insurance is not available under FutureWise Super.

Child Trauma Insurance

Child Trauma Insurance provides a lump sum (called the Child Trauma sum insured) if the insured child dies, is diagnosed with a *terminal illness* or suffers a Trauma Condition for which they are covered.

Child Trauma Insurance is only available where the child to be insured is the natural, step or adopted child or grandchild of the policy owner.

Child Trauma Insurance must be taken with at least one other type of policy issued by Macquarie Life, excluding Blood Borne Disease Insurance.

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

Blood Borne Disease Insurance

Blood Borne Disease Insurance provides a lump sum (called the Blood Borne Disease sum insured) if the insured person is accidentally infected with HIV or the Hepatitis B or Hepatitis C virus 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, excluding Child Trauma Insurance.

Blood Borne Disease Insurance is not available under FutureWise Super or 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 33 to 37.

Disability Income Insurance

Disability Income Insurance 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

Business Expenses Insurance 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.

Structuring your Insurance

Each of the Insurances is provided under a policy. If you are taking more than one type of Insurance you can do this in the following ways:

- Separate policies; or
- Linked Insurance by:
  - including it under the same policy; or
  - taking it under separate policies that are connected through Flexible Linking.

Separate policies

If you take Insurance under separate policies, the cover operates independently and a claim under one Insurance will not affect Insurance under any other policies, unless Flexible Linking applies.

Linked Insurance

Linked Insurance means that the Insurance interacts with some or all of the other Insurances you hold. A claim made under any one Insurance reduces the sums insured of any other Insurance with which it is linked.

The premium you pay will generally be lower when compared to holding insurances under separate policies that are not linked.

Included in the same policy

Linked Insurance can be included in the same policy where the policy owner for the Insurance is the same person or entity.

Flexible Linking

Flexible Linking is a way of structuring your cover so that Insurance for the same insured person can be held under separate policies with different policy owners but still be treated as linked Insurance. For example, insurance may be held under one policy that is owned by the trustee of a superannuation fund and be connected to a policy owned by the insured person outside of superannuation.

Only one policy can be connected through Flexible Linking to one other policy at a time.

TPD and Trauma Insurance connected to another policy through Flexible Linking are referred to as Flexible TPD Insurance and Flexible Trauma Insurance respectively.

The Macquarie Life products to which a FutureWise policy can be connected under Flexible Linking are:

- FutureWise;
- FutureWise Super; and
- Super Protector.

Super Protector is a product issued by Macquarie Life Limited that is available to members of certain eligible superannuation plans. Please refer to the Super Protector PDS for information on this product. It is important that you read the PDS before making a decision to obtain the insurance. Your adviser can provide you with a copy of the Super Protector PDS.

Below is a table showing the policies that are available for each type of Insurance and the other types of Insurance that can be linked to each policy.

	Primary Insurance under the policy	Optional linked Insurance
Life Insurance Policy	Life Insurance	■ TPD Insurance ■ Trauma Insurance
TPD Insurance Policy	TPD Insurance	■ TPD Insurance (via Superannuation Optimiser)
Trauma Insurance Policy	Trauma Insurance	Not available
Child Trauma Insurance Policy	Child Trauma Insurance	Not available
Blood Borne Disease Insurance Policy	Blood Borne Disease Insurance	Not available
Disability Income Insurance Policy	Disability Income Insurance	Not available
Business Expenses Insurance Policy	Business Expenses Insurance	Not available

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 it 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 stepped premium 15 – 60 level premium
Expiry age	No expiry
Sum Insured	Minimum $100,000 No maximum
Included features	■ Funeral Advancement benefit ■ Financial Planning benefit ■ 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* with stepped premium
Expiry age	99 TPD definition changes at age 65
Type of cover	■ *own occupation* (not available under FutureWise Super) ■ *any occupation* ■ *superannuation optimiser* ■ *domestic duties* ■ *modified TPD*
Sum Insured	Minimum $100,000 Maximum: ■ $3 million *own occupation, any occupation* or *superannuation optimiser*; ■ $2 million *modified TPD*; or ■ $1 million *domestic duties*
Included features	■ TPD Advancement benefit ■ Financial Planning benefit ■ 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 for which they are covered.	
Entry ages	15 – 65 stepped premium 15 – 60 level premium
Expiry age	99 Cover changes at age 70
Sum Insured	Minimum $50,000 Maximum $2 million
Included features	■ Financial Planning benefit ■ 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

Child Trauma Insurance

(not available under FutureWise Super)

Provides a lump sum if the insured child dies, is diagnosed with a *terminal illness* or suffers a Trauma Condition for which they are covered.	
Entry ages	2 – 14
Expiry age	21
Sum Insured	Minimum $10,000 Maximum $250,000
Included features	■ Indexation Increases ■ Continuation of cover

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 $320,000 and 50% of the next $240,000 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 ■ 60 days ■ 90 days ■ 1 year ■ 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 ■ Involuntary Unemployment 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
Benefit period	12 times the monthly insured amount, over a maximum period of 24 months.
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)

Blood Borne Disease Insurance

(not available under FutureWise Super)

Provides a lump sum if the insured person is infected with HIV or the Hepatitis B or Hepatitis C virus in a workplace accident. The 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 $1 million
Included features	Indexation Increases

FutureWise terms and conditions

You can apply for cover on your own life or the life of another person unless applying for cover under FutureWise Super, 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 for stepped premiums and between 15 and 60 for level premiums.

You apply for a specified amount of cover. This 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 28.

Funeral Advancement benefit

Under this feature, part of the Life sum insured will be paid in advance so that immediate expenses can be met following the death of the insured person.

The amount payable is the lesser of 10% of the Life sum insured and $15,000. The maximum amount we will pay under the Funeral Advancement benefit is $15,000 inclusive of all cover held with Macquarie Life for the insured person.

In order to pay this benefit, we require medical evidence as to the cause and date of death. This benefit is not payable if the insured person's death is the result of suicide within 13 months of the commencement date, is the result of anything that is excluded under the contract or if there is reasonable doubt about whether the Life sum insured will become payable.

If we agree this benefit is payable, it will be paid to the nominated beneficiary, the policy owner if different to the insured person or the personal legal representative, within 48 hours of receipt all of the required documents. The Life sum insured will be reduced by the amount paid under the Funeral Advancement benefit.

This benefit is not available under FutureWise Super or a FutureWise policy that is issued to the trustee of a self managed superannuation fund.

The payment of the Funeral Advancement benefit is not an admission of liability and we reserve the right to recover the amount paid under the Funeral Advancement benefit if the Life Insurance claim is subsequently denied.

Financial Planning benefit

Under this feature, we will reimburse the cost of engaging a qualified financial adviser to prepare a financial plan following payment of the Life sum insured in full.

The total amount payable under this benefit is the lesser of the actual fee paid for the financial planning advice (excluding any commissions received by the adviser) and $1,000. It is payable on receipt of evidence of the financial advice provided, qualifications of the financial adviser and payment made for that advice. This evidence must be received within 12 months of payment of the Life sum insured.

