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

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Important Information

This Product Disclosure Statement (PDS) contains important information about insurance products issued by Macquarie Life Limited (Macquarie Life). This PDS also contains important information about a superannuation interest issued by the trustee of the Macquarie Superannuation Plan ABN 65 508 799 106, Macquarie Investment Management Limited (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, macquarielife.com.au. A paper copy of any updated information will be given to you on request without charge.

Applications 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.

Different terminology applies depending on how you are covered under a FutureWise policy:

Policy owner	The person who is insured under the policy (insured person)	Terminology used in this document		
		"we", "our" or "us"	"you" or "your"	Policy is referred to as:
A person or company (that is not a trustee of a superannuation fund).	Either: ■ same person as the policy owner, or ■ a different person.	Macquarie Life	The policy owner	Either: ■ being held outside superannuation, or ■ a non-superannuation policy.
A person or company who is a trustee of a self managed superannuation fund.	A member of the relevant self managed superannuation fund.	Macquarie Life	The policy owner	Either: ■ being held within (or issued through) superannuation, or ■ a superannuation policy.
Macquarie Investment Management Limited (MIML) or the trustee of another *eligible superannuation plan.*	A member of an *eligible superannuation plan.*	Macquarie Life	A member of an *eligible superannuation plan.*	
MIML	A member of the insurance-only division of the Macquarie Superannuation Plan.		A member of the insurance-only division of the Macquarie Superannuation Plan.	

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
- Child 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 Insurance 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.

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.

Non-superannuation

When you apply for FutureWise outside of superannuation, the policy is issued directly to you as policy owner. You can apply for cover on your own life or the life of another person unless applying for cover under Disability Income or Business Expenses Insurance which are generally only available on your own life. Any of the types of Insurances under FutureWise can be held under a non-superannuation policy.

If a benefit becomes payable, the benefit is generally paid to the policy owner. If the insured person and policy owner are the same, the amount payable on the death of the insured person will be paid to the legal personal representative, unless any beneficiaries have been nominated under the policy, in which case it will be paid to the nominated beneficiaries.

Within superannuation

When you apply for cover within superannuation, the policy for cover on your life is issued to the trustee of the relevant superannuation fund as policy owner.

We do not allow some parts of FutureWise to be held within superannuation. The rules that apply to the cover held within superannuation are outlined in the Ownership section on page 36.

If a benefit becomes payable, it will be paid to the trustee of the superannuation fund owning the policy, who must distribute the benefit in accordance with the governing rules of the superannuation plan and superannuation laws current at the time of payment. There may be circumstances in which the trustee will receive a benefit under a FutureWise policy but is unable to pay the benefit from the superannuation fund at that time. We recommend you seek advice before you apply if you are considering taking this insurance cover within superannuation.

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.

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.

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.

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 held for the same insured person. A claim made under any one Insurance reduces the sums insured of any other Insurance with which it is linked.

The premium payable 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 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.

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 ■ Premium Waiver 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* ■ *any occupation* ■ *domestic duties* ■ *modified TPD*
Sum Insured	Minimum $100,000 Maximum: ■ $5 million for any combination of different types of cover, ■ $3 million (or $5 million for persons to be insured in certain occupations) *own occupation* or *any occupation* ■ $2 million *modified TPD*, or ■ $1.5 million *domestic duties*
Included features	■ TPD Advancement benefit* ■ Financial Planning benefit* ■ Indexation Increases ■ Future Increases ■ Life Insurance Buy Back
Available options	■ Partial Impairment option* ■ Double TPD option (available when TPD linked to Life Insurance) ■ Business Increase option ■ Premium Waiver option*

Trauma Insurance

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 ■ Premium Waiver option*

Child Trauma Insurance

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

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 (70, for to age 70 benefit period)
Monthly insured amount	The monthly equivalent of 75% of the first $320,000, 50% of the next $240,000, and 20% of the balance of the annual *income* of the person to be insured subject to a: ■ Minimum $1,250 per month ■ Maximum $60,000 per month for the first two years of the selected benefit period and $30,000 per month for the remainder of the benefit period
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 ■ To age 70
Included benefits and features	■ *Total Disability* ■ *Partial Disability* ■ Indexation Increases ■ Specific Injury benefit* ■ Death benefit ■ Premium Waiver ■ Involuntary Unemployment Premium Waiver
Available options	■ Disability Income Plus* ■ Extra Benefits option* (Includes Trauma benefit, Bed Confinement benefit, Home Care benefit, Rehabilitation Expenses benefit, Accommodation benefit, Future Increases, Cover Extension) ■ Accident option ■ Claims Escalation option ■ Superannuation Cover option* ■ TPD Commutation option ■ Booster option

* Only available on cover held outside of superannuation. Refer to the section titled 'Ownership' on page 36.

Business Expenses Insurance

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,* subject to a: ■ 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 ■ Future Increases ■ Premium Waiver ■ Cover Extension
Available options	■ Accident option

Blood Borne Disease Insurance

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

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.

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 42.

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 cover start 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 legal personal representative, within two business days of receipt all of the required documents. The Life sum insured will be reduced by the amount paid under the Funeral Advancement benefit.

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.

The Funeral Advancement benefit is only available on cover held outside of superannuation. Refer to the section titled 'Ownership' on page 36.

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 45.

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 19 in the section, "Features and options applicable to Life, TPD and Trauma Insurance".

Premium Waiver option

This option is explained on page 20 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 18, 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 if the policy issued by Macquarie Life replaces other similar insurance under a policy or policies issued by Macquarie Life or another insurer (the other policy) and we agreed to issue this policy on the basis that it replaced the other policy (as shown in your policy) and the following conditions are also met:

- the Life sum insured under the policy being issued by us is the same amount or less than that under the other policy. If the Life sum insured under the policy being issued by us is higher than that under the other policy, the exclusion will not apply only in respect of the amount of the Life sum insured that replaces cover under the other policy
- 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 depends on the type of cover and the occupation of the person to be insured:

- $5 million for any combination of different types of cover
- $3 million (or $5 million for persons to be insured in certain occupations) for *own occupation, any occupation* or *superannuation optimiser* definitions
- $2 million for the *modified TPD* definition, or
- $1.5 million for the *domestic duties* definition.

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

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.

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*
  - *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 certain occupations, the *own occupation* and *superannuation optimiser* definitions may not be available. The *superannuation optimiser* definition is subject to certain conditions, explained in the section titled "*Superannuation optimiser*" on page 10.

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.

When the TPD definition changes

All definitions of TPD will convert to the *modified TPD* definition at the cover anniversary when the insured person is aged 65 and cover under the TPD Advancement benefit and Partial Impairment option will end. 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 *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.

When the TPD sum insured is payable

If your FutureWise policy includes TPD Insurance, all or part of the TPD sum insured will be paid if the insured person suffers one of the following:

- *total and permanent disablement* (based on the definition of TPD shown in your policy),
- *functional impairment* of a specified number of *extended activities of daily living (extended ADLs)* categories (only available if included in your definition of *total and permanent disablement* or if the Partial Impairment option is shown in your policy), or
- *partial loss of limbs* or *partial loss of sight* under the TPD Advancement benefit (subject to superannuation conditions),

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 42.

If you make a claim 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 you make a claim for TPD because the insured person has suffered *total and permanent disablement* or *functional impairment of extended ADLs*, qualifying timeframes and permanency requirements may apply, as set out in the relevant definition.

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.

The TPD Advancement benefit is only available on cover held outside of superannuation. Refer to the section titled 'Ownership' on page 36.

Partial Impairment option

This is an option for which an additional premium is charged. The Partial Impairment option is not available with TPD where the *modified TPD* definition applies.

If the Partial Impairment option applies, it will be shown in your policy.

This option, up until the cover anniversary when the insured person is aged 65, allows part of the TPD sum insured to be paid if the insured person suffers *functional impairment* of a specified number of *extended ADLs* as set out in the table below:

Partial Impairment level	Amount of sum insured payable
Functional impairment of at least 3 *extended ADL* categories	65%
Functional impairment of at least 2 *extended ADL* categories	40%

A claim is only payable once at each Partial Impairment level.

The TPD sum insured will be reduced by the amount paid under the Partial Impairment option.

If you choose to hold your TPD Insurance through superannuation with a Superannuation Optimiser definition, and select the Partial Impairment option, the Partial Impairment option will be held under the non-superannuation policy.

If you choose to hold your TPD Insurance through superannuation with the *any occupation* definition and select the Partial Impairment option, the cover will automatically be structured with the *superannuation optimiser – any occupation* definition and we will issue two policies.

Please refer to the Superannuation Optimiser section on page 10 for more information.

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 your policy.

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.

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. The Life Insurance Buy Back feature cannot be exercised if the Life sum insured has been reinstated under the Double TPD option.

Business Increase option

This option is explained on page 19 in the section, "Features and options applicable to Life, TPD and Trauma Insurance".

Premium Waiver option

This option is explained on page 20 in the section, "Features and options applicable to Life, TPD and Trauma Insurance".

Superannuation Optimiser

Under this feature, TPD can be applied for with the part of the TPD Insurance that meets the Superannuation Industry Supervision Act 1993 (Cth) (SIS) definition of permanent incapacity held within superannuation and the remainder of the cover held outside of superannuation.

If Superannuation Optimiser applies, two policies which are connected by Flexible Linking must be applied for. One of the policies will be issued to the trustee of a superannuation fund (referred to as the superannuation policy), and the TPD Insurance 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), and the TPD Insurance provided under this policy is called the 'non-superannuation component'.

As explained in the section titled "When the TPD definition changes", the definition of TPD 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.

a) Own occupation

Under this feature the *own occupation* definition of TPD can be applied for under two policies, with the part of the TPD Insurance that meeds the SIS definition of permanent incapacity (applied as if Macquarie Life was trustee of the relevant superannuation fund) held within superannuation and the remainder of the cover held outside of superannuation. The TPD definition that will be shown in your policy will be '*superannuation optimiser*'.

b) Any occupation

If you choose to hold TPD Insurance within superannuation with the *any occupation* definition of TPD and select the Partial Impairment option, the cover will automatically be structured with the *superannuation optimiser – any occupation* definition.

The part of the TPD Insurance that meets the SIS definition of permanent incapacity (applied as if Macquarie Life was trustee of the relevant superannuation fund) will be held within superannuation and the remainder of the cover together with the Partial Impairment option will be held outside of superannuation. The TPD definition that will be shown in your policy will be '*superannuation optimiser – any occupation*'.

c) Domestic duties

If you choose to hold TPD Insurance within superannuation with the *domestic duties* definition of TPD and select the Partial Impairment option, the cover will automatically be structured with the *superannuation optimiser – domestic duties* definition.

The part of the TPD Insurance that meets the SIS definition of permanent incapacity (applied as if Macquarie Life was trustee of the relevant superannuation fund) will be held within superannuation and the remainder of the cover together with the Partial Impairment option will be held outside of superannuation. The TPD definition that will be shown in your policy will be '*superannuation optimiser – domestic duties*'.

Please refer to the Ownership section on page 36 for further information on the rules applying to Superannuation Optimiser.

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 full or in part under the policy
- in cases where a 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 s 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 45.

One benefit payable

If cover for TPD Insurance is held in a Linked Insurance structure with other types of Insurance, the following conditions apply regarding the order of assessment for claims:

- where cover is held through superannuation under Flexible Linking, including under a Superannuation Optimiser structure, the claim will be assessed under the superannuation policy first,
- after the claim has been assessed under the superannuation policy, if applicable, the claim will then be assessed under any Linked non-superannuation policies. If the insured person suffers a condition that satisfies the definition under more than one benefit at the same time, only one benefit will be paid in respect of the condition, being the one which results in the highest payment. The benefit will be paid to the policy owner of the relevant policy.

