Macquarie Superannuation Plan Group Life Contract

This Contract applies to the following products:

- Macquarie Superannuation Insurance
- Macquarie Super Manager Life Insurance
- SuperOptions Insurance Cover
- Insurance Cover - Superannuation

Macquarie Life Limited (ABN 56 003 963 773 AFSL 237 497)
Macquarie Investment Management Limited (ABN 66 002 867 003 AFSL 237 492)
Dated 21 May 2011

FORWARD thinking

Contract endorsement issued 2011

Contract No: AFA 00001

Superannuation Fund: Macquarie Superannuation Plan
(ABN 65 508 799 106)

Policy Owner: Macquarie Investment Management Limited

This document records the amendments to the above contract of insurance between Macquarie Life Limited (Macquarie Life/ we/our/us) and Macquarie Investment Management Limited (the Trustee). The contract commenced 30 June 1992 and has been varied with effect from 1 June 1995, 1 May 1997 and 1 July 2004 (the Contract).

The terms and conditions of the Contract are hereby further varied by agreement between Macquarie Life Limited and Macquarie Investment Management Limited.

The variation applies with effect from 21 May 2011, with respect to all claims which arise as a result of events or conditions that first occur on or after 21 May 2011.

The Contract is varied by deleting the existing terms and conditions in their entirety and replacing them with the terms and conditions attached as annexure A, with the following exception:

1. Should the replacement terms and conditions result in a less favourable outcome for an *insured person* in the event of a claim, the original terms and conditions of the Contract can be relied upon.

   For the avoidance of doubt, in applying the terms and conditions of the Contract, all payments made under the Contract will be taken into account in determining reductions to the *agreed benefits* where such reductions would apply under the terms and conditions under which the payment was made.

Annexure A. Replacement Terms and Conditions

Conditional upon payment of premiums, we hereby agree to extend cover and to pay benefits with respect to an *insured person* on the basis set out in and subject to the terms and conditions of this contract.

Where words have a special meaning they are shown in *italics* and have the meaning given in the Defined Terms section on page 8 or the Schedule on page 11.

Death cover

When the *agreed benefit* for Death cover is payable

The *agreed benefit* for Death cover will be paid if the *insured person*:

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

after the Death cover commenced and before cover ends for the *insured person*, explained in the section titled "When cover ends" on page 6.

When the *agreed benefit* for Death cover is reduced

The *agreed benefit* for Death cover will be reduced by the following:

- the amount paid for *terminal illness*
- the amount of any TPD cover paid.

If the Death cover is reduced, but part of the cover remains, the premium for the cover is adjusted by applying our then current premium rates to the amount of the cover that remains. The premium can otherwise be altered as set out in this Contract on page 7.

When we won't pay

A Death Cover 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 commencement date for the *insured person*
- the date cover is reinstated, including under the Death Cover Buy Back (but only in respect of the reinstated cover). The Death Cover Buy Back feature is explained on page 5, or
- the cover commencement date for any increase in cover that the *insured person* applied for (but only in respect of that increase).

Total and Permanent Disablement (TPD) cover

When the TPD definition changes

TPD cover will convert to the *modified TPD* definition at the *annual review date* when the *insured person* is aged 65.

When the *agreed benefit* for TPD is payable

The *agreed benefit* for TPD cover will be paid if the *insured person* suffers *total and permanent disablement* after the TPD cover commenced and before the TPD cover ends for the *insured person*, explained in the section titled "When cover ends" on page 6.

If a claim is made for TPD because the *insured person* has suffered:

- permanent and irreversible *whole person impairment* of at least 25%,
- *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 a claim is made 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.

When the *agreed benefit* for TPD is reduced

The *agreed benefit* for TPD cover will be reduced by the amount paid for *terminal illness.*

If the TPD cover is reduced, but part of the cover remains, the premium for the cover is adjusted by applying our then current premium rates to the amount of the cover that remains. The premium can otherwise be altered as set out in this contract on page 7.

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, within 13 months of:

- the date TPD cover commenced for the *insured person*
- the date cover is reinstated, including under the Death Cover Buy Back (but only in respect of the reinstated cover). The Death Cover Buy Back feature is explained on page 5, or
- the date TPD cover commenced for any increase in cover that the *insured person* applied for (but only in respect of that increase).

Features applicable to Death and TPD cover

Future Increases

Under this feature, after certain events the *insured person* can apply to Macquarie Life for specified amounts of additional Death or TPD cover until the *insured person* turns 55, and we will accept the application 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 additional cover under this feature must be made on the appropriate form. A new policy will be issued for the additional cover under the equivalent Macquarie Life product and premium rates available at the time the request for additional cover is made, subject to the special rules outlined below. The additional cover only takes effect from when we approve the application for the additional cover.