The benefit is payable to the person who receives the Life sum insured benefit. If the Life sum insured is paid to more than one person, the maximum amount payable to each beneficiary for reimbursement of financial planning costs incurred by them will be split proportionally in line with the split of the Life sum insured.

The benefit is only payable once for the insured person across all cover with Macquarie Life. The financial adviser whose services are being reimbursed must be qualified and operating under an Australian Financial Services License.

This benefit is not available under FutureWise Super or a FutureWise policy issued to the trustee of a self managed superannuation fund.

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 paid for the Funeral Advancement benefit;
- 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.

If the Life sum insured is reduced, but part of the sum insured remains, the premium for your policy is adjusted by applying our then current premium rates to the amount of the sum insured that remains. The premium can otherwise be altered as set out in this PDS on page 31.

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

Business Increase option

This option is explained on page 16 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 16; or
- 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 the policy issued by Macquarie Life if it replaces other similar insurance under a policy issued by another insurer or another policy issued by Macquarie Life (the other policy) and:

- the level of cover being issued by Macquarie Life is the same amount or less than the existing cover being replaced;
- we were specifically told about the intended replacement of the other policy in your answer to the relevant question in your application and we agreed to issue this policy on the basis that it replaced the other policy (as shown in your policy document);
- the other policy was continuously in force for 13 months immediately prior to the issue of this policy;
- the other policy was cancelled immediately after 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 with stepped premiums.

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

- $3 million for *own occupation, any occupation* or *superannuation optimiser* definitions;
- $2 million for the *modified TPD* definition; or
- $1 million for the *domestic duties* 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*:

- if the person to be insured is *gainfully employed* for a minimum of 20 hours per week at the time of application:
  - *any occupation*;
  - *own occupation* (not available under FutureWise Super);
  - *superannuation optimiser*;
- if the person to be insured is engaged in *domestic duties* at the time of application:
  - *domestic duties*; or
- *modified TPD* definition.

For some occupations, the *own occupation* definition may not be available. The *superannuation optimiser* definition is subject to certain conditions, explained in the section titled '*Superannuation optimiser*' on this page.

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, superannuation optimiser, domestic duties,* or *modified TPD* definition.

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.

When the TPD definition changes

The *own occupation*, *any occupation, superannuation optimiser* 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 multiple policies are 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* or *superannuation optimiser* 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.

When the insured person is covered on the basis of the *domestic duties* 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 been in *gainful employment* for at least 20 hours per week continuously during the preceding six months.

Superannuation optimiser

Under this feature the *own occupation* definition of TPD can be applied for with the part of the TPD Insurance that meets the Superannuation Industry Supervision Act (SIS) definition of permanent incapacity (applied as if Macquarie Life was the trustee of the relevant superannuation fund) held within superannuation and the remainder of the cover held outside of superannuation.

If the *superannuation optimiser* definition of TPD is chosen, two policies which are connected by Flexible Linking must be applied for. You will be required to read the PDS applicable to each policy and complete two applications. One of the policies will be issued to the trustee of a superannuation fund (referred to as the superannuation policy), and the TPD cover provided under this policy is called the 'superannuation component', while the remainder of the cover will be issued under a policy outside superannuation (referred to as the non-superannuation policy), called the 'non-superannuation component'.

The TPD sum insured with the *superannuation optimiser* definition under each of the policies must always be the same and if any reduction to the sum insured is applied, it will be applied to the TPD Insurance with the *superannuation optimiser* definition under both policies. In the event that the TPD Insurance is cancelled under one of the policies, the TPD Insurance under the connected policy will immediately end.

In the event of a claim, TPD will first be assessed under the 'superannuation component' part of the definition. If the insured person satisfies this definition, the full sum insured will be paid to the trustee and will be subject to superannuation and related taxation laws current at the time of payment. If the definition is not satisfied under the 'superannuation component', the claim will then be assessed under the 'non-superannuation component'. If the insured person satisfies this definition, the full sum insured is paid directly to the policy owner of the non-superannuation policy (and hence is not subject to superannuation laws).

As the two policies will be connected through Flexible Linking, a *superannuation optimiser* TPD benefit payment under one policy reduces the sum insured of the *superannuation optimiser* TPD under the connected policy, as well as reducing the sums insured of any other linked insurance under the two policies.

It is important to note that the 'non-superannuation component' part of the definition only provides cover for TPD when the 'superannuation component' part of the definition cannot be satisfied. We will assess under which policy a benefit is payable based on the information available to us at the time the decision is made by us.

As explained in the section titled 'When the TPD definition changes', the definition of *superannuation optimiser* converts to the *modified TPD* definition at the cover anniversary when the insured person is aged 65 and this TPD cover with the *modified TPD* definition will be held under the superannuation policy. The TPD cover under the non-superannuation policy will end at the cover anniversary when the insured person is aged 65. Similarly, if the *any occupation* definition applies because the insured person has not been *gainfully employed* within the six months preceding a TPD claim, the claim will be assessed under the superannuation policy.

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 (or between 15 and 65 if applying for the *modified TPD* definition with stepped premiums). 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 28.

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.

TPD Advancement benefit

Under this feature, part of the TPD sum insured will be advanced if the insured person suffers *partial loss of limbs* or *partial loss of sight*.

The amount payable is the lesser of 25% of the TPD sum insured and $500,000. The TPD Advancement benefit is only payable once and the maximum amount we will pay under the TPD Advancement benefit is $500,000 inclusive of all cover held with Macquarie Life for the insured person.

The TPD Advancement benefit will be reduced by the amount of any Trauma Insurance paid for *partial loss of limbs* or *partial loss of sight* if the TPD Insurance is included in a policy along with Trauma Insurance or is connected through Flexible Linking to a separate policy which includes Trauma Insurance.

The TPD sum insured will be reduced by the amount paid under the TPD Advancement benefit.

This benefit is not available under FutureWise Super or a FutureWise policy that is issued to the trustee of a self managed superannuation fund. If you have TPD Insurance with the *superannuation optimiser* definition, this benefit will be payable under the non-superannuation policy only.

Financial Planning benefit

Under this feature, we will reimburse the cost of engaging a qualified financial adviser to prepare a financial plan following payment of the TPD sum insured in full.

The total amount payable under this benefit is the lesser of the actual fee paid for the financial planning advice (excluding any commissions received by the adviser) and $1000. It is payable on receipt of evidence of the financial advice provided, qualifications of the financial adviser and payment made for that advice. This evidence must be received within 12 months of payment of the TPD sum insured.

The benefit is payable to the person who receives the TPD sum insured benefit. If the TPD sum insured is paid to more than one person, the maximum amount payable to each beneficiary for reimbursement of financial planning costs incurred by them will be split proportionally in line with the split of the TPD sum insured.

The benefit is only payable once for the insured person across all cover with Macquarie Life. The financial adviser whose services are being reimbursed must be qualified and operating under an Australian Financial Services License.