When we won't pay

A TPD Insurance claim will not be payable if the condition or event giving rise to the claim 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.

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

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.

When the Trauma cover changes

On the cover anniversary when the insured person is aged 70, the Trauma sum insured is limited to $2 million across all policies issued by Macquarie Life and 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 42.

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.

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 start date shown in your policy and before the Trauma Insurance ends, explained in the section titled "When cover ends" on page 42. Cover is limited from age 70, explained in the section titled "When the Trauma cover changes" on this page.

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.

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 your policy.

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 in the following table after the Trauma Insurance cover start date shown in your policy and before the Trauma Insurance ends, explained in the section titled "When cover ends" on page 42. Cover is limited from age 70, explained in the section titled "When the Trauma cover changes" on this page.

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

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

Trauma 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*

Trauma Insurance

Body system	Amount of sum insured payable	Trauma Condition
Musculoskeletal	100%	– *loss of limbs* – *severe burns*
Digestive system	100%	– *chronic liver disease*
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.

A 90 day exclusion applies to these Trauma Conditions. Refer to the section titled "When we won't pay" on page 16 for more information.

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 your policy.

This option allows you to reinstate all or part of the Trauma sum insured without the need for medical underwriting, 12 months after it was reduced in full, subject to the following terms:

- the option can be exercised up until the cover anniversary when the insured person is aged 70,
- the Trauma sum insured must have been reduced to nil as a result of the payment of one or more claims for Trauma, TPD or *terminal illness* before reinstatement can occur,
- the reinstatement date is 12 months after the date the valid claim form is lodged with Macquarie Life for the claim which reduces the Trauma sum insured to nil
- 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 the liability for the claim was admitted by Macquarie Life
- Trauma Insurance can only be reinstated where the condition or event giving rise to the Trauma, TPD or *terminal illness* claim that reduced the Trauma sum insured, also satisfied a Trauma Condition definition. The amount that can be reinstated is the amount by which the Trauma sum insured was reduced for that claim.

If the Trauma sum insured was reduced by more than one claim, the entitlement to reinstate Trauma Insurance will be determined separately for each claim that reduced the relevant amount of the Trauma sum insured.

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 a claim under TPD or *terminal illness* results in a reinstatement entitlement, the condition or event that gave rise to the claim will be treated as a Trauma Condition in determining whether a claim is payable under the reinstated Trauma Insurance.

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

- any Trauma Condition for which a Trauma, TPD or *terminal illness* claim has been paid
- any condition which is directly or indirectly related to a Trauma Condition (or treatment of that condition) for which a Trauma, TPD or *terminal illness* claim has been previously paid (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 any Trauma Insurance under this option.

Where Trauma Insurance is reinstated, the following specific terms apply:

- if a Trauma, TPD, or *terminal illness* 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, TPD, or *terminal illness* 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, TPD, or *terminal illness* 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 Trauma, TPD or *terminal illness* claim for has been paid *dementia including Alzheimer's Disease* 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 your policy.

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.

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. The Life Insurance Buy Back feature cannot be exercised if the Life sum insured has been reinstated under the Double Trauma option.

Business Increase option

This option is explained on page 19 in the section, "Features and options applicable to Life, TPD and Trauma Insurance".

Premium Waiver option

This option is explained on page 20 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 on page 45.

One benefit payable

If cover for Trauma Insurance is held in a Linked Insurance structure with other types of Insurance, the following conditions apply regarding the order of assessment for claims:

- where cover is held through superannuation under Flexible Linking, including under a Superannuation Optimiser structure, the claim will be assessed under the superannuation policy first,
- after the claim has been assessed under the superannuation policy, if applicable, the claim will then be assessed under any Linked non-superannuation policies. If the insured person suffers a condition that satisfies the definition under more than one benefit at the same time, only one benefit will be paid in respect of the condition, being the one which results in the highest payment. The benefit will be paid to the policy owner of the relevant policy.

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
- first occurs or symptoms leading to the condition occurring or being diagnosed first became apparent before the Trauma Insurance cover start date shown in your policy or the date any cover is reinstated, or
- for the Trauma Conditions marked #, no claim will be payable at any time under the policy if the Trauma Condition first occurs or symptoms leading to the condition occurring or being diagnosed first became apparent within 90 days of the *application date* or the date any cover is reinstated, including under the Trauma Reinstatement option explained on page 14.
  - This exclusion does not apply to a Trauma Condition if the policy issued by Macquarie Life replaces other similar insurance under a policy or policies issued by Macquarie Life or another insurer (the other policy) and we agreed to issue this policy on the basis that it replaced the other policy (as shown in your policy document) and the following conditions are also met:
    - the Trauma sum insured under the policy being issued by us is the same amount or less than that under the other policy. If the Trauma sum insured under the policy being issued by us is higher than that under the other policy, the exclusion will not apply only in respect of the amount of the Trauma sum insured that replaces cover under the other policy
    - the other policy was continuously in force for 90 days immediately prior to the issue of this policy
    - the other policy provided similar cover for the Trauma Condition
    - the other policy was cancelled immediately after the issue of this policy, and
    - no claim is pending or payable under the other policy.

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.

Under the Indexation Increases feature, the sum insured can increase above the maximum sum insured allowed at application.

Future Increases

Under this feature, after certain events you can apply to increase your existing Life, TPD and/or Trauma sums insured until the insured person turns 55, 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. The increase only takes effect from when we approve the application for the increase.

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

Personal events	Maximum increase
■ The insured person marries or registers a *partnership* ■ 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.*
■ The insured person becomes a *carer* for the first time	The lesser of: ■ 25% of the applicable sum insured when your policy started, and ■ $200,000.
■ The death of the insured person's *partner*	The lesser of: ■ 25% of the applicable sum insured when your policy started, and ■ $200,000.
■ The insured person divorces or de-registers a *partnership*	The lesser of: ■ 25% of the applicable sum insured when your policy started, and ■ $200,000.
■ A child of the insured person turns 18	The lesser of: ■ 25% of the applicable sum insured when your policy started, and ■ $200,000.

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.

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.

Any premium adjustments, exclusions or special conditions which apply to the Life, TPD or Trauma Insurance will also apply to any increases made to each of these insurances under this feature.

This feature is not available for each insurance if:

- the Insurance 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 Life, TPD or Trauma Insurance provided by us.

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

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

Life Insurance Buy Back

This feature only applies if TPD and/or Trauma Insurance is included in a Life Insurance Policy or connected to a Life Insurance Policy through Flexible Linking. The Life Insurance Buy Back feature cannot be exercised if the Life sum insured has been reinstated under the Double TPD or Double Trauma option.

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 liability for the claim was admitted by Macquarie Life.

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 a policy held through the insurance-only division of the Macquarie Superannuation Plan or an *eligible superannuation plan*, it can only be reinstated if the insured person is eligible to make contributions to superannuation. If not, the insured person can request us to issue 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.

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, TPD or 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 $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 sum insured.

The benefit is payable to the person who receives the sum insured benefit. If the 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 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 Licence.

The Financial Planning benefit is only available on cover held outside of superannuation. Refer to the section titled 'Ownership' on page 36.

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 your policy.

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 and must be supported by financial evidence of the business event acceptable to us. The increase only takes effect from when we approve the application for the increase.

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

Premium Waiver 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 must be taken on all of the linked Insurances.

The person to be insured must be aged between 15 and 60 to apply for this option. For persons working in some occupations, the Premium Waiver option may not be available.

The Premium Waiver option ends on the cover anniversary when the insured person is aged 65.

If the Premium Waiver option applies it will be shown in your policy.

The Premium Waiver option is only available on cover held outside of superannuation. Refer to the section titled 'Ownership' on page 36.

The following table sets out the events and the maximum periods for which we will waive the premium and policy fee payable under the policy to which this option applies:

Event	Maximum period for which premium will be waived
■ If the insured person has TPD Insurance with Macquarie Life and we have paid the TPD sum insured in full for the insured person	Until the policy anniversary when the insured person is aged 65
■ While a *total disability* benefit is being paid for the insured person under a FutureWise Disability Income or Business Expenses Insurance policy with Macquarie Life	Until the earlier of: ■ The insured person is no longer receiving a *total disability* benefit, or ■ The policy anniversary when the insured person is aged 65
■ After the insured person has been *significantly disabled* for a period of six months, while the insured person continues to be *significantly disabled*	Until the earlier of: ■ The insured person is no longer *significantly disabled*, or ■ The policy anniversary when the insured person is aged 65
■ If the insured person is *involuntarily unemployed* for at least 10 consecutive working days, while the insured person is *involuntarily unemployed* and registered with a recognised employment agency	Until the earlier of: ■ The insured person is no longer *involuntarily unemployed* or registered with a recognised employment agency ■ The premium has been waived due to *involuntary unemployment* for 3 months in any 12 month period ■ The premium has been waived due to *involuntary unemployment* for six months inclusive of all cover held with Macquarie Life for the insured person ■ The policy anniversary when the insured person is aged 65

If the insured person also owns a Child Trauma policy, the premiums under the Child Trauma policy will be waived while premiums are being waived for the insured person.

Premiums will not be waived under the Premium Waiver option on any Insurance that has been reinstated under the Life Insurance Buy Back feature or Trauma Reinstatement option.

Premiums will not be waived under the Premium Waiver option where the insured person's *total and permanent disablement*, *total disability* or *significant disability* is caused by or attributable to:

- an intentional self-inflicted act
- normal or uncomplicated pregnancy or child birth
- war or an act of war.

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.

When the Child Trauma sum insured is payable

If your FutureWise policy includes Child Trauma Insurance, the Child Trauma 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 start date shown in your policy and before the Child Trauma Insurance ends, explained in the section titled "When cover ends" on page 42.

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

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*

[#] A 90 day exclusion applies to these Trauma Conditions. Refer to the section titled "When we won't pay" on page 22 for more information.

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.

Under the Indexation Increases feature, the sum insured can increase above the maximum sum insured allowed at application.

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 the Child Trauma Insurance start date shown in your policy or before the date any cover is reinstated
- is a congenital condition
- 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, or
- for the Trauma Conditions marked #, no claim will be payable at any time under the policy if the Trauma Condition first occurs or symptoms leading to the condition occurring or being diagnosed first become apparent within 90 days of the *application date* or the date any cover is reinstated.
  - This exclusion does not apply to a Trauma Condition if the policy issued by Macquarie Life replaces other similar insurance under a policy or policies issued by Macquarie Life or another insurer (the other policy) and we agreed to issue this policy on the basis that it replaced the other policy (as shown in your policy document) and the following conditions are also met:
    - the Child Trauma sum insured under the policy being issued by us is the same amount or less than that under the other policy. If the Trauma sum insured under the policy being issued by us is higher than that under the other policy, the exclusion will not apply only in respect of the amount of the Trauma sum insured that replaces cover under the other policy
    - the other policy was continuously in force for 90 days immediately prior to the issue of this policy
    - the other policy provided similar cover for the Trauma Condition
    - 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 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.

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 42.

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.

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.

Under the Indexation Increases feature, the sum insured can increase above the maximum sum insured allowed at application.

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. The maximum amount is the monthly equivalent of a percentage of the annual *income* of the person to be insured, worked out as follows:

- 75% of the first $320,000
- 50% of the next $240,000, and
- 20% of the balance,

subject to the following limits:

- $60,000 per month if the benefit period is 2 years, or
- $30,000 per month for other benefits periods (plus an additional $30,000 per month for the first two years of the benefit period).