The following table sets out the events and the maximum amounts by which the *insured person* can apply for additional cover.

Only applications for additional cover of $10,000 or more are eligible under the Future Increases feature. The additional 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. The maximum amount for which additional cover can be applied for each type of cover under the Future Increases feature is $1 million.

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

The combined total of TPD cover under this contract and the additional TPD cover for the *insured person* cannot be greater than $3 million. Any additional TPD cover will be provided on the basis of the *any occupation* definition of TPD under the equivalent Macquarie Life product available at the time the request for additional cover is made. These maximum limits apply inclusive of all cover for the *insured person* held with Macquarie Life or another insurer.

For additional cover, the TPD cover cannot be greater than any Death cover applied for under the Future Increases feature.

Additional cover provided under the Future Increases feature is only available as variable payout / fixed insurance, which means the additional cover is a fixed dollar amount of insurance and is paid over and above the accumulated balance in the account held in respect of the *insured person* in the *fund*.

Any premium adjustments, exclusions or special conditions which apply to the Death or TPD cover will also apply to any additional cover provided under this feature.

This feature is not available for each cover if:

- the cover was issued with a premium adjustment in the form of a medical loading of 75% or more, or
- a claim has or can be made for the *insured person* under any policy of Death or TPD cover provided by us.

If an event or condition giving rise to a claim occurs during the first six months after the commencement of the additional cover under this feature, we will only pay a claim in respect of the additional 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 additional cover commences.

Death Cover Buy Back

This feature allows the *insured person*, up until the *annual review* date when the *insured person* is aged 65, to purchase the same amount of Death cover as that which was reduced by the payment of a TPD benefit, 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 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 benefit was paid in full.

A new policy will be issued for the Death cover under the equivalent Macquarie Life product and premium rates available at the time the purchase of cover is made, subject to special rules outlined below. Any premium adjustments, exclusions or special conditions, which applied to the original Death cover, will also apply to the cover purchased under the Death Cover Buy Back feature.

The death cover provided under the Death Cover Buy Back feature is only available as variable payout / fixed Insurance, which means the cover is a fixed dollar amount of insurance and is paid over and above the accumulated balance in your Fund.

We will provide at least 30 days notice prior to the expiry of the 12 month period and must receive acceptance within 30 days of the date on which the option to purchase death cover falls. We will then advise the date cover commences and we will issue a new policy for the Death cover.

If the *insured person* is no longer a member of the *fund*, the *insured person* can request us to issue the Death cover to him or her to be held directly.

The Future Increases feature is not available for cover reinstated under Death Cover Buy Back.

Important information

When cover ends

Cover provided under this contract in respect of an *insured person* ends on the earliest of:

- the *annual review* date following the *insured person* attaining the expiry age shown in the table following
- the death of the *insured person*
- payment of the *agreed benefits* in full with respect to the *insured person*
- the *agreed benefits* for all cover included under the contract are reduced to nil
- cancellation of the cover upon the written request of the *insured person*
- cancellation of the cover by Macquarie Life due to non payment of the premium when due
- termination of this contract by the Trustee
- any other date applied under a special condition specified by us when cover was provided for the *insured person*, and
- 30 days after the *insured person* ceases to be a member of the *fund*.

Cover type	Expiry age
Death cover	No expiry
Total and Permanent Disablement cover	99

World wide cover

Covers is provided to the *insured person* 24 hours a day, anywhere in the world.

Statutory fund

We will maintain this Contract as a liability of statutory fund No.4.

General conditions

1. This Contract begins on the commencement date shown in the Schedule and the Contract continues until terminated.
2. The circumstances in which the *agreed benefits* are payable are as set out in this Contract, notwithstanding any provisions of any superannuation deed or any other agreement entered into by the Trustee and to the extent of any inconsistency the provisions of this Contract shall prevail.
3. In issuing cover under this Contract, we shall rely on statements of health and other information given to us with respect to any *insured person* and statements made concerning persons who are, or who are likely to become, an *insured person*.
4. All *agreed benefits* shall be paid to the Trustee and such payment of a benefit in relation to an *insured person* shall discharge our liability with respect to that *insured person*.
5. The Trustee may terminate this Contract at any time by giving us 60 days written notice and the Premium will be calculated up to the date of termination.

Premiums and other costs

How the premium is calculated

The premium for the cover in respect of an *insured person* is calculated as at the date cover commences and each subsequent *premium due date*, by applying our premium rates to the *agreed benefit*.

The factors upon which the premium will depend include the type of cover, the options which apply 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.

If the *agreed benefit* changes then the premium will also change. You or the *insured person* can request a copy of our premium rates.

Payment of the premium

The premium is calculated on an annual basis.