This benefit is not available under FutureWise Super or a FutureWise policy issued to the trustee of a self managed superannuation fund.

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 16.

This option, up until the cover anniversary when the insured person is aged 65, reinstates the Life sum insured 14 days after it was reduced by the payment of the TPD sum insured in full, 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 do not apply to the reinstated Life sum insured.

Business Increase option

This option is explained on page 16 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 Life Insurance Policy through Flexible Linking;
- the amount of any TPD Insurance paid in part under the TPD Advancement benefit;
- in cases where the *superannuation optimiser* definition of TPD applies, the amount of any TPD Insurance with the *superannuation optimiser* definition paid under another policy to which it is connected through Flexible Linking; and
- the amount of any Trauma Insurance paid (excluding any booster amount paid under the Trauma Plus option), 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 TPD Insurance is included in a Life Insurance policy or connected to one through Flexible Linking, and the Life Insurance is reduced or cancelled, the TPD sum insured will be reduced so that it is not more than the Life sum insured.

If the *superannuation optimiser* definition of TPD applies and the TPD insurance is reduced or cancelled under one of the policies connected through Flexible Linking, the TPD sum insured under the connected policy will also be reduced so that it is not more than the reduced or cancelled TPD.

If the TPD sum insured is reduced, but part of the sum insured remains, the premium for your policy is adjusted by applying our then current premium rates to the amount of the sum insured that remains. The premium can otherwise be altered as set out in this PDS on page 31.

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 for stepped premiums or between 15 and 60 for level premiums.

You apply for a specified amount of insurance. This 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 in the table under the 'Trauma Insurance' heading 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 28; 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*, *loss of limbs* or *cognitive loss* before the Trauma Insurance ends, explained in the section titled 'When cover ends' on page 28. 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 13 (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 on certain Trauma Conditions does not apply to the policy issued by Macquarie Life if it replaces other similar insurance under a policy issued by another insurer or another policy issued by Macquarie Life (the other policy) and:

- the level of cover being issued by Macquarie Life is the same amount or less than the existing cover being replaced;
- 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 (as shown in your policy document);
- 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;
- the other policy was cancelled immediately after the issue of this policy; and
- no claim is pending or payable under the other policy.

Trauma Insurance

Body system	Amount of sum insured payable	Trauma Condition
Cancer of any body system	100%	– *cancer*[#] – *aplastic anaemia*
	20%**	– *carcinoma in situ of breast*[#] – *early stage melanoma*[#] – *early stage prostate cancer*[#]
Heart and artery	100%	– *aortic surgery*[#] – *cardiomyopathy* – *coronary artery bypass surgery*[#] – *heart attack*[#] – *heart valve surgery*[#] – *out of hospital cardiac arrest*[#] – *triple vessel angioplasty*[#]
	20%*	– *angioplasty*[#]
Brain and nerves	100%	– *bacterial meningitis or meningococcal septicaemia* – *benign brain tumour* – *cognitive loss* – *coma* – *dementia including Alzheimer's disease* – *encephalitis* – *major head trauma* – *motor neurone disease with impairment level* – *multiple sclerosis with impairment level* – *muscular dystrophy with impairment level* – *Parkinson's disease with impairment level* – *paralysis* – *stroke*[#]
	20%**	– *motor neurone disease* – *multiple sclerosis* – *muscular dystrophy* – *Parkinson's disease*
Lungs	100%	– *chronic lung disease* – *primary pulmonary hypertension*
Kidneys	100%	– *chronic kidney failure*
Ear, nose and throat	100%	– *loss of hearing* – *loss of speech or total aphasia*
Eye	100%	– *loss of sight*
Musculoskeletal	100%	– *loss of limbs* – *severe burns*
Digestive system	100%	– *chronic liver disease*

Trauma Insurance (continued)

Body system	Amount of sum insured payable	Trauma Condition
Other	100%	– *loss of independent existence* – *major organ transplant* – *medically acquired HIV* – *occupationally acquired HIV*
	20%**	– *major organ transplant waiting list*

Trauma Plus option

Body system	Amount of sum insured payable	Trauma Condition
Cancer	20%**	– *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*[#]
Brain and nerves	100%[^]	– *motor neurone disease* – *multiple sclerosis* – *muscular dystrophy* – *Parkinson's disease*
	25% booster[^^]	– *paralysis*
	20%**	– *hydrocephalus*
Ear, nose and throat	20%**	– *partial loss of hearing*
Eye	25% booster[^^]	– *loss of sight*
	20%**	– *partial loss of sight*
Musculoskeletal	25% booster[^^]	– *loss of limbs* – *severe burns*
	20%**	– *partial loss of limbs* – *severe burns of limited extent* – *severe osteoporosis* – *severe rheumatoid arthritis*
Digestive system	20%**	– *colostomy/ileostomy* – *severe Crohn's disease* – *severe ulcerative colitis*
Endocrine system	100%	– *advanced diabetes*
	20%**	– *diabetes complications*
Other	100%[^]	– *major organ transplant waiting list*

* A partial payment of 20% of the Trauma sum insured is payable for these Trauma Conditions, subject to a maximum of $40,000. The Trauma sum insured will be reduced by the amount benefit paid.

** A partial payment of 20% of the Trauma sum insured is payable for these Trauma Conditions, subject to a maximum of $100,000. The Trauma sum insured will be reduced by the amount benefit paid.

^ The benefit payable under the Trauma Plus option for these Trauma Conditions is payable in place of a partial payment under Trauma Insurance.

^^ A booster payment of 25% of the Trauma sum insured is payable under the Trauma Plus option for these Trauma Conditions in addition to the benefit under Trauma Insurance. The booster amount payable will be reduced so that the combined total of the booster amount and the 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.

Special conditions apply to when cover starts for these Trauma Conditions. See the section titled 'When Trauma Insurance starts' on page 11.

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. A booster benefit in addition to the sum insured is also payable for some severe conditions.

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 30; 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.

Financial Planning benefit

Under this feature, we will reimburse the cost of engaging a qualified financial adviser to prepare a financial plan following payment of the Trauma sum insured in full.

The total amount payable under this benefit is the lesser of the actual fee paid for the financial planning advice (excluding any commissions received by the adviser) and $1000. It is payable on receipt of evidence of the financial advice provided, qualifications of the financial adviser and payment made for that advice. This evidence must be received within 12 months of payment of the Trauma sum insured.

The benefit is payable to the person who receives the Trauma sum insured benefit. If the Trauma sum insured is paid to more than one person, the maximum amount payable to each beneficiary for reimbursement of financial planning costs incurred by them will be split proportionally in line with the split of the Trauma sum insured.

The benefit is only payable once for the insured person across all cover with Macquarie Life. The financial adviser whose services are being reimbursed must be qualified and operating under an Australian Financial Services License

This benefit is not available under FutureWise Super or a FutureWise policy issued to the trustee of a self managed superannuation fund.