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 30 for further details.

Disability Income Plus Insurance

In addition to the standard features and benefits available through Disability Income Insurance, you can also choose to take Disability Income Plus Insurance, which provides additional terms for the *Total Disability* benefit and the Premium Waiver feature.

Disability Income Plus Insurance is only available to certain occupations.

This is an option for which an additional premium is charged. If Disability Income Plus Insurance applies, it will be shown in your policy.

Disability Income Plus Insurance is only available on cover held outside of superannuation. Refer to the section titled 'Ownership' on page 36.

Type of cover

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 your policy.

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.

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 1 year and 2 year waiting periods are only available with a benefit period of to age 65 or to age 70.

The waiting period that applies is shown in your policy.

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

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 or provided through their employer,

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 1 year or 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
- to age 70.

The 'to age 70' benefit period is only available to people in some occupations.

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

The benefit period that applies is shown in your policy.

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' or 'to age 70', the benefit period ends at the cover anniversary when the insured person is aged 65 or 70, respectively), and
- the date when cover ends (see the section, "When cover ends" on page 42).

If the 'to age 70' benefit period has been selected, the *monthly benefit* will be determined on an indemnity basis for any new claim where the waiting period commences on or after the cover anniversary when the insured person is 65.

Recurrent Disability

If the benefit period under your FutureWise Disability Income Insurance policy is to age 65 or to age 70, 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 29, 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 *total disability* 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 is *totally disabled* for at least five consecutive days during that time, or
  - if you have Disability Income Plus Insurance, has been continuously *disabled* during the waiting period, and
- the insured person 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 *total disability* 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 32, and
- increases under the Claims Escalation option, if it applies, as explained on page 29.

The *total disability* benefit 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 *partial disability* 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 *partial disability* 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 32, and
- increases under the Claims Escalation option, if it applies, as explained on page 29.

The *partial disability* benefit 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 before the insured person reaches age 65 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.

Under the Indexation Increases feature, the monthly insured amount can increase above the maximum allowed at application.

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 42.

The Specific Injury benefit is only available on cover held outside of superannuation. Refer to the section titled 'Ownership' on page 36.

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 FutureWise Disability Income Insurance policy while a benefit is payable.

If you have Disability Income Plus Insurance, the premium and policy fee will also be waived during the waiting period, if a benefit becomes payable under the policy.

Involuntary Unemployment Premium Waiver

If your FutureWise Disability Income Insurance policy has been continuously in force for six months preceding *involuntary unemployment* of at least 10 consecutive 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 the premium is paid 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 income benefits and features for which an additional premium is charged. If the Extra Benefits option applies, it will be shown in your policy.

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#*
- *aplastic anaemia*
- *bacterial meningitis or meningococcal septicaemia*
- *benign brain tumour*
- *cancer#*
- *cardiomyopathy*
- *chronic kidney failure*
- *chronic liver disease*
- *chronic lung disease*
- *cognitive loss*
- *coma*
- *coronary artery bypass surgery#*
- *dementia including Alzheimer's disease*
- *encephalitis*
- *heart attack#*
- *heart valve surgery#*
- *loss of hearing*
- *loss of independent existence*
- *loss of limbs*
- *loss of sight*
- *loss of speech or total aphasia*
- *major head trauma*
- *major organ transplant*
- *medically acquired HIV*
- *motor neurone disease with impairment level*
- *multiple sclerosis with impairment level*
- *muscular dystrophy with impairment level*
- *occupationally acquired HIV*
- *out of hospital cardiac arrest#*
- *paralysis*
- *Parkinson's disease with impairment level*
- *primary pulmonary hypertension*
- *severe burns*
- *stroke#*
- *triple vessel angioplasty#*

For the Trauma Conditions marked #, a 90 day exclusion applies. Refer to the section titled "When we won't pay" on page 32 for more information.

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 42.

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 increase the amount we will pay in a month to cover either:

- 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.

The additional amount we will pay each month is limited to the lesser of $5,000 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 increase the amount we will pay in a month to cover 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 *totally disabled* and confined to bed, as confirmed by a *medical practitioner,* 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 increase the amount we will pay in a month to cover 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 on each cover anniversary until the insured person turns 55, and we will accept the increase without the need for medical underwriting.

Only increases to the monthly insured amount above $500 are eligible for applications under the Future Increases feature.

The monthly insured amount cannot be increased under the Future Increases feature:

- by more than 15% at any cover anniversary, or
- above the maximum amounts allowable, explained in the section titled, "Applying for Disability Income Insurance" on page 24.

The combined total of all increases to the monthly insured amount made under this feature cannot exceed the monthly amount insured originally issued.

Financial evidence may be required to establish that the insured person's income supports the increase to the monthly insured amount.

The increase in cover must be requested within 30 days of the applicable cover anniversary and must be made on the appropriate form. The increase only takes effect from when we approve the application for the increase.

Any premium adjustments, exclusions or special conditions which apply to the insurance will also apply to any increases made under this feature.

This feature is not available if:

- the policy was issued with a premium adjustment in the form of a medical loading of 75% or more, or
- if a claim has or can be made for the insured person under any policy of Disability Income or Business Expenses Insurance provided by us.

Cover Extension

If you have a FutureWise Disability Income Insurance policy with the Extra Benefits option, this feature applies if the occupation class 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.

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 your policy.

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.*

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* at the cover anniversary.

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 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* (the Superannuation Cover amount), 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,
  - 50% of the next $240,000, and
  - 20% of the balance,

subject to the following limits:

- $60,000 if the benefit period is 2 years, or
- $30,000 for other benefits periods (plus an additional $30,000 per month for the first two years of the benefit period).

The Superannuation Cover option is only available on cover held outside of superannuation. Refer to the section titled 'Ownership' on page 36.

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.

If the fund you nominate does not accept the Superannuation Cover amount from us, we will pay it to you subject to proof that the amount is subsequently forwarded to a superannuation provider for the insured person's benefit.

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.

TPD Commutation option

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

It is only available if your FutureWise Disability Income Insurance Policy has a waiting period of 30, 60 or 90 days and the Claims Escalation option has been selected, and can only apply to that portion of the monthly amount insured with a 'to age 65' or 'to age 70' benefit period.

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

After benefits for *total disability* have been paid for at least 12 months, this option allows you to elect to receive a lump sum amount in place of the ongoing *monthly benefit* if the insured person suffers *total and permanent disablement* that meets the *any occupation* definition and meets the SIS definition of permanent incapacity and as amended from time to time.

The option will not apply if the insured person has a *terminal illness*. The *monthly benefit* for the purposes of calculating the TPD Commutation amount does not include any increase in the monthly insured amount provided under the Booster option.

The benefit payable under this option is the lesser of :

- $3 million, and
- the relevant multiple of that portion of the *monthly benefit* which would otherwise be payable under the 'to age 65' benefit period less any offsets which apply, as explained in the section titled "When the *monthly benefit* is reduced" on page 32, where the multiple is:

Age next birthday	Multiples for 'to age 65' benefit period	Multiples for 'to age 70' benefit period
less than 40 years	180	192
40 to 44	156	168
45 to 49	132	144
50 to 55	108	132
56 to 60	65 minus age next birthday, multiplied by 12	108
61 to 70	65 minus age next birthday, multiplied by 12	70 minus age next birthday, multiplied by 12

The relevant multiple is based on the age of the insured person at the date the lump sum becomes payable, not when the request is received.

The lump sum that you receive under this option will be treated in the same way as TPD Insurance for tax purposes, as explained in the section titled "Tax treatment of benefits" on page 58.

Cover ends and all benefits are reduced to nil under your FutureWise Disability Income Insurance policy and the attached Extra Benefits policy (if applicable) when a benefit is paid under the TPD Commutation option.

Booster option

This is an option for which an additional premium is charged. If the Booster option applies, it will be shown in the policy issued to you. It is only available with a benefit period of 'to age 65' or 'to age 70' and where the monthly insured amount applied for at application, inclusive of any Superannuation Cover amount, is $30,000 per month or less.

Under this option, if the insured person suffers *total and permanent disablement* that meets the *any occupation* definition of TPD, we will increase the *monthly benefit* by 33% under *total disability*, the Specific Injury benefit or the Trauma benefit for a maximum of two years over the life of the policy.

Any benefits payable after the cover anniversary when the insured person is age 65 will not be subject to increases under this option. The Booster option does not apply to a claim under *partial disability*, the Death benefit, Bed Confinement benefit, Home Care benefit, Rehabilitation benefit, Accommodation benefit or benefits payable under the Accident option or TPD Commutation option.

Indexation Increases and the Claims Escalation option will continue to apply.

If the Superannuation Cover option applies, the Superannuation Cover Percentage will be applied to the increased *monthly benefit* to determine the amount payable to the trustee of your nominated superannuation fund.

Medical professionals feature

If a medical professional contracts HIV or Hepatitis B or C, professional guidelines may restrict their ability to perform certain procedures and result in a reduction of income, well before the illness results in a physical inability to perform the duties of their occupation.

Under Disability Income Insurance, Macquarie Life will consider that a medical professional has satisfied the occupational duties component of the *total disability* or *partial disability* definition if the following apply:

- the occupation class shown on your policy is 1M
- the insured person becomes infected with HIV, Hepatitis B or Hepatitis C as confirmed by documented proof of the infection
- at the time of infection, exposure prone procedures, as defined by the relevant professional governing body, are at least one of the duties of the insured person's *usual occupation* necessary to produce income, and
- due to the insured person's HIV, Hepatitis B or Hepatitis C status, the insured person is required to cease performing exposure prone procedures as a result of the guidelines of the professional governing body in their state.

The other components of *total disability* and *partial disability*, as applicable, must also be satisfied in order for a claim to be admitted.

The Medical Professionals feature will not apply if:

- a treatment is available which renders the HIV or Hepatitis B or C virus inactive and non-infectious, or
- the insured person has elected not to take a relevant vaccine that is recommended by the relevant professional governing body and which is available prior to the event which causes infection.

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 Disability Income Insurance 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, which commenced prior to the commencement of the FutureWise Disability Income Insurance policy 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 for the first 100 months. Benefit reductions will only start once the lump sum has been paid.

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% of *pre-disability income* for *partial disability* or while the *monthly benefit* is increased under the Booster option).

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 portions of the monthly insured amount are subject to different terms

Where we agree, your FutureWise Disability Income Insurance policy may be set up so that separate portions of the monthly insured amount are subject to different waiting periods, benefit periods, types of cover and/or options. Details of each portion of the monthly insured amount, and the waiting periods, benefit periods, types of cover and options that apply to each portion, will be shown in the policy issued to you.

In determining the *monthly benefit* to be used as the basis for the payment of any benefit(s) under the policy in any given month, we will consider the sum of only those portions of the monthly insured amount for which the particular benefit is payable, having regard to the waiting period, benefit period, type of cover and options that are applicable.