The cover forms part of the *insured person's* superannuation interest and premiums will automatically be deducted in advance from the superannuation account.

Non-payment of premium

If a premium payment is not made in respect of an *insured person*, we will notify the *insured person* advising the date on which the cover 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 cover.

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

Changes to the premium

We can change the premium rates but only if we do this for all lives insured in a defined risk group.

Any changes to premium rates will come into effect on the next *premium due date* after we make the change.

If we increase premium rates we will provide at least two months prior notice to the Trustee of the new premium.

Surrender value

Cover provided under this contract does not have a surrender value. A pro-rata refund will be made to the *fund* where a premium in respect of an *insured person* is paid annually and cover is cancelled prior to the next *annual review date*.

Making a claim

Notifying us of a claim

The *insured person* must notify us as soon as possible after becoming aware of any circumstances which may lead to a claim under this contract. In the event of a claim being made, the *insured person* must provide us with all documents which we reasonably require to assess the claim.

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 we will require some or all of the following (to be provided at the *insured person's* expense), in a form that is satisfactory to us:

- a completed claim form
- 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* or *total and permanent disablement*, 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

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 medical specialist 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 the *insured person* must meet the cost of satisfying our claim requirements.

For benefits linked to Death cover, if the *insured person* dies while a TPD 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 terms and conditions relating to Death cover.

Payment of a claim

We will pay the claim as soon as possible once it has been approved. In the event of non-compliance with any of the terms and conditions of this Contract, subject to applicable laws, we are entitled to decline to pay a claim.

All claims will be paid in Australian dollars.

At the time of claim for severe claims, up to 3 free counselling sessions may be available for the *insured person* and/or their immediate family.

Defined terms

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
agreed benefit(s)	are those benefits we have agreed to pay with respect to an *insured person* as notified from time to time.
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*.
annual review date	the date specified in the Schedule which is specified as the "Annual Review Date'.
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.
death by accident	death directly and independently of any other cause from an unforeseen and unintended accident happening to the *insured person* and caused by violent, external and visible means.
fund	is the superannuation fund named in the Schedule.
gainfully employed/ gainful employment	The *insured person* is engaged in an occupation, business or employment for remuneration or reward.
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.

injury	in relation to an *insured person*, an accidental bodily *injury* which occurs after the later of: (a) the date cover commences under this Contract for the *insured person*; (b) in respect of an increase in the *agreed insured cover* of the *insured person*, the date of the increase to the *agreed insured cover*; and (c) the date of the last reinstatement of cover under this Contract for the *insured person*.
insured person	a person who: (a) meets the Eligibility Requirements contained in the Schedule; and (b) we have agreed to cover under this Contract.
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.
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.
modified TPD	the insured person has suffered: ■ *loss of limbs*, ■ *loss of independent existence*, or ■ *cognitive loss*.
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.
schedule	the current Schedule.
sickness	The *insured person* has a pathological condition evidenced by medically recognised signs and symptoms.
terminal illness	The *insured person* is diagnosed with a *sickness*, which reduces life expectancy to less than 12 months from the date of claim, as confirmed by a medical specialist approved by Macquarie Life.

total and permanent disablement	Before the *annual review date* when the *insured person* is aged 65, means due to *injury* or *sickness*: ■ 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 permanent and irreversible *whole person impairment* of at least 25%, 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 *loss of limbs*, or ■ the *insured person* has suffered *loss of independent existence*, or ■ the *insured person* has suffered *cognitive loss*. From the *annual review date* when the *insured person* is aged 65, total and permanent disablement means: ■ *modified TPD*
whole person impairment	Whole person impairment based on the American Medical Association 'Guides to the Evaluation of Permanent Impairment', 5th edition, or an equivalent guide to impairment approved by us – the examining doctor will be provided with specific evaluating protocols.

Schedule

Contract No: AFA00001
Owner: Macquarie Investment Management Limited
Fund: Macquarie Superannuation Plan
Commencement Date: 1 May 1997
Annual Review Date: 1st June 1998 and 1st June in each year
Premium Due Date: 1st July 1997 and the first day of each calendar or as otherwise agreed
Initial Guarantee Period: nil

1. **Eligibility Requirements:** A member of the Fund.
2. **Agreed Benefits:** The level of cover payable on the Death or Total and Permanent Disablement of an Insured Person shall be such amount as may from time to time be agreed between the Trustee and us.
3. **Premium:** The Premium shall be payable on the Premium Due Date by applying the Premium Rate in this Schedule.
4. **Premium rate:** The last premium rates notified in writing to the Trustee by us.

How to contact Macquarie Life

Existing Clients

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

1800 005 057

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Brisbane QLD 4001

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FORWARD thinking

MACQUARIE