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 after it was reduced in full by the payment of a Trauma claim, without the need for medical underwriting, 12 months after the date a valid claim form is lodged with Macquarie Life. A valid claim form for this purpose is one which resulted in a claim payment and where we determine the definition of the Trauma Condition suffered was met within 30 days of the claim form being lodged. If there is no valid claim form, the relevant date for reinstatement is 12 months from the date of payment of the Trauma sum insured in full.

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 give you at least 30 days notice prior to the expiry of the 12 month period and must receive your acceptance within 30 days of the date on which the option to reinstate the Trauma Insurance falls. 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, the following specific terms apply:

- if a Trauma claim has been paid for any one Trauma Condition in the 'Heart and Artery' body system group, *primary pulmonary hypertension or chronic kidney failure* then no claim is payable for any Trauma Condition in the 'Heart and Artery' body system group, *primary pulmonary hypertension* or *chronic kidney failure*;
- if a Trauma claim has been paid for any one Trauma Condition in the 'Heart and Artery' body system group or *primary pulmonary hypertension* then no claim is payable for *paralysis or loss of sight*, resulting from cerebrovascular accident;
- if a Trauma claim has been paid for any one Trauma Condition in the 'Cancer of any body system' group then no claim is payable for any Trauma Condition in the 'Cancer of any body system' group; or
- if a claim for *dementia including Alzheimer's Disease* has been paid under Trauma Insurance then no claim is payable for *stroke* or *heart attack*.

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 16.

This option, up until the cover anniversary when the insured person is aged 65, reinstates the Life sum insured 14 days after it was reduced by the payment of the Trauma sum insured in full, 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 do not apply to the reinstated Life sum insured.

Business Increase option

This option is explained on page 16 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 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 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 Trauma Insurance is included in a Life Insurance policy or connected to one through Flexible Linking, and the Life Insurance is reduced or cancelled, the Trauma sum insured will be reduced so that it is not more than the Life sum insured.

If the Trauma sum insured is reduced, but part of the sum insured remains, the premium for your policy is adjusted by applying our then current premium rates to the amount of the sum insured that remains. The premium can otherwise be altered as set out in this PDS on page 31.

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 11.

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.

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 for the *own occupation, any occupation* and *superannuation optimiser* definitions combined; $2 million for the *modified TPD* definition and $1 million for the *domestic duties* definition. 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

Personal events	Maximum increase
Marriage of the insured person The insured person or their partner gives birth to or adopts a child	The lesser of: ■ 25% of the applicable sum insured when your policy started; and ■ $200,000.
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.

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 after it was reduced by the payment of the TPD or Trauma sum insured in full, without the need for medical underwriting, 12 months after the date a valid claim form is lodged with Macquarie Life. A valid claim form for this purpose is one which resulted in a claim payment and where we determine the definition of TPD, or the Trauma Condition suffered, as applicable, was met within 30 days of the claim form being lodged. If there is no valid claim form, the relevant date for reinstatement is 12 months from the date the TPD or Trauma sum insured was paid in full.

We will give you at least 30 days notice prior to the expiry of the 12 month period and must receive your acceptance within 30 days of the date on which the option to reinstate the Life Insurance falls. 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 33 to 37). If not, the insured person can request us to transfer the reinstated policy to him or her to be held directly.

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 and Business Increase features are 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 below, 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.

Child Trauma Insurance

Applying for Child Trauma Insurance

You may apply for this insurance provided you also have, or are applying for, (as policy owner or insured person) at least one other type of policy issued by Macquarie Life, not including Blood Borne Disease Insurance or Child Trauma Insurance.

The child to be insured must be aged between 2 and 14 and must be the natural, step or adopted child or grand child of the policy owner.

Any references to the 'insured person' include references to the 'insured child', where applicable.

You apply for a specified amount of cover. This is known as the Child Trauma sum insured and applies per insured child under the policy. The minimum amount you can apply for is $10,000. The maximum amount is $250,000. Limitations may apply to the amount of Child Trauma Insurance available at application with reference to the level of cover under the other policy held, or being applied for, by the policy owner. These limits may also be affected if you have existing Child Trauma cover with us or with another insurer.

Increases in Child Trauma Insurance

If your FutureWise policy includes Child Trauma Insurance, you can apply to increase the Child Trauma sum insured in respect of an insured child at any time while the insured child is aged between 2 and 14. 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 Child Trauma sum insured is payable

If your FutureWise policy includes Child Trauma Insurance, the sum insured is payable if an insured child:

- dies;
- is diagnosed with a *terminal illness*; or
- suffers one of the Trauma Conditions listed in the table under the 'Child Trauma Insurance' heading after cover starts for the condition,

after the Child Trauma Insurance cover starts and before the Child Trauma Insurance ends, explained in the section titled 'When cover ends' on page 28 of the FutureWise PDS.

We will only pay the sum insured once under the policy per insured child.

When Child Trauma Insurance starts

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

- the cover start date shown in your FutureWise policy;
- the date any cover is reinstated, (but only in respect of the reinstated cover); or
- the cover start date for any increase in Child Trauma sum insured that you applied for (but only in respect of that increase).

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

The deferred commencement of cover by 90 days on certain Trauma Conditions does not apply to the policy issued by Macquarie Life if it replaces other similar insurance under a policy issued by another insurer or another policy issued by Macquarie Life (the other policy) and:

- the level of cover being issued by Macquarie Life is the same amount or less than the existing cover being replaced;
- 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 (as shown in your policy document);
- 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;
- the other policy was cancelled immediately after the issue of this policy; and
- no claim is pending or payable under the other policy.

Child Trauma Insurance

The Trauma Conditions listed in the table below are covered under Child Trauma Insurance.

Body System	Amount of sum insured payable	Trauma Condition
Cancer of any body system	100%	– *cancer*[#] – *aplastic anaemia*
Heart and artery	100%	– *cardiomyopathy* – *heart attack*[#] – *open heart surgery*[#] – *out of hospital cardiac arrest*[#]
Brain and nerve	100%	– *bacterial meningitis or meningococcal septicaemia* – *benign brain tumour* – *brain damage* – *coma* – *encephalitis* – *major head trauma* – *muscular dystrophy with impairment level* – *paralysis* – *stroke*[#]
Lungs	100%	– *chronic lung disease* – *primary pulmonary hypertension*
Kidneys	100%	– *chronic kidney failure*
Ear, nose and throat	100%	– *loss of hearing* – *loss of speech or total aphasia*
Eye	100%	– *loss of sight*
Musculo -skeletal	100%	– *loss of limbs* – *severe burns*
Digestive system	100%	– *chronic liver disease*
Other	100%	– *intensive care* – *child's loss of independent existence* – *major organ transplant* – *medically acquired HIV*

[#] Special conditions apply to when cover starts for these Trauma Conditions. See the section titled 'When Child Trauma Insurance starts' above.

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

Indexation Increases

So that your cover retains its value over time in line with inflation, on each cover anniversary 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.