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
- 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).
- for the Trauma Conditions marked # under the Trauma benefit on page 28, no claim will be payable at any time under the policy for the Trauma benefit if the Trauma Condition first occurs or symptoms leading to the condition occurring or being diagnosed first became apparent within 90 days of the application date or the date any cover is reinstated.
  This exclusion does not apply to the Trauma benefit in respect of a Trauma Condition if the policy issued by Macquarie Life replaces other similar insurance under a policy or policies issued by Macquarie Life or another insurer (the other policy) and we agreed to issue this policy on the basis that it replaced the other policy (as shown in your policy document) and the following conditions are also met:
  - the Disability Income monthly insured amount under the policy being issued by us is the same amount or less than that under the other policy. If the monthly insured amount under the policy being issued by us is higher than that under the other policy, the exclusion will not apply only in respect of the amount of the monthly insured amount that replaces cover under the other policy
  - the other policy was continuously in force for 90 days immediately prior to the issue of this policy
  - the other policy provided similar cover for the Trauma Condition
  - the other policy was cancelled immediately after the sue of this policy, and
  - no claim is pending or payable under the other policy.

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

Benefits are only payable for up to six months while the insured person is outside Australia. In some circumstances, benefits may continue to be paid beyond six months if the insured person returns to Australia or attends a regional medical facility approved by us.

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

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

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.

If you also have Disability Income Plus Insurance, the additional terms for the *Total Disability* benefit and the Premium Waiver feature will also apply to your FutureWise Business Expenses Insurance policy.

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* in relation to their *disability.*

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 42).

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, or
  - if you have Disability Income Insurance Plus, has been continuously *disabled* during the waiting period, and
- the insured person 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 *total disability* 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 35.

The *total disability* benefit 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 *partial disability* benefit payable 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 page 35.

The *partial disability* benefit payable 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 before the insured person reaches age 65 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.*

Under the Indexation Increases feature, the monthly insured amount can increase above the maximum allowed at application.

Future Increases

If you have a FutureWise Business Expenses Insurance policy, under this feature, you can apply to increase your monthly insured amount on each cover anniversary until the insured person turns 55, and we will accept the increase without the need for medical underwriting.

Only increases to the monthly insured amount above $500 are eligible for applications under the Future Increases feature.

The monthly insured amount cannot be increased under the Future Increases feature:

- by more than 15% at any cover anniversary
- above the insured person's share of monthly allowable business expenses at the time of applying for the increase
- above the maximum amounts allowable, explained in the section titled, "Applying for Business Expenses Insurance" on page 33, or
- if the insured person's share of *business income* has decreased in the 12 months prior to the cover anniversary at which the increase application is made.

The combined total of all increases to the monthly insured amount made under this feature cannot exceed the monthly amount insured originally issued.

Financial evidence may be required to establish that the financial position of the insured person's business supports the increase to the monthly insured amount.

The increase in cover must be requested within 30 days of the applicable cover anniversary and must be made on the appropriate form.

Any premium adjustments, exclusions or special conditions which apply to the insurance will also apply to any increases made under this feature.

This feature is not available if:

- the policy was issued with a premium adjustment in the form of a medical loading of 75% or more, or
- if a claim has or can be made for the insured person under any policy of Disability Income or Business Expenses Insurance provided by us.

Premium Waiver

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

If you have Disability Income Plus Insurance, the premium and policy fee under your Business Expenses Insurance Policy will also be waived during the waiting period if a benefit becomes payable under your Business Expenses Insurance policy.

Cover Extension

If you have a FutureWise Business Expenses Insurance policy, this feature applies if the occupation class shown on your policy is 1E, 1M, 1L or 1P.

Under this feature we will offer to continue Business Expenses 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:

- the Accident 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.

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 your policy.

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 portions of the monthly insured amount are subject to different terms

Where we agree, your Business Expenses Insurance policy may be set up so that separate portions of the monthly insured amount are subject to different waiting periods and/or options. Details of each portion of the monthly insured amount, and the waiting periods and options that apply to each portion, will be shown in the policy issued to you.

In determining the *monthly benefit* to be used as the basis for the payment of any benefit(s) under the policy in any given month, we will consider the sum of only those portions of the monthly insured amount for which the particular benefit is payable, having regard to the waiting period and options that are applicable.

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 which commenced prior to the commencement of the Macquarie Life Business Expenses Insurance policy, 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, 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 six months while the insured person is outside of Australia. In some circumstances, benefits may continue to be paid beyond six months if the insured person returns to Australia or attends a regional medical facility approved by us.

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

Ownership

Ownership of your FutureWise insurance is an important consideration as it may affect the following aspects of your insurance cover:

- how cover will be issued
- types of Insurance and options available
- benefits included in a type of Insurance policy eg some benefits are not available when cover is held through superannuation
- who receives any benefit that becomes payable
- access to any benefit that becomes payable, and
- the tax treatment of the premium paid and benefits received.

The first five aspects are covered in this section. For information on tax, see page 56.

To maximise the efficiency of your insurance arrangements, FutureWise allows a number of ownership structures as shown in the table below. For more detailed information on the different ownership structures see pages 38 to 41.

Description	Policy owner	The person who is insured under the policy (insured person)	Types of Insurance available
Non-superannuation Any of the types of cover under FutureWise can be held under a non-superannuation policy.			
When you apply for FutureWise outside of superannuation, the policy is issued directly to you as policy owner.	A person or company (that is not a trustee of a superannuation fund).	Either: ■ same person as the policy owner, or ■ a different person.	■ Life ■ TPD ■ Trauma ■ Child Trauma ■ Blood Borne Disease ■ Disability Income (including Extra Benefits option) ■ Business Expenses The following option is not available: ■ TPD Commutation option on Disability Income Insurance

Description	Policy owner	The person who is insured under the policy (insured person)	Types of Insurance available
Within superannuation We do not allow some parts of FutureWise to be held within superannuation. There are some limitations to the Insurance provided within superannuation which are outlined in the section titled "Ownership within superannuation" on page 38. If a benefit becomes payable, it will be paid to the trustee, who must distribute the benefit in accordance with the governing rules of the superannuation plan and superannuation laws current at the time of payment. There may be circumstances in which the trustee will receive a benefit under a FutureWise policy but is unable to pay the benefit from the superannuation fund at that time. We recommend you seek advice before you apply if you are considering taking insurance cover within superannuation.			
If you are the trustee of a self managed superannuation fund, you can apply for a FutureWise policy as the trustee in respect of a member or members of your self managed superannuation fund. It is your responsibility as trustee to consider: ■ the appropriateness of providing each type of insurance cover within superannuation and its potential implications for the complying status of your fund ■ the taxation consequences of holding the cover, and ■ superannuation law that operates to limit when benefits received by you as trustee can be paid out of the fund.	A person or company who is a trustee of a self managed superannuation fund.	A member of the relevant self managed superannuation fund.	■ Life Insurance ■ TPD ■ Trauma ■ Disability Income The following option is not available: ■ Superannuation Cover option on Disability Income Insurance
You can apply for FutureWise cover through superannuation if you are a member of an *eligible superannuation plan*, in which case your FutureWise policy will form part of your superannuation interest and premiums will automatically be deducted from your account. We will make any claim payments to the trustee of the *eligible superannuation plan*.	MIML or the trustee of another *eligible superannuation plan.*	A member of an *eligible superannuation plan.*	■ Life Insurance ■ TPD ■ Disability Income (indemnity only) The following options are not available: ■ Premium Waiver option on Life and TPD Insurance ■ Superannuation Cover option on Disability Income Insurance ■ Disability Income Plus Insurance
You can apply for FutureWise cover through superannuation by becoming a member of the insurance-only division of the Macquarie Superannuation Plan. For further information on the insurance-only division of the Macquarie Superannuation Plan, refer to page 52.	MIML	A member of the insurance-only division of the Macquarie Superannuation Plan.	■ Life Insurance ■ TPD (own occupation TPD is not available) The following option is not available: ■ Premium Waiver option on Life and TPD Insurance

In some cases, we allow cover to be split across two policies, with different policy owners under a structure called Flexible Linking. 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. For more information on Flexible Linking refer to page 39.

Non-superannuation ownership

When you apply for FutureWise outside of superannuation, the policy is issued directly to you as policy owner. You can apply for cover on your own life or the life of another person unless applying for cover under Disability Income or Business Expenses Insurance, which are generally only available on your own life. 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. Any of the types of cover under FutureWise can be held under a non-superannuation policy.

Where there are multiple owners of a single policy who are individual persons, each will own the policy as joint tenants (ie on the death of one of the policy owners, their share passes to the surviving joint tenants), unless they own the policy as trustees or we agree to a different arrangement which we will note in your policy.

If a benefit becomes payable, the benefit is generally paid to the policy owner. If the insured person and policy owner are the same, the amount payable on the death of the insured person will be paid to the insured person's legal personal representative, unless any beneficiaries have been nominated under the policy, in which case it will be paid to the nominated beneficiaries.

Nominating a beneficiary for Life Insurance

If the policy owner is the same as the insured person, up to five beneficiaries can be nominated to receive the Life Insurance benefit payment if the insured person dies. If you do not nominate a beneficiary, the benefit will be paid to your legal personal representative or other person we are permitted to pay under the Life Insurance Act 1995 (Cth).

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 (see page 41).

Ownership within superannuation

When you apply for cover within superannuation, the policy for cover on your life is issued to the trustee of the relevant superannuation fund as policy owner.

Some parts of FutureWise are not available within superannuation. In addition, some modifications to the cover will apply when the cover is held within superannuation.

In some cases, we allow cover to be split across two policies in an ownership arrangement called Flexible Linking, so that part can be held within superannuation under a policy owned by the trustee of a superannuation fund and the other part is held under a non-superannuation policy. For more information on Flexible Linking refer to page 39.

The conditions that apply to the cover held within superannuation are outlined below.

In future, legislation may further restrict the types of insurance and features that can be held inside superannuation. In September 2011, the Government announced that it will introduce legislation that requires alignment of the definitions of insurances held inside superannuation with the superannuation law payment rules so that insurance monies are available to fund members at the time of claim. At the time of writing this, the proposal is subject to industry consultation and has not yet become law.

If it does become law, a superannuation fund trustee's ability to hold the following may be impacted:

- Trauma Insurance,
- *own occupation* TPD Insurance and certain features and options of other TPD Insurance definitions (apart from Superannuation Optimiser definitions), and
- certain features and options of Disability Income Insurance.

Conditions on holding Life, TPD and Trauma Insurance within superannuation

The following features of Life and TPD Insurance are not available if you choose to hold the cover within superannuation:

- Funeral Advancement benefit
- Financial Planning benefit
- TPD Advancement benefit
- *functional impairment* of 4 *extended ADL*s, as referred to in the definition of *total and permanent disability*.

  However, if a Superannuation Optimiser definition applies, *functional impairment* of 4 *extended ADLs* will be included in the definition of *total and permanent disability* subject to the terms of Superannuation Optimiser as set out on page 40.

Conditions on holding Disability Income Insurance within superannuation

The following feature of Disability Income Insurance is not available if you choose to hold your Disability Income Insurance within superannuation:

- Specific Injury benefit. This benefit will only apply if you also select the Extra Benefits option (refer to page 27). In this case, the Specific Injury benefit will be included in the Extra Benefits policy issued.

If you choose to hold Disability Income Insurance within superannuation and select the Extra Benefits option, two policies will be issued: a superannuation policy which will be owned by the trustee of a superannuation fund that will include the Disability Income Insurance cover and a separate non-superannuation policy that will include only the Extra Benefits cover (and the Specific Injury benefit as explained on this page).

The non-superannuation policy will be issued as a Disability Income Insurance Extra Benefits policy and the policy will indicate it is attached to your Disability Income Insurance policy.

Superannuation policy	Non-superannuation policy
■ Disability Income Insurance	■ Disability Income Insurance Extra Benefits

Any benefit that becomes payable in respect of the Extra Benefits cover is paid to the policy owner of the non-superannuation policy and is not subject to superannuation law.