Continuation of cover

This feature allows you or the insured child, on any cover anniversary that falls when the insured child is aged 15 to 21 inclusive, to commence a Life Insurance policy with linked Trauma Insurance for the same or lesser amount as the Child Trauma sum insured for the insured child, without the need for medical underwriting. Additional information from the insured child may be required at the time of conversion to establish the premium rate that will apply to the Insurance. Once this election is made, the Child Trauma Insurance cover for that insured child is cancelled.

The Continuation of cover feature is not available if a claim has been paid or is payable for the insured child under any cover with Macquarie Life.

When we won't pay

A Child Trauma Insurance claim will not be payable in respect of an insured child 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):

- first occurs or symptoms leading to the condition occurring or being diagnosed first became apparent before Child Trauma Insurance starts for that Trauma Condition;
- is a congenital condition; or
- is caused by the intentional act or intentional omission of the policy owner or the insured child's parent, guardian or a person acting in a regular de facto role as a parent.

Child Trauma Insurance will not be payable if we have not received consent to obtain the medical records, past and present, of the insured child.

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 or the Hepatitis B or Hepatitis C virus is an occupational hazard).

You apply for a specified amount of cover. This is known as the Blood Borne Disease sum insured. The minimum amount you can apply for is $50,000 and the maximum is $1 million.

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 or the Hepatitis B or Hepatitis C virus 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 28.

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 or the Hepatitis B or Hepatitis C virus is caused by any other means, including sexual activity or 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. This 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 $320,000 and 50% of the next $240,000 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 24 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. There may also be circumstances where the benefit paid from Macquarie Life to the trustee is included in the superannuation fund's assessable income for tax purposes. 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
- 60 days
- 90 days
- 1 year
- 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 seven days.

Return to work during the waiting period

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 60 days, 90 days, 1 year or 2 years; and
- six consecutive months if your waiting period is 2 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*.

Waiting period reduction

If you have a FutureWise Disability Income Insurance policy with a 2 year waiting period, it can be reduced without medical underwriting to 1 year or 90 days if you also have salary continuance cover provided through your employer and that cover terminates because you leave your employer. This is not available if:

- you elect to take up any continuation of cover option on the salary continuance cover;
- you are on claim or eligible to claim at the time of applying to reduce the waiting period; or
- you are not engaged in *gainful employment* of at least 20 hours per week with a new employer.

You must apply to change the waiting period within 30 days of ceasing employment with the employer through which the salary continuance cover was provided. Evidence of the cover, cessation of your employment and other information necessary to assess your eligibility is required at the time of applying to reduce the waiting period.

The premium will be adjusted accordingly for any change made to the waiting period under this feature.

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 28).

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 24, any 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 only if the insured person made a successful return to *gainful employment* of at least 20 hours per week 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 five 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 25; and
- increases under the Claims Escalation option, if it applies, as explained on page 24.

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 25; and
- increases under the Claims Escalation option, if it applies, as explained on page 24.

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.*

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.

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 28.

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.

Premium Waiver

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

Involuntary Unemployment Premium Waiver

If your Disability Income Insurance policy has been continuously in force for six months preceding *involuntary unemployment* of at least 10 working days, we will waive the premium and policy fee payable under your policy for up to three months at a time for the period while you are *involuntarily unemployed* and registered with a recognised employment agency.

The premium and policy fee will be waived due to *involuntary unemployment* for a maximum of 3 months in any 12 month period and a total maximum of 6 months inclusive of all cover held with Macquarie Life for the insured person over the life

of the policy. If you pay your premium on an annual basis, we will provide a pro rata refund of the premium and policy fee that has already been paid for each month that you are eligible for the Involuntary Unemployment Premium Waiver.

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 with the Extra Benefits option 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 2 or 5 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 28.

Bed Confinement benefit

If you have a FutureWise Disability Income Insurance policy with the Extra Benefits option 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 during the waiting period.

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

Home Care benefit

If you have a FutureWise Disability Income Insurance policy with the Extra Benefits option and 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 you have a FutureWise Disability Income Insurance policy with the Extra Benefits option and 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 12 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 you have a FutureWise Disability Income Insurance policy with the Extra Benefits option and 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

If you have a FutureWise Disability Income Insurance policy with the Extra Benefits option, 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 insured amount 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 20 and 'Superannuation Cover Option' on page 24 (if applicable).

The increase in cover must be requested prior to the applicable cover anniversary and must be made on the appropriate form, which is available from your adviser.

Cover Extension

If you have a FutureWise Disability Income Insurance policy with the Extra Benefits option, 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 has not been in *gainful employment* of at least 20 hours a week for 6 consecutive months.

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 $320,000; and
  - 50% of the next $240,000.

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 paid on your behalf as 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 with an occupation class of 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 six 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 three months while the insured person is outside Australia. Upon return to Australia, benefits can continue if otherwise payable.

The payment of Disability Income benefits will end if the insured person unreasonably refuses to undergo recommended medical treatment including rehabilitation to treat their *disability.*

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. This 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 seven 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; or
- 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 28).

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 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 27.

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:

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

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

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 expenses* 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 three months while the insured person is outside of Australia. Upon return to Australia, benefits can continue if otherwise payable.

The payment of Business Expenses benefits will end if the insured person unreasonably refuses to undergo recommended medical treatment including rehabilitation to treat their *disability.*

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 connected to another policy through Flexible Linking (and hence whether cover is provided on a linked basis);
- 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 the *own occupation, any occupation, superannuation optimiser, domestic duties* or *modified TPD* definition;
- if TPD Insurance is included on the basis of the *superannuation optimiser* definition, whether the policy includes the 'superannuation component' or the 'non superannuation component' of the 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[1];
- 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;
- for Child Trauma Insurance, the Continuation of cover feature, as explained in this PDS, is exercised[1]; 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 33 to 37).

Cover type	Expiry age
Life Insurance	No expiry
TPD Insurance	99
Trauma Insurance	99
Child Trauma Insurance	21[1]
Blood Borne Disease Insurance	65
Disability Income Insurance	65[2]
Business Expenses Insurance	65

[1] For Child Trauma Insurance, cover ends only in respect of the insured child for whom the event has occurred.

[2] 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 24 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 Macquarie Life products through which Flexible Linking of Insurance is possible are:

- FutureWise;
- FutureWise Super; and
- Super Protector.

Where Flexible Linking applies, a claim paid under any one Insurance reduces the sums insured of the other insurance held under the policy that is connected through Flexible Linking, as well as the insurance under the same policy.

TPD and/or Trauma Insurance linked to other Insurance in 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.

TPD Insurance provided on the basis of the *superannuation optimiser* definition of TPD is provided through two policies which are also connected through Flexible Linking.

If either of the two connected policies is cancelled, we will recalculate the premiums for the continuing policy using the premium rates applicable at the time of the calculation, taking into account that the remaining insurance is no longer linked to the cancelled insurance.

If the sum insured of the Insurance provided under either of the two connected policies is reduced, we will reduce (by the same amount) the sum insured for any linked Insurance provided under the other policy that is connected through Flexible Linking.

We may decide that either or both of the recalculation of premiums or reduced sum insured should not apply in particular circumstances. If we do, we will contact you to offer an alternative.

FutureWise policies can be connected to Super Protector policies. The Super Protector policies are policies issued by Macquarie Life under a separate PDS. The terms and conditions of those policies are explained in the relevant PDS current at the time of issue of the Super Protector policy. It is important that you read the terms and conditions applying to a Super Protector Policy before applying to a link a Policy to it, as the terms and conditions that apply to Super Protector may differ from those that apply to FutureWise. It will also be necessary to complete a separate application for the issue of a Super Protector Policy.

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 five 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, claim payments will be made to the Trustee and paid to you or your beneficiaries in accordance with the governing rules of the Macquarie Superannuation Plan and superannuation and tax laws current at the time of payment. For more information on the payment of benefits from FutureWise Super, refer to pages 33 to 37.

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 laws 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 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; or
- of a change in banking or credit card details.

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, the premium type 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 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.

You can choose a 'stepped' premium type which means that, generally, each year the premium increases based on insured person's age, or a 'level' premium type which means that the premium remains the same (except for policy fee increases, sum insured increases and changes to the premium, as explained in 'Changes to the premium and/or policy fee' on the next page), until the policy anniversary when the insured person is aged 65, at which time the 'level' premium automatically converts to a 'stepped' premium. If the sum insured changes then the premium will also change. 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 2009, the policy fee is $81.10 per annum if you pay your premium annually or $6.76 per month if you pay your premium monthly, plus any stamp duty that is applicable. 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 an Australian bank account;
- 'cash hub' of a Macquarie Investment Manager or Investment Accumulator account;
- Macquarie Cash Management Trust (CMT) or Macquarie Cash Management Account (CMA).

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 30 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 33 to 37.

Making a claim

Notifying us of a claim

Please contact Macquarie Life on 1800 208 130 or insuranceclaims@macquarie.com 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. Reasonable co-operation from the insured person and/or claimant is required.

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.

For Insurance linked to Life Insurance, if the insured person dies while a TPD, Trauma or *terminal illness* claim is being assessed, we will finalise assessment of the claim in progress if we have sufficient evidence at the time of death to establish whether the insured person met the definition for which the original claim was being assessed. If we do not have sufficient evidence at that time to finalise assessment of the claim in progress, the claim will be assessed under the policy terms relating to Life Insurance.

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.

Macquarie Life understands that at the time of claim it is not only financial support that is needed and so for severe claims, up to 3 free counselling sessions may be available for the claimant and/or their immediate family.

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, Child 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,* 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 laws current at the time of payment.

Under TPD Insurance, the *superannuation optimiser* definition of TPD allows the equivalent of *own occupation* TPD to be applied for with the part that meets the Superannuation Industry Supervision Act (SIS) definition of permanent incapacity (applied as if Macquarie Life was the trustee of the relevant superannuation fund) held within superannuation, and the remainder of the cover held outside of superannuation. Where the 'superannuation component' part of the definition is satisfied, the trustee will pay the TPD benefit to you where you meet the permanent incapacity condition of release (or another condition of release, if applicable). Please refer to the section titled 'Superannuation Optimiser' on page 8.

For other types of cover, there may be some circumstances where the Trustee will not be able to pay the benefit out of FutureWise Super under superannuation laws 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 after allowance for any fund tax liability.

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 this page) 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. The trustee will pay the valid portion of your death benefit in accordance with that part of your nomination which is valid.

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
- 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 consented to it.

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 an opposite or same-sex de facto partner);
- a child of yours of any age (including an adopted child, a step-child and a child of a de facto partner of yours);
- any person financially dependent on you; and
- any other person with whom you have an interdependency relationship.

Two people will typically have an interdependency 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 interdependency relationship.

Depending on the circumstances, relationships involving the following people may qualify as interdependency 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. To claim a tax deduction, you must meet a number of conditions including a requirement to submit a notice in an ATO approved format within certain time limits. We suggest that you obtain professional tax advice if you are considering claiming a tax deduction for your contributions.

Generally the Trustee is required to pay tax of 15% on all employer contributions and personal contributions for which you intend to claim a tax deduction. Higher tax rates are applicable if certain contribution caps set by the Government are exceeded.

The policy premiums may be tax deductible to the Trustee. For example, the premiums the Trustee pays for Life Insurance will generally be a deductible expense to the fund.

The policy terms for the *superannuation optimiser* definition of TPD have been designed to meet tax law requirements enabling the Trustee to claim a full deduction for the premium payable by the fund, being the 'superannuation component'. The premium relating to the 'non-superannuation component' is not payable from contributions under a superannuation policy and therefore is not a deductible expense to the trustee.

Tax deductions, where applicable, 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-concessional contributions within limits prescribed in superannuation and tax legislation) 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 your spouse (including an opposite or same sex de facto partner), a child under the age of 18 years (including an adopted child, a step-child and a child of a de facto partner of yours), an interdependent person and 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 your terminal illness may be tax free in certain circumstances.

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 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.

Refunds

FutureWise Super, a division of the Macquarie Superannuation Plan, has been established purely for the purpose of providing insurance cover inside the superannuation environment and is not an accumulation based superannuation fund.

Payments made under a FutureWise Super policy are superannuation contributions which are subject to superannuation preservation rules and therefore are generally not refundable directly back to the member. In the case of insurance cover being cancelled and a premium refund being due (for example, part refund of an annual insurance premium), the refund will need to be paid to another complying superannuation fund (the 'other fund') by way of a rollover, rather than as a direct payment back to the member.

When money is paid as a rollover to the other fund, contributions tax that would otherwise have been offset by a tax deduction that the trustee is entitled to for insurance premiums may become payable. In these cases, the amount of the tax payable will be deducted from the amount refunded and the balance transferred to the other fund.

If the member does not provide details of the other fund to which they would like to rollover to be paid within 30 days, Macquarie Investment Management Limited may transfer the money to an Eligible Rollover Fund (ERF). The ERF chosen for this purpose is called the Super Safeguard Eligible Rollover Fund.

The Super Safeguard Eligible Rollover Fund

The Super Safeguard Eligible Rollover Fund is administered by Primary Superannuation Services Limited ABN 32 361 309 012 AFSL 238 827. APRA has approved the Super Safeguard Eligible Rollover Fund to operate as an ERF. The trustee is Trust Company Superannuation Services Limited ABN 49 006 421 638 AFSL 235 153. Trust Company Superannuation Services Limited will protect your benefits from erosion due to fees and charges under member benefit protection rules. Should your superannuation benefit be transferred to the Super Safeguard Eligible Rollover Fund all subsequent enquiries relating to your benefit should be directed to:

Super Safeguard Eligible Rollover Fund
GPO Box 3426
Melbourne
Victoria 3001

Phone: 1300 135 181
Fax: 1300 135 191
Email: supersafeguard@primary.com.au
Website: www.supersafeguard.com.au

Should your superannuation benefit be transferred to the Super Safeguard Eligible Rollover Fund:

- your interest in the Fund, including your insurance cover, will cease;
- you will become a member of the Super Safeguard Eligible Rollover Fund and will be subject to its governing rules;
- your account will be invested according to the investment strategy of the Super Safeguard Eligible Rollover Fund;
- the Super Safeguard Eligible Rollover Fund may charge fees to your account; and
- you may not be offered insurance cover.