The Extra Benefits cover is only available with a current Disability Income Insurance policy and the monthly insured amount under both policies must be the same. If the monthly insured amount under the Disability Income Insurance is altered, the Extra Benefits cover will be similarly altered and the premium adjusted accordingly. If the Disability Income Insurance is cancelled, the Extra Benefits cover will also be cancelled. The terms and conditions of "When we won't pay" as explained on page 32 and "When cover ends" as explained on page 42 that apply to Disability Income Insurance also apply to the Extra Benefits cover.

Benefit payments

If a benefit becomes payable under a FutureWise policy held within superannuation, it will be paid to the trustee, who must distribute the benefit in accordance with the governing rules of the superannuation plan and superannuation laws current at the time of payment. There may be circumstances in which the trustee will receive a benefit under a FutureWise policy but is unable to release all or part of a benefit from the superannuation fund at that time.

For example, super law constraints may prevent a trustee from paying a benefit it receives in relation to:

- Trauma insurance
- certain definitions of TPD cover (apart from *superannuation optimiser*), and
- Disability Income Insurance, in particular:
  - certain features and benefits that apply without a requirement for the insured person to have ceased an arrangement of gainful employment or to have been on unpaid leave for at least some duration, and
  - cover provided on an agreed value basis.

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, in which case, the benefit paid from the fund may be net of any tax payable by the fund.

We recommend you seek advice before you apply if you are considering taking this insurance cover within superannuation.

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.

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 your policy 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. For more information on Superannuation optimiser, see the next section.

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.

The sums insured for Flexible TPD and Flexible Trauma Insurance cannot be greater than the sum insured for Life Insurance when connected through Flexible Linking. If the Life sum insured is reduced, the Flexible TPD and Flexible Trauma sums insured will also be reduced so that they are no greater than the Life sum insured.

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.

Superannuation Optimiser

Under this feature, TPD can be applied for with the part of the TPD Insurance that meets the 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 Superannuation Optimiser applies, two policies which are connected by Flexible Linking must be applied for. One of the policies will be issued to the trustee of a superannuation fund (referred to as the superannuation policy), and the TPD Insurance 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), and the TPD Insurance provided under this policy called the 'non-superannuation component'.

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" on page 8, the definition of TPD 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.

a) Own occupation

Under this feature the *own occupation* definition of TPD can be applied for under two policies, with the part of the TPD Insurance that meeds the SIS definition of permanent incapacity (applied as if Macquarie Life was trustee of the relevant superannuation fund) held within superannuation and the remainder of the cover held outside of superannuation. The TPD definition that will be shown in your policy will be '*superannuation optimiser*'.

If you choose to hold TPD Insurance within superannuation with the *superannuation optimiser* definition of TPD and select the Partial Impairment option, the Partial Impairment option will be included in the non-superannuation policy.

Superannuation component	Non-superannuation component
■ *any occupation* definition of TPD and ■ meets SIS definition of permanent incapacity	■ *own occupation* definition of TPD and ■ does not meet SIS definition of permanent incapacity ■ Partial Impairment option

b) Any occupation

If you choose to hold TPD Insurance within superannuation with the *any occupation* definition of TPD and select the Partial Impairment option, the cover will automatically be structured with the *superannuation optimiser – any occupation* definition.

The part of the TPD Insurance that meets the SIS definition of permanent incapacity (applied as if Macquarie Life was trustee of the relevant superannuation fund) will be held within superannuation and the remainder of the cover together with the Partial Impairment option will be held outside of superannuation. The TPD definition that will be shown in your policy will be '*superannuation optimiser – any occupation*'.

Superannuation component	Non-superannuation component
■ *any occupation* definition of TPD and ■ meets SIS definition of permanent incapacity	■ *any occupation* definition of TPD and ■ does not meet SIS definition of permanent incapacity ■ Partial Impairment option

c) Domestic duties

If you choose to hold TPD Insurance within superannuation with the *domestic duties* definition of TPD and select the Partial Impairment option, the cover will automatically be structured with the *superannuation optimiser – domestic duties* definition. The part of the TPD Insurance that meets the SIS definition of permanent incapacity (applied as if Macquarie Life was trustee of the relevant superannuation fund) will be held within superannuation and the remainder of the cover together with the Partial Impairment option will be held outside of superannuation. The TPD definition that will be shown in your policy will be '*superannuation optimiser – domestic duties*'.

Superannuation component	Non-superannuation component
■ *domestic duties* definition of TPD and ■ meets SIS definition of permanent incapacity	■ *domestic duties occupation* definition of TPD and ■ does not meet SIS definition of permanent incapacity ■ Partial Impairment option

Claims under the superannuation policy

In the event of a claim, TPD will first be assessed under the 'superannuation component' part of the definition to determine if the following requirements are satisfied:

- the insured person meets the *any occupation* definition of TPD, and
- The insured person meets the SIS definition of permanent incapacity, as amended from time to time and applied as if we were the trustee of the relevant superannuation fund.

If both requirements are satisfied and a benefit is payable under the superannuation policy, the benefit will be paid to the trustee. The release of the benefit from the superannuation fund to the member or beneficiaries will then be decided by the trustee and be subject to the governing rules of the superannuation fund and superannuation and related taxation laws current at the time of payment.

Claims under the non-superannuation policy

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).

Other conditions that apply to Superannuation Optimiser policies

As the two policies will be connected through Flexible Linking, the TPD sum insured under each of the policies must always be the same. A TPD benefit payment under one policy reduces the TPD sum insured under the connected policy, as well as reducing the sums insured of any other linked insurance under the two policies.

If you request a decrease to the sum insured, it will be applied to both policies. Similarly, if you apply to increase the sum insured, you must apply to increase both policies. In the event that the cover is cancelled under one of the policies, the cover under the other policy will immediately end.

Insurance-only division of the Macquarie Superannuation Plan

Important information about applying for FutureWise within superannuation by becoming a member of the insurance-only division of the Macquarie Superannuation Plan can be found on page 52.

Transferring ownership

If your FutureWise policy is a non-superannuation policy, you can transfer ownership of your policy to another non-superannuation ownership arrangement by completing a Memorandum of Transfer, which must be signed by both you and the transferee, and sending it to us with your original policy for registration. The transferee must have an insurable interest in the insured person that is satisfactory to us.

If you have existing cover under a non-superannuation policy and want the cover to be held within superannuation, the trustee of the superannuation fund can apply for a new policy in respect of cover on your life and your existing cover can be cancelled and issued under a new policy owned by the trustee, subject to superannuation laws.

If the trustee of a superannuation plan holds the policy on your life, you can request the trustee to transfer the policy to you subject to superannuation laws and the governing rules of the fund.

All transfers between policy owners and to new policies must be like for like cover, otherwise a full application and usual underwriting assessment will be required.

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 your policy.

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

- policy owner(s) (where there are multiple owners of a single policy who are individual persons, each will own the policy as joint tenants, unless they own the policy as trustees or we agree to a different arrangement which we will note in your policy)
- insured person
- details of the insured person (such as gender, date of birth, occupation class and smoker status)
- type of Insurance 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, superannuation optimiser (any occupation), superannuation optimiser (domestic duties), domestic duties* or *modified TPD* definition
- if TPD Insurance is included on the basis of a 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
- *application 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 sclosure (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]
- any other date applied under a special condition shown in your policy, and
- if you are a member of an *eligible superannuation plan*, 30 days after the insured person has left the *eligible superannuation plan* or becomes ineligible for membership of the *eligible superannuation plan* under law.

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 (benefit periods: 2 years, 5 years and to age 65)	65[2]
Disability Income Insurance (benefit period: to age 70)	70
Business Expenses Insurance	65[3]

[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 29 for details).

[3] Business Expenses 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 34 for details).

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 the premiums and policy fee continue to be paid 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.

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 payable 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 your policy. 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 2012, the policy fee is $89.05 per annum if the premium is paid annually or $7.42 per month if the premium is paid 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.

If you are a member of an *eligible superannuation plan*, your FutureWise policy forms part of your superannuation interest and premiums will automatically be deducted in advance from your account. Otherwise the premium can be paid from the following sources:

- credit card
- direct debit from an Australian bank account
- an *eligible wrap service* held in the same name
- Macquarie Cash Management Account (CMA).

You, or your adviser acting as your agent, 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 paid annually, we will deduct the premium (and policy fee) on the cover anniversary each year or another date to which we agree.

If paid monthly, we will deduct the premium (and policy fee) every month on the same day of the month as the cover anniversary or another day of the month to which we agree. 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 of your new premium (or policy fee).

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.

Policies owned by superannuation fund trustees

This section is only relevant where the policy is owned by the trustee of a superannuation fund, and the trustee has not obtained an actuary's certificate (as defined in taxation law) for the purpose of establishing the tax deductible proportion of a TPD premium.

The part of the premium payable for Life Insurance that relates to insured events which align with the tax law definitions of a superannuation death benefit or a superannuation benefit for a terminal medical condition is 100%.

Depending on the TPD definition which applies (as shown in your policy) the part of the premium paid for TPD Insurance that relates to insured events which align with the tax law definition of disability superannuation benefit is:

Definition	
Any occupation	100%
Own occupation	67%
Domestic duties	100%
Modified TPD	100%
Superannuation optimiser	100%
Superannuation optimiser — any occupation	100%
Superannuation optimiser — domestic duties	100%

The specified percentages are effective from 1 July 2011. The percentages are subject to change. We will provide written notice to the policy owner of any changes. New percentages and the dates from which they apply will be incorporated into these policy terms.

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 the insurance-only division of the Macquarie Superannuation Plan,

   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.

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, investigations 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 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 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.

Refund of premium

For Life Insurance, TPD Insurance, Trauma Insurance, Child Trauma Insurance and Blood Borne Disease Insurance, we will provide a refund of any premium and policy fee that is paid after a valid claim form was lodged with Macquarie Life but only in respect of the proportion of cover that is reduced as a result of the claim. A valid claim form for this purpose is one which resulted in a claim payment and where we determine the relevant definition for the benefit being claimed was met within 30 days of the claim form being lodged. If there is no valid claim form, the relevant date for the refund of premiums is the date the liability for the claim was admitted by Macquarie Life.

One benefit payable

If cover for TPD Insurance is held in a Linked Insurance structure with other types of Insurance, the following conditions apply regarding the order of assessment for claims:

- where cover is held through superannuation under Flexible Linking, including under a Superannuation Optimiser structure, the claim will be assessed under the superannuation policy first,
- after the claim has been assessed under the superannuation policy, if applicable, the claim will then be assessed under any Linked non-superannuation policies. If the insured person suffers a condition that satisfies the definition under more than one benefit at the same time, only one benefit will be paid in respect of the condition, being the one which results in the highest payment. The benefit will be paid to the policy owner of the relevant policy.

General information

Your adviser

This product is available through licensed intermediaries, who we refer to as 'your adviser'. This includes 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. It also includes licensed distributors who may promote the product and make it available to you or assist you with an application.

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. Your adviser may act as your agent and lodge your application with us on your behalf.

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, an application needs to be lodged with us, which your adviser can assist you with. We will accept a paper application signed by you, and we will also accept an online application lodged electronically by your adviser. Generally, the application will include an application for FutureWise, a detailed questionnaire about your health, occupation and pastimes and a number of declarations and authorisations we will rely on in deciding whether or not to issue (and the terms on which we issue) the insurances being applied for and to administer any policies we issue.

If your adviser lodges an online application on your behalf, the adviser is required to confirm that they have your authorisation to act as your agent and that you have made a number of declarations and authorisations. It is your responsibility to ensure that the information provided to us by your adviser is accurate and complete. We will rely on the accuracy of the information provided to us via the online application as we would if a paper application was signed and submitted by you. We may contact you to verify that the information we have received from your adviser is accurate and complete.

If you are the policy owner, but are not also the insured person under the policy we issue, it will be necessary for personal and health information to be collected from the person to be insured. This can be provided on a paper application submitted to us, and signed by the person to be insured. Alternatively, it may be supplied to us via the online application process described above. In these cases, the adviser will also be acting as the agent of the person to be insured in submitting the information.

After an online application is lodged with us electronically by your adviser, you will receive a copy of the information disclosed in your application that is relied upon by us in assessing the application. We request that you review the information provided carefully to ensure it is accurate or complete and notify us as soon as possible if any corrections are required. If a policy has already been issued and the corrected information would have been relevant in our assessment of the application, we may seek to enforce our remedies for non-disclosure and cancel or vary the insurance to take account of the corrected information.

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 and in these cases the premium may differ from any indicative quotes provided to you prior to the issue of the policy.

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. This will usually be arranged through our nominated pathology provider, who may be able to arrange the services to be undertaken at the workplace or home of the person to be insured or at medical centres across Australia. On request, we can send medical examination and blood test results to a doctor nominated by the person to be insured. 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.

The application

In accepting an application of insurance, we will be relying on declarations and authorisations made by you, either directly or via your agent, relating to the following matters:

Your adviser

- You have appointed your adviser to act on your behalf in relation to this insurance and, if we receive online applications, you have appointed your adviser as your agent to complete and lodge an application for insurance as your agent.
- You have received a FutureWise PDS and agree to be bound by it.

Disclosure obligations

- You and the person to be insured (if different) have read and understood the duty of disclosure as explained in this PDS and understand the duty continues until we have issued a contract of insurance.
- You and the person to be insured confirm the information supplied in connection with the application is true and correct and no information material to the application has been withheld.
- You acknowledge that we are entitled to rely on the information provided in the application, including online applications lodged on your behalf, in determining an application and assessing future claims, and that we may be entitled vary or avoid the insurance if there has been non-disclosure, misrepresentation or fraud.
- You and the person to be insured agree that you will review the information provided on an online application and agree to inform us immediately if there are any errors or omissions and understand that we may seek to vary or avoid the insurance if errors or omissions are identified.

Authorisations

- You and the person to be insured authorise and consent to the collection of medical information and its use by us.
- You authorise the collection of premiums from the account designated in the application.

Other declarations

- You have read the Privacy Statement contained in the PDS.
- You have read the anti-money laundering terms and conditions in the PDS.
- If applying for cover within superannuation, you are eligible to contribute to superannuation under superannuation laws.
- You acknowledge that Macquarie Bank Limited has no obligations in respect of FutureWise policies issued by us.

Who should authorise the application

Both you as the policy owner and the person to be insured (if different) must authorise the application, payment authority and various other declarations and authorisations that are required to be completed for an application. As noted above, where an online application is lodged by your adviser electronically these authorisations will be provided to us by the adviser acting as your agent.

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 be entitled to a refund of the premium and policy fee that you have paid (but if you applied for cover within superannuation, the law may require your refund to be preserved within the superannuation system). 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 are a member of a plan for which MIML is trustee, 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.

Other than for the purposes set out in this document, we will not share sensitive, health or financial information. However, we, or other Macquarie companies, may contact you to offer other products or services which may be of interest to you. If you do not wish that to occur please let us know by contacting us.

If you, or the person to be insured, do not supply Macquarie Life and (if applicable) 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 are a member of a plan for which MIML is trustee, 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 you are a member of an *eligible superannuation plan*, to the trustee of the *eligible superannuation plan*,
- 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. This excludes the release of any reports sourced by Macquarie Life from any outside parties. You can instruct us not to supply your adviser with any medical information received by us 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 48) under the Insurance Contracts Act.

Under the Privacy Act, you may request access to your personal information held by Macquarie Life (and, if you are a member of a plan for which MIML is trustee, 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 and Counter Terrorism Financing Act 2006 (AML/CTF Act)

1. You undertake that you will not knowingly do anything to put us in breach of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, rules and other subordinate instruments (“AML/CTF Laws”), and to notify us if you are aware of anything that would put Macquarie in breach of AML/CTF Laws.
2. If requested, you agree to provide additional information and assistance and comply with requests to facilitate Macquarie’s compliance with AML/CTF Laws and/or its internal policies and procedures in Australia or equivalent overseas jurisdiction.
3. You acknowledge that you are not aware and have no reason to suspect that:
   a) the money used to fund the insurance is derived from or related to money laundering, terrorism financing or similar activities (Illegal Activities); and
   b) the proceeds of insurance made in connection with this product will fund illegal activities.
4. You acknowledge that we are subject to AML/CTF Laws and/or its internal policies and procedures. In making this application you consent to us disclosing in connection with AML/CTF Laws any of your Personal Information as defined in the Privacy Act 1988 (Cth).
5. You acknowledge that 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/CTF Laws and/or its internal policies and procedures. 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.
6. You acknowledge that we retain the right not to provide services or issue products to any applicant that we decide, in our sole discretion, that we do not wish to supply.

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

Fax: 1800 065 145

Email: insuranceclaims@macquarie.com

Post: Macquarie Life Claims
GPO Box 4443
Sydney NSW 2001

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

Policy owners of FutureWise (either directly or as the member or trustee of a self managed superannuation fund)

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 Limited which has the following contact details:

Telephone: 1300 780 808
Email: info@fos.org.au
Website: fos.org.au

Members of an *eligible superannuation plan* or the insurance-only division of the Macquarie Superannuation Plan

If you are a member of an *eligible superannuation plan* or the insurance-only division of the Macquarie Superannuation Plan, superannuation law requires the trustee to take all reasonable steps to ensure that complaints are properly considered and dealt within 90 days. Complaints may be made to the Complaints Officer of the trustee on the contact details shown above. If you are not satisfied with the resolution of the complaint, you may refer the complaint to the Superannuation Complaints Tribunal which has the following contact details:

Telephone: 1300 780 808
Email: info@sct.gov.au
Website: sct.gov.au

Insurance-only division of Macquarie Superannuation Plan

This section is applicable if you want to apply for FutureWise within superannuation by becoming a member of the insurance-only division of the Macquarie Superannuation Plan. Some parts of FutureWise are not available within this division. In addition, some modifications to the cover will apply when the cover is held within this division. For more information, please refer to the Ownership section on pages 36 to 41.

You may apply for additional FutureWise cover by applying for two policies and can use the Flexible Linking ownership structure to split cover across two policies, one of which is held inside the insurance-only division and one which is held outside superannuation. For example, you can use the *superannuation optimiser* definition of TPD to achieve the equivalent of *own occupation* TPD cover split across two policies.

The Macquarie Superannuation Plan is a resident, complying and regulated superannuation fund within the meaning of SIS. Macquarie Investment Management Limited (MIML) is trustee of the fund and any reference to Trustee in this section is a reference to MIML.

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.

Who can apply

You can apply to become a member of the insurance-only division of the Macquarie Superannuation Plan 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 of the insurance-only division of the Macquarie Superannuation Plan is solely for the purpose of the provision of insurance cover within superannuation.

The Trustee will only accept your application for membership of the insurance-only division of the Macquarie Superannuation Plan if your application for insurance is accepted by Macquarie Life.

The insurance-only division of the Macquarie Superannuation Plan 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 policy.

The Trustee will not accept other amounts, including contributions that are made for a purpose other than the payment of premiums, rollovers, transfers and Government co-contributions.

Benefit payments

The Trustee can only pay a benefit from the insurance-only division of the Macquarie Superannuation Plan if:

- it receives a benefit from us in respect of a FutureWise 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 and the governing rules of the fund.

The current conditions of release for superannuation benefits are outlined below.

Death

In the event of your death, any benefit paid to the Trustee will be paid from the fund to either your legal personal representative (estate) or one or more of your dependants as defined under superannuation law. The person we pay will depend on whether there is a valid non-lapsing death benefit nomination in place at the time of your death (see the section titled “Death benefits” on page 53).

However, the benefit may be paid to another individual if the Trustee has not been able to find a legal personal representative or a dependant of yours after making reasonable enquiries.

Terminal medical condition

In order for the Trustee to release a benefit due to a terminal medical condition, the following conditions must be met:

- two registered *medical practitioners* have certified that you suffer from an illness or have incurred an injury that is likely to result in your death within a period that ends not more than 12 months after the date of the certificate
- at least one of the registered *medical practitioners* is a specialist practising in an area related to the illness or injury suffered by you, and
- the period stated in each of the certificates has not ended.

Permanent incapacity

In order for the Trustee to release a benefit due to permanent incapacity, the following condition must be met:

- the Trustee is reasonably satisfied that you are unlikely, because of ill-health, to engage in gainful employment in a capacity for which you are reasonably qualified because of education, training or experience.

Other conditions

The other conditions prescribed under superannuation law under which the Trustee may release a benefit from the fund include:

- where you have reached the age of 65
- where you have reached the age of 60 and you have ceased an arrangement of gainful employment on or after reaching the age of 60
- where you have reached your preservation age (see below), you have ceased an arrangement of gainful employment and the Trustee is reasonably satisfied that you intend to never again become gainfully employed for at least 10 hours per week
- where you are in severe financial hardship as defined in superannuation legislation (limits may apply)
- where you are granted access on compassionate grounds approved by the Australian Prudential Regulation Authority (limits may apply).

Your preservation age depends on when you were born as set out in the table below:

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
After 30 June 1964	60

If the Trustee is unable to release all or part of a benefit at the time of claim, your entitlement (or part of it) will remain in the superannuation system in a cash account and will be released to you when you satisfy the relevant benefit payment criteria under superannuation law or, on your instructions, transferred to another division of the Macquarie Superannuation Plan or another superannuation fund after allowance for any fund tax liability.

Death benefits

You have the option of nominating to whom a death benefit payable from the insurance-only division of the Macquarie Superannuation Plan 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) unless the trustee has not been able to find a legal personal representative after making reasonable enquiries, in which case payment may be made to another individual.

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. The Trustee will not accept a non-lapsing nomination made by an attorney or any other agent.

The Trustee can only consent to a nomination in respect of one or more of your dependants (explained on the following page) or legal personal representative. To remain a valid nomination, a nominated beneficiary must still be a dependant at the time of death.

If the Trustee has consented to your nomination and that nomination, or a part of it, is no longer valid at the time of payment, the Trustee 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 for the Trustee 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
- a non-lapsing nomination will not become invalid after a period of time. We will send you regular reminders with the details of your nomination.

The Trustee can only consent to a nomination if it is made in writing and 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.

A nomination applies across all death benefits with regard to your FutureWise interest in the insurance-only division of the Macquarie Superannuation Plan. Any subsequent nomination revokes a prior nomination and applies across all death benefits with regard to your FutureWise interest in the insurance-only division of the Macquarie Superannuation Plan. 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 the Trustee has 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 us.

Who is a dependant?

Under current superannuation law a dependant includes:

- your spouse (including an opposite or same-sex de facto partner with whom you live on a genuine domestic basis as a couple or a person (whether of the same sex or a different sex) with whom you are in a prescribed kind of relationship that is registered under a State or Territory law prescribed for the purposes of the Acts Interpretation Act 1901)
- a child of yours (including an adopted child, a step-child, an ex nuptial child, a child of your spouse and a child within the meaning of the Family Law Act 1975)
- a person with whom you have an interdependency relationship, and
- a person who is otherwise your dependant (such as someone who is financially dependent on you).