You should refer to the Product Disclosure Statement for the Super Safeguard Eligible Rollover Fund for more information. We reserve the right to change the chosen ERF without notice to you.

Regular reports

We prepare an annual report about the management and financial condition of the Fund for the period to 30 June each year. This annual report is available free of charge from us, on www.macquarie.com.au or as a hard copy. If you do not elect to receive a hard copy annual report we will assume that you wish to view the annual report online and we will not send you a copy.

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 may be able to 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.

If the person to be insured has a birthday after the application is submitted and before cover commences, the premium will be adjusted to reflect the rate applicable for their age at cover commencement.

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; or
- 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.

Please note, your duty of disclosure continues until a written contract of insurance has been issued by Macquarie Life.

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 and/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 21 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 21 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 Group and our external service providers (including for example, reinsurers and mailing houses) 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 38) 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 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. It is my responsibility to ensure that the authorisation given to debit the nominated account is identical to the account signing instruction held by the financial institution where the account is held.
12. 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:

General enquiries

Telephone: 1800 005 057

Fax: 1800 812 175

Email: insurance@macquarie.com

Post: Macquarie Life
GPO Box 5216
Brisbane QLD 4001

Claims

Telephone: 1800 208 130

Email: insuranceclaims@macquarie.com

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 Ombudsman 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 780 808.

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 35.

Tax treatment of premiums

The premiums that you pay for Life, TPD, Trauma , Child Trauma and Blood Borne Disease Insurance are generally not tax deductible to you. 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. Premiums for Disability Income Insurance may also be an allowable deduction if certain conditions are met.

Full or partial deductions for the policy premiums of other types of insurance may be available where certain conditions are met. The policy terms for the *superannuation optimiser* definition of TPD have been designed to meet tax law requirements enabling a superannuation fund trustee to claim a full deduction for the premium payable by the fund, being the 'superannuation component'. The premium relating to the 'non-superannuation component' is not payable under a superannuation policy and therefore is not a deductible expense to the trustee. Premiums paid by trustees that relate to other TPD definitions may only be partially deductible to the fund.[1]

[1] The Government announced on 13 October 2009 that it would provide transitional relief to complying superannuation funds for the deduction of premiums paid for TPD benefits until 1 July 2011. From this time, TPD premiums will be deductible to a superannuation fund to the extent that they relate to the fund's liability to pay a "disability superannuation benefit" as defined in tax law. At the time of publication, legislation giving effect to the transitional relief has not been made.

Tax treatment of benefits

Generally a benefit that is payable under a Life, TPD, Trauma, Child 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 professional 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 three 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 three 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* or *superannuation optimiser* 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*, the *own occupation* or the *superannuation optimiser* 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*

Child Trauma Insurance

If you have applied for a policy that includes Child Trauma Insurance, we will pay the interim Child Trauma Insurance if the child to be insured dies as the result of an *accident* or 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 death or 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 three 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 three 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 and cover commences;
- declined;
- deferred;
- 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 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;
- for Child Trauma Insurance, an intentional act or intentional omission of the policy owner or the insured child's parent, guardian or a person acting in a regular de facto role as a parent; or
- the person to be insured engaging in any sport, pastime or occupation that we would not normally cover at standard rates.

When lawfully entitled to do so, Macquarie Life may avoid or adjust your interim cover if you have breached your duty of disclosure or have made a misrepresentation when applying for cover.

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;
  - Child Trauma Insurance $50,000;
  - Disability Income Insurance $5,000 per month;
  - Business Expenses Insurance $5,000 per month;
- in the case of Disability Income Insurance, the monthly equivalent of 75% of the first $320,000 and 50% of the next $240,000 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 25;
- 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 27; 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

All medical classifications cited are as of the date of the PDS.

Trauma Condition	Definition
Cancer of any body system	
aplastic anaemia	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.
cancer	The presence of one or more malignant tumours, including lymphoma (including Hodgkin's and non Hodgkin's disease), leukaemia, multiple myeloma 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 it has 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	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 carcinoma in situ without evidence of invasive cancer.
carcinoma in situ of the cervix and cervical dysplasia	High grade dysplasia of the cervix at CIN3 or above, confirmed histologically by biopsy.
carcinoma in situ of the fallopian tube	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	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	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.

Trauma Condition	Definition
carcinoma in situ of the vulva	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.
early stage melanoma	The presence of one or more melanomas which are both less than 1.5mm Breslow thickness and less than Clark level 3 depth of invasion, confirmed histologically by biopsy.
early stage prostate cancer	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.
Heart and artery	
angioplasty	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	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.
cardiomyopathy	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.*
coronary artery by-pass surgery	The undergoing of coronary artery by-pass surgery for the treatment of coronary artery disease that is considered the appropriate and necessary treatment.
heart attack	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.
heart valve surgery	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.
open heart surgery	The undergoing of a thoracotomy for treatment of cardiac defect(s), cardiac aneurysm or benign cardiac tumour(s).
out of hospital cardiac arrest	Cardiac arrest that occurs outside of a hospital due to cardiac asystole or ventricular fibrillation with or without ventricular tachycardia. The cardiac arrest must not be related to any medical procedure and must be documented by an electrocardiogram.
triple vessel angioplasty	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.

Trauma Condition	Definition
Brains and nerves	
bacterial meningitis or meningococcal septicaemia	Bacterial meningitis or meningococcal septicaemia resulting in: ■ 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*.
benign brain tumour	Non-malignant tumour in the brain, pituitary gland or spine, 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 and haematomas are not covered.
brain damage	Brain damage, as confirmed by a medical practitioner who is a consultant neurologist, which results in a neurological deficit causing 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', 5th edition, or an equivalent impairment approved by us.
cognitive loss	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 or evidence from another neuropsychometric test that is acceptable to us) 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	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.
dementia including Alzheimer's disease	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 or evidence from another neuropsychometric test that is acceptable to us.

Trauma Condition	Definition
encephalitis	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.*
hydrocephalus	An excessive accumulation of cerebrospinal fluid within the cranium requiring the insertion of a permanent shunt.
major head trauma	*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.*
motor neurone disease	Unequivocal diagnosis of motor neurone disease, leading to neurological deficit.
motor neurone disease with impairment level	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.*
multiple sclerosis	Unequivocal diagnosis of multiple sclerosis, and evidenced by appropriate neuro-imaging and spinal fluid abnormalities, leading to neurological deficit.
multiple sclerosis with impairment level	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.*
muscular dystrophy	Unequivocal diagnosis of muscular dystrophy, which causes progressive and selective degeneration and weakness of voluntary muscles.
muscular dystrophy with impairment level	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.*
Parkinson's disease	Unequivocal diagnosis of Parkinson's disease, leading to irreversible neurological deficit.
Parkinson's disease with impairment level	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.*
paralysis	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.
stroke	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.
Lungs	
chronic lung disease	End stage lung disease requiring permanent and continuous oxygen therapy, a persistent FEV1 less than 30% predicted or DLCO less than 40% predicted (American Thoracic Society 2004).
primary pulmonary hypertension	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.*
Kidneys	
chronic kidney failure	Chronic irreversible failure of the function of both kidneys requiring either regular renal dialysis or renal transplantation.