Two people will typically have an interdependency relationship if:

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

Tax file number collection

Collection of tax file numbers (TFNs) is authorised under SIS.

The Trustee will only use your TFN for purposes authorised by superannuation and taxation laws.

The purposes currently authorised include:

- taxing benefit payments at lower rates than may otherwise apply
- passing your TFN to the Australian Taxation Office, and
- allowing the Trustee to provide your TFN to the trustee of another superannuation fund or Retirement Savings Account (RSA) if your benefit is transferred to that fund.

However, the Trustee will not do so if you advise us in writing that you do not want us to pass it on.

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 amounts 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.

As a consequence, the Trustee will not accept your application for membership of the insurance-only division of the Macquarie Superannuation Plan until you provide your TFN.

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

The insurance-only 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.

Premiums paid under a FutureWise policy are funded by superannuation contributions which are subject to superannuation preservation rules and therefore are generally not refundable directly back to the member or contributor.

In cases where a premium is refunded (for example, a part refund of an annual insurance premium where cover is cancelled), 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 contributor.

When money is paid as a rollover to the other fund, contributions tax that would otherwise have been offset by a tax deduction for insurance premiums may become payable by the fund. 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 the rollover to be paid within 30 days, the Trustee 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

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 provide some protection for 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: supersafeguard.com.au

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

- your interest in (and membership of) the Macquarie Superannuation Plan, 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.

The Trustee reserves the right to change the chosen ERF without prior notice to you.

Regular reports

An annual report about the management and financial condition of the Macquarie Superannuation Plan for the period to 30 June is prepared each year. This annual report is available free of charge from us, at macquarie.com.au or as a hard copy. If you do not elect to receive a hard copy annual report we will assume 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 for the FutureWise policy.

The Trust Deed

The Trust Deed and Rules of the insurance-only division of the Macquarie Superannuation Plan sets out the powers and duties of the Trustee and the rights and obligations of the members of the Macquarie Superannuation Plan.

Members are bound by (and the Trustee must comply with) the Trust Deed and Rules (as amended from time to time) for the Macquarie Superannuation Plan. The Trustee is also subject to duties under the law, including to:

- act honestly
- exercise care and diligence, and
- exercise its powers in the best interests of members of the Macquarie Superannuation Plan (as a whole).

The Trust Deed and Rules and superannuation law also limit the Trustee's liabilities in relation to the Macquarie Superannuation Plan. Generally the Trustee can be indemnified for its costs and expenses in acting as the trustee of the Macquarie Superannuation Plan out of the assets of the Macquarie Superannuation Plan. The Trustee can (without your consent) amend the Trust Deed and Rules, terminate the Macquarie Superannuation Plan or transfer your interest to another superannuation fund.

A copy of the Trust Deed and Rules is available on request.

Tax

The information provided in this PDS is a guide only and is based on our understanding of the tax laws that were current at the date of this PDS. These laws can change, so we recommend you speak to your tax adviser regarding the tax consequences of insurance cover and policy ownership.

Where you are the policy owner

Any reference to 'you' in this section 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).

Tax treatment of premiums

Non-superannuation

The premiums for a non-superannuation policy in respect of 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, or part of 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.

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

Within superannuation (as trustee of a self managed superannuation fund)

The premiums for a superannuation policy in respect of Life Insurance are tax deductible to the trustee depending on the extent to which they relate to the fund's liability to pay a superannuation death benefit as defined in tax law. The proportion of Life Insurance premium that relates to benefits that are aligned with this definition is 100%, as specified in the terms and conditions in the section titled 'Policies owned by superannuation fund trustees' on page 45.

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 definitions of TPD have been designed such that the trustee can typically claim a full deduction for the premium payable by the fund relating to the 'superannuation component', where the purpose of the cover is to pay superannuation benefits. 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 depending on the extent to which they relate to the fund's liability to pay a disability superannuation benefit as defined in tax law. The proportion of the TPD premium that relates to benefits that are aligned with this definition is specified in the terms and conditions in the section titled 'Policies owned by superannuation fund trustees' on page 45.

We will advise you of the total premiums you have paid for Life and TPD Insurance at the end of each financial year.

Premiums for particular options in respect of Life, TPD and Trauma Insurance may not be a tax deductible expense to the trustee in certain circumstances.

Premiums for Trauma Insurance held within superannuation are generally not a tax deductible expense to the trustee.

Premiums for Disability Income Insurance held within superannuation may also be an allowable deduction (in full or part) to the trustee if certain conditions are met. The inclusion of certain features and benefits under Disability Income Insurance means that a premium paid for a policy held inside super may not be fully deductible. We recommend you seek professional tax advice.

Tax treatment of benefits

Non-superannuation

The tax treatment of a benefit payable for Life, TPD, Trauma, Child Trauma or Blood Borne Disease Insurance policy can vary depending on the policy owner. There may be some cases where the benefit is taxable, such as where an employer owns the policy, and we recommend you discuss your particular circumstances with your tax adviser.

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

Within superannuation (as trustee of a self managed superannuation fund)

If you own a FutureWise policy as the trustee of a self managed superannuation fund, the gross amount of any benefit that is payable under the 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 receive or distribute from your self managed superannuation fund. The amounts received by the ultimate benefit recipients (for example, a member of the relevant superannuation fund) may have special tax treatment which does not necessarily depend on the nature of the original insurance claim payment. We recommend you seek professional tax advice.

Where you are a member of the insurance-only division of the Macquarie Superannuation Plan

Any reference to 'you' in this section is in respect of your capacity as a member of the insurance-only division of the Macquarie Superannuation Plan.

Tax treatment of premiums

Your contributions are used by the Trustee to pay the premiums due on your policy held through the superannuation plan.

When contributing to superannuation, it is important to be mindful of contribution caps which operate to limit the amount of contributions that can be made tax effectively to superannuation. The caps generally apply to all contributions paid into the superannuation system for you during the course of a financial year, whether they are made to one or more superannuation funds.

It is your responsibility to ensure you do not exceed these caps. Significant tax penalties may apply where these caps are exceeded.

In some circumstances, you may be entitled to claim a tax deduction in respect of the personal contributions you make to the superannuation plan. To claim a tax deduction, you must meet a number of conditions including a requirement to submit a notice to the Trustee in an ATO approved format within certain time limits. We suggest 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 that you advise us you intend to claim as a tax deduction. However, this tax may be offset by a tax deduction on the premiums.

The premiums for a superannuation policy in respect of Life Insurance are tax deductible to the Trustee depending on the extent to which they relate to the fund's liability to pay a superannuation death benefit as defined in tax law. The proportion of Life Insurance premium that relates to benefits that are aligned with this definition is 100%, as specified in the terms and conditions in the section titled 'Policies owned by superannuation fund trustees' on page 45.

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 definitions of TPD have been designed such that the Trustee can typically claim a full deduction for the premium payable by the fund relating to 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 the Trustee that relate to other TPD definitions may only be partially deductible depending on the extent to which they relate to the fund's liability to pay a disability superannuation benefit as defined in tax law. The proportion of the TPD premium that relates to benefits that are aligned with this definition is specified in the terms and conditions in the section titled 'Policies owned by superannuation fund trustees' on page 45.

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 non-concessional contributions) the tax effect of a deduction available to the Trustee in relation to policy premiums is not credited to your FutureWise account.

Tax treatment of benefits

If an insured benefit becomes payable, Macquarie Life pays the insurance proceeds to the Trustee, who in turn is responsible for paying the benefit in accordance with the governing rules of the fund and superannuation laws.

Any insurance benefit that is payable through superannuation is from the fund paid after allowance for any fund tax liability. Special tax treatment may apply to payments made from an eligible superannuation plan or the insurance-only division of the Macquarie Superannuation Plan in the event of your death, diagnosis of a terminal medical condition or permanent disablement. This treatment is determined independently of the basis for which the original insurance claim was paid to the trustee.

A lump sum benefit paid from an eligible superannuation plan or the insurance-only division of the Macquarie Superannuation Plan after 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 with whom you live on a genuine domestic basis as a couple or a person (whether of the same sex or a different sex) with whom the you are in a prescribed kind of relationship that is registered under a State or Territory law prescribed for the purposes of the Acts Interpretation Act 1901)
- your former spouse
- a child of yours under the age of 18 (including an adopted child, a stepchild or an ex nuptial child, a child of your spouse and child within the meaning of the Family Law Act 1975)
- a person with whom you have an interdependency relationship, and
- a person who is otherwise your dependant (such as someone who is 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 paid in the event you suffer from a terminal medical condition may be tax free in certain circumstances.

A lump sum benefit paid because of your permanent disablement may be a taxable superannuation benefit. In some cases, special tax treatment may apply to the payment.

Where you are a member of an *eligible superannuation plan*

Any reference to 'you' in this section is in respect of your capacity as a member of an *eligible superannuation plan*.

Tax treatment of premiums

The policy premiums may be tax deductible to the trustee.

The premiums for a superannuation policy in respect of Life Insurance are tax deductible to the trustee depending on the extent to which they relate to the fund's liability to pay a superannuation death benefit as defined in tax law. The proportion of the Life Insurance premium that relates to benefits that are aligned with this definition is 100%, as specified in the terms and conditions in the section titled 'Policies owned by superannuation fund trustees' on page 45.

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 definitions of TPD have been designed such that the trustee can typically claim a full deduction for the premium payable by the fund relating to 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 the trustee that relate to other TPD definitions may only be partially deductible depending on the extent to which they relate to the fund's liability to pay a disability superannuation benefit as defined in tax law. The proportion of the premium that relates to benefits that are aligned with this definition is specified in the policy terms and conditions in the section titled 'Policies owned by superannuation fund trustees' on page 45.

Premiums for Disability Income Insurance held within superannuation may also be an allowable deduction (in full or in part) to the trustee if certain conditions are met. The inclusion of certain features and benefits under Disability Income Insurance means that a premium paid for a policy held inside super may not be fully deductible.

Tax treatment of benefits

If an insured benefit becomes payable, Macquarie Life pays the insurance proceeds to the trustee, who in turn is responsible for paying the benefit in accordance with the governing rules of the fund and superannuation laws.

Any insurance benefit that is payable through superannuation may be paid from the fund after allowance for any fund tax liability.

Interim cover

We provide you with interim cover for *accidental* injury or death while your application is being assessed, except where the insurance applied for will replace existing insurance in place with us or with another insurer.

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,* and
- the interim death benefit, if the person to be insured dies as the result of an accident that occurs during the period of interim cover and death occurs 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*, and
- the interim death benefit, if the person to be insured dies as the result of an accident that occurs during the period of interim cover and death occurs 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 on the earlier of:

- your application for cover is accepted and cover commences
- your application for cover is cancelled or withdrawn by you
- insurance cover commences under another contract of insurance (whether or not it is an interim contract of insurance) between you (or the trustee if you become a member of an *eligible superannuation plan* or the insurance-only division of the Macquarie Superannuation Plan) and Macquarie Life or another insurer
- your interim cover is cancelled by us providing you with at least 20 business days written notice, or
- 90 days from the date the interim cover started.

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 interim cover benefit that we will pay for each type of insurance across all applications for the person to be insured is the lesser of:

- in the case of Life, TPD and Trauma Insurance:
  - the sum insured applied for to a maximum of:
    - Life Insurance $1 million
    - TPD Insurance $500,000
    - Trauma Insurance $500,000
  - the sum insured that we would offer under our usual underwriting rules based on the proposed premium,
- in the case of the interim benefit for *total disability* under Disability Income Insurance:
  - the monthly insured amount applied for
  - $5,000 per month
  - the monthly equivalent of 75% of first $320,000, 50% of the next $240,000 and 20% of the balance of the person to be insured's *pre-disability income*, adjusted for any offsets which apply, as explained in the section titled "When the *monthly benefit* is reduced" on page 32
  - the monthly insured amount that we would offer under our usual underwriting rules based on the proposed premium,
- in the case of the interim benefit for *total disability* under Business Expenses Insurance:
  - the monthly insured amount applied for
  - $5,000 per month
  - the person to be insured's share of *allowable business expenses* which are incurred while they are *totally disabled,* adjusted for any offsets which apply, as explained in the section titled "When the monthly benefit is reduced" on page 35
  - the monthly insured amount that we would offer under our usual underwriting monthly insured rules based on the proposed premium
- in the case of the interim death benefit under Disability Income Insurance:
  - four times the monthly insured amount applied for
  - $20,000
  - four times the monthly equivalent of 75% of first $320,000, 50% of the next $240,000 and 20% of the balance of the person to be insured's *pre-application income*
  - four times the monthly insured amount that we would offer under our usual underwriting rules based on the proposed premium
- in the case of the interim death benefit under Business Expenses Insurance:
  - four times the monthly insured amount applied for
  - $20,000
  - four times the monthly insured amount that we would offer under our usual underwriting rules based on the proposed premium.

If multiple policies on the same person to be insured are applied for, and the maximum interim cover benefit payable for the person to be insured is less than the total of all amounts applied for, we will apply the reduction to the amount we will pay across the multiple applications in the same proportion.

If interim cover benefits are paid for the person to be insured by other insurers for an accident, we will reduce the amount we will pay for the same *accident* under the same or similar type of insurance so that the total paid across all insurers is no more than the maximum amount we otherwise would have paid.

The sum insured under interim cover will be reduced by the amount of interim cover paid for other insurances in some cases. This will apply to Life, TPD or Trauma insurance where the insurances have been applied for under the same policy or the insurances are connected through Flexible Linking. The amount payable under interim cover will be reduced on the same basis as amounts payable would be reduced under the insurance applied for.

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 III 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 less than stage T1bN0M0, ■ 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 CIN III 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.
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 classified as melanoma in situ or stage T1aN0M0.
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.

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

Trauma Condition	Definition
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 III of the *New York Heart Association functional classification system.*
coronary artery bypass surgery	The undergoing of coronary artery bypass 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.
Brains and nerves	
bacterial meningitis or meningococcal septicaemia	Bacterial meningitis or meningococcal septicaemia resulting in: ■ permanent and irreversible *whole person impairment* of at least 25%, 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: ■ permanent and irreversible *whole person impairment* of at least 25%, 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 permanent and irreversible *whole person impairment* of at least 25%
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.

Trauma Condition	Definition
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.
encephalitis	Acute inflammation of the brain caused by viral infection resulting in neurological deficit and leading to: ■ permanent and irreversible *whole person impairment* of at least 25%, 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 and irreversible *whole person impairment* of at least 25%, 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 and irreversible *whole person impairment* of at least 25%, 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 and irreversible *whole person impairment* of at least 25%, 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 and irreversible *whole person impairment* of at least 25%, 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 and irreversible *whole person impairment* of at least 25%, or ■ total and irreversible inability to perform at least one of the numbered *activities of daily living.*

Trauma Condition	Definition
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, ■ be evidenced by the acute onset of objective neurological signs and clinical symptoms, 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 III 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.
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.

Trauma Condition	Definition
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.
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 insured person 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

Term	Definition
allowable business expenses (continued)	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*)
application date	The application date shown on your policy, which is the Macquarie Life date stamp recorded on a paper application received by Macquarie Life or the date an electronic application is authorised via Macquarie's online website for: ■ a new type of Insurance with Macquarie Life, or ■ an increase to existing Insurance (but only in respect of the increase).
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.
carer	The insured person begins to provide unpaid care for the first time and that care is: ■ medically necessary due to disability, chronic illness or frail age ■ was not previously required ■ is likely to be required for a continuous period of at least six months The commencement of care for the first time must be evidenced by either a letter from a medical practitioner or evidence that the insured person is receiving a Centrelink carer benefit for providing that care.
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.
eligible superannuation plan	■ Macquarie Super Consolidator, Macquarie Super Accumulator, Macquarie Super Manager or Macquarie SuperOptions, ■ any other product offered through a superannuation plan for which MIML acts as trustee (excluding the insurance-only division of the Macquarie Superannuation Plan), or ■ any other product issued by the trustee of a superannuation fund approved by Macquarie Life.
eligible wrap service	■ Macquarie Investment Consolidator, Macquarie Investment Accumulator or Macquarie Investment Manager, or ■ a client branded version of one of the above products.

Term	Definition
extended activities of daily living / extended ADLs	There are six categories of extended ADLs. Each category is made up of a list of specific tasks. If the stated number of the specific tasks within a category cannot be performed, the whole category is scored as an inability to perform that extended ADL category. The ability to perform the tasks of each extended ADL category must be assessed by a medical specialist, appropriate to the medical condition causing the impairment, using the Activities of Daily Living score sheet provided by us. When an insured person is being measured on their ability to perform any tasks of an extended ADL category: ■ all tasks for which an impairment is present must be scored, irrespective of the medical condition(s) causing the impairment, and ■ assistive devices must be used, where applicable. Supporting objective medical evidence or investigations must be provided for each task of an extended ADL category scored. The extended ADL categories, specific tasks and required scores in order to be considered unable to perform the extended ADL category are detailed in the table below.

ADL category	Specific tasks		Scores required in order to be considered unable to perform the ADL category:
1. Self-care	■ Bathing ■ Grooming ■ Dressing ■ Eating and feeding	■ Bowel and bladder function ■ Mobility	■ 'cannot' in at least one specific task, or ■ 'with help' in at least two specific tasks.
2. Communication	■ Speaking ■ Reading ■ Writing ■ Keyboard use		■ 'cannot' in at least one specific task, or ■ 'minimal' in at least two specific tasks.
3. Physical activity	**Intrinsic** ■ Standing ■ Sitting ■ Reclining ■ Walking ■ Stooping ■ Squatting ■ Kneeling ■ Reaching ■ Bending ■ Twisting	**Functional** ■ Carrying ■ Lifting ■ Pushing ■ Pulling ■ Climbing ■ Exercising	■ 'cannot' in at least three specific tasks, or ■ 'with help' in at least six specific tasks.
4. Sensory function	■ Hearing ■ Seeing ■ Tactile sensation ■ Tasting ■ Smelling		■ 'cannot' in at least one specific task, or ■ 'minimal' in at least two specific tasks.
5. Hand functions	■ Grasping ■ Holding ■ Pinching ■ Percussive movements	■ Sensory discrimination	■ 'cannot' in at least one specific task, or ■ 'minimal' in at least two specific tasks.
6. Advanced functions	■ Travel (riding, driving) ■ Sexual function ■ Social interaction ■ Understand concepts ■ Memory	■ Problem solving ■ Stress adaptation ■ Sleep pattern ■ Recreational/ social activities	■ 'cannot' or 'poor' in at least four specific tasks.

ADL scoring

The following scoring method is used to score the ADL Score Sheet:

- If a person is independent in performing that task, they are regarded as able to do that task (can), (normal) or (good)
- If a person makes use of assistive devices, or requires the supervision of another person in performing that task, they are regarded as requiring assistance to do the task (with help), (minimal) or (average). Examples of assistive devices are walking frames, raised toilet seats, shower or bath benches. Please note that glasses and hearing aids are not classified as assistive devices.

If a person is completely dependent on another person(s) to perform a task, they are regarded as unable to do that task (cannot) or (poor). Poor means a rating of poor or below average as measured and evaluated by the relevant and appropriate neuropsychometric test(s).

Term	Definition
fracture	Any fracture that requires a pin, traction, plaster or other immobilising structure.
functional impairment	The presence of a medically recognised disease or disorder, resulting in an inability to perform a specified number of the *extended activities of daily living* categories, while on optimal therapy if appropriate, assessed in accordance with the specific criteria set out in the definition of *extended ADLs scoring*. The functional impairment must be present for a minimum of six months and be permanent and irreversible.
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.
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.*

Term	Definition
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, 50% of the next $240,000 and 20% of the balance of the insured person's *pre-disability income,* ■ In relation to Disability Income Insurance provided on an indemnity basis and with the Superannuation Cover option selected, the lesser of: – the monthly insured amount, and – the monthly equivalent of 100% of the insured person's *pre-disability income* contributed to superannuation (up to a maximum of 20% of pre-disability income but no more than the proportion of *pre-application income* contributed to superannuation) plus 75% of the next $320,000 of *pre-disability income*, 50% of the next $240,000 and 20% of the balance, ■ In relation to Disability Income Insurance provided on an agreed value basis and without the Superannuation Cover option selected, the lesser of: – the monthly insured amount, and – the monthly equivalent of 75% of the first $320,000, 50% of the next $240,000 and 20% of the balance of the insured person's *pre-application income*, ■ In relation to Disability Income Insurance provided on an agreed value basis and with the Superannuation Cover option selected, the lesser of: – the monthly insured amount, and – the monthly equivalent of 100% of the insured person's *pre-application income* contributed to superannuation (up to a maximum of 20% of *pre-application income*), 75% of the next $320,000 of *pre-application income*, 50% of the next $240,000 and 20% of the balance, ■ In relation to Disability Income Insurance provided on an endorsed agreed value basis, the monthly insured amount, ■ In relation to Disability Income Insurance where portions of the monthly insured amount are each provided with different types of cover (on either an endorsed agreed value basis or an indemnity basis), the greater of: – the portion of the monthly insured amount provided on an endorsed agreed value basis, and – the *monthly benefit* otherwise calculated on an indemnity basis using the combined total of the portions of the monthly insured amount provided on an endorsed agreed value basis and an indemnity basis, ■ 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.* In determining the *monthly benefit* to be used as the basis for the payment of any benefit(s) under the policy in any given month, we will consider the sum of only those portions of the monthly insured amount for which the particular benefit is payable, having regard to the waiting period, benefit period, type of cover and options that are applicable.
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.
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*).
partner	A person with whom the insured person is legally married or in a *partnership*.
partnership	A prescribed relationship which is registered under State or Territory law for the purposes of the Acts Interpretation Act 1901.
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: ■ *income* for the 12 months (for employees), and ■ average of personal exertion *income* over the two years or, if the *income* for the latest year is less than 80% of the *income* in the previous year, *income* for the 12 months (for self-employed persons), immediately prior to your application for cover, or if you have applied to increase the monthly insured amount, immediately prior to your application for the increase.

Term	Definition
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 monthly *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 highest average monthly *income* of the insured person for 12 consecutive months in the three years 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* at each cover anniversary while 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 *income* earned in the month by the insured person from personal exertion following injury or *illness* while *partially disabled.*
significantly disabled	The insured person is, solely as a result of injury or *illness*: ■ unable to perform any occupation, business or employment for which the insured person is suited by education, training or experience, 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*.
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 medical specialist approved by Macquarie Life.
total and permanent disablement	Due to injury or *illness:* a) If the *own occupation* definition applies: ■ the insured person has been absent from their *own occupation* 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 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 their *own occupation* OR ■ the insured person suffers *functional impairment* of at least 4 *extended ADL* categories* 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 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 suffers *functional impairment* of at least 4 *extended ADL