Trauma Condition	Definition
Ear, nose and throat	
loss of hearing	The total and irreversible loss of hearing in both ears with and without the use of an appropriate aid.
loss of speech or total aphasia	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 or total aphasia* due to psychological reasons is excluded.
partial loss of hearing	The total and irreversible loss of hearing in one ear, with and without the use of an appropriate aid.
Eye	
loss of sight	The irrecoverable loss of sight, with and without the use of an appropriate aid, 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.
partial loss of sight	The irrecoverable loss of sight in one eye, with and without the use of an appropriate aid, to the extent that eyesight is reduced in that eye to 6/60 or less of central visual acuity on the Snellen test chart.
Musculoskeletal	
loss of limbs	The total and irreversible loss of the use of: ■ two limbs; or ■ sight in both eyes *(loss of sight)*; or ■ the sight in one eye *(partial loss of sight)* and one limb, where 'limb' means whole hand or whole foot.
partial loss of limbs	The total and irreversible loss of the use of one limb, where 'limb' means whole hand or whole foot.
severe burns	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	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 osteoporosis	■ 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	Diagnosis of rheumatoid arthritis, confirmed by appropriate radiology and blood tests, that has no response to at least 2 optimal disease modifying regimens.
Digestive system	
chronic liver disease	End stage liver failure resulting in permanent jaundice, bleeding varices, ascites or encephalopathy.
colostomy/ileostomy	The creation of a permanent non-reversible opening, linking the colon and/or ileum to the external surface of the body.
severe Crohn's disease	Diagnosis of Crohn's disease that has failed to be controlled by standard therapy including cortisone treatment, and requires permanent immunosuppressive medication.
severe ulcerative colitis	Diagnosis of ulcerative colitis that has failed to be controlled by standard therapy including cortisone treatment, and requires permanent immunosuppressive medication.

Trauma Condition	Definition
Endocrine system	
advanced diabetes	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 less than 28ml/min (CKD stage 4, International Chronic Kidney Disease classification). Diabetes complications (as defined below) is excluded.
diabetes complications	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; ■ creatinine clearance of 28–42ml/min (CKD stage 3b, International Chronic Kidney Disease classification); ■ diabetic retinopathy with a minimum severity of at least exudates and/or dot-blot haemorrhages; or ■ persistent sensory neuropathy.
Other	
child's loss of independent existence	After reaching seven years of age, the total and irreversible inability to perform at least two of the numbered *activities of daily living* without the assistance of another person.
intensive care	A sickness or injury has resulted in the life insured requiring continuous mechanical ventilation by means of tracheal intubation for 10 consecutive days (24 hrs per day) or more in an authorised intensive care unit of an acute care hospital. No benefit shall be payable where the sickness or injury is as a result of drug or alcohol intake or other self-inflicted means.
loss of independent existence	The total and irreversible inability to perform at least two of the numbered *activities of daily living* without the assistance of another person.
major organ transplant	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	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.

Trauma Condition	Definition
medically acquired HIV	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; or ■ 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.
occupationally acquired HIV	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.

Other defined terms

Term	Definition
accident/accidental	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	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	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 ■ salaries of *immediate family members* (unless they were employed more than 30 days before the date of the insured person's *disability*)
any occupation	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	The monthly income of the business in which the insured person is *gainfully employed* before expenses and before tax.

Term	Definition
cognitive loss	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 or evidence from another neuropsychometric test that is acceptable to us) 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	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	*Total disability* or *partial disability.*
domestic duties	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	Any fracture that requires a pin, traction, plaster or other immobilising structure.
gainful employment/ gainfully employed	The insured person is engaged in an occupation, business or employment for remuneration or reward.
illness	The insured person has a pathological condition evidenced by medically recognised signs and symptoms.
immediate family member	A married or de facto partner, child, brother, sister or parent.
income	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	The total and irreversible inability to perform at least two of the numbered *activities of daily living* without the assistance of another person.
involuntary unemployment/ involuntarily unemployed	A period during which the insured person is: ■ not working; ■ is actively seeking employment; and ■ is registered with Centrelink or other government approved job placement agencies as a job seeker; and where becoming unemployed was a result of: ■ the termination of the insured person's gainful employment by their employer without the consent of the insured person; or ■ the insured person being made redundant from gainful employment by their employer. It does not include unemployment as a result of: ■ the insured person ceasing gainful employment of a casual, seasonal or temporary nature; ■ the expiration of a fixed term employment contract or other specified period of work; or ■ the deliberate or serious misconduct of the insured person.

Term	Definition
loss of limbs	The total and irreversible loss of the use of: ■ two limbs; or ■ sight in both eyes *(loss of sight)*; or ■ one limb and the sight in one eye *(partial loss of sight)*, where 'limb' means whole hand or whole foot.
loss of sight	The irrecoverable loss of sight, with and without the use of an appropriate aid, 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.
medical practitioner	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	The insured person has suffered: ■ *loss of limbs;* ■ *loss of independent existence*; or ■ *cognitive loss.*
monthly benefit	■ 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 $320,000 and 50% of the next $240,000 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 $320,000 of *pre-disability income* and 50% of the next $240,000; ■ 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 $320,000 and 50% of the next $240,000 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 $320,000 of *pre-application income* and 50% of the next $240,000; ■ 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	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.

Term	Definition
own occupation	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	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.*
partial loss of limbs	The total and irreversible loss of the use of one limb, where 'limb' means whole hand or whole foot.
partial loss of sight	The irrecoverable loss of sight in one eye, with and without the use of an appropriate aid, to the extent that eyesight is reduced in that eye to 6/60 or less of central visual acuity on the Snellen test chart.
pre-application income	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	The monthly average of the insured person's share of *business income* for the 12 months before *disability.*
pre-disability income	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	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	The average monthly *income* earned by the insured person from personal exertion following injury or *illness* while *partially disabled.*
terminal illness	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.

Term	Definition
total and permanent disablement	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 *superannuation optimiser* definition applies: Under the 'superannuation component' (the part held under the policy owned by the trustee of a superannuation fund): ■ the insured person meets the *any occupation* definition; and ■ the insured person meets the definition of permanent incapacity as defined in the SIS Act, as amended from time to time and applied as if Macquarie Life was the trustee of the relevant superannuation fund. Under the 'non-superannuation component' (the part held under the non-superannuation policy): ■ the insured person meets the *own occupation* definition; and ■ the insured person does not meet the 'superannuation component' part of the definition. d) 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 e) 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.*

Term	Definition
total disability/totally disabled	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	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.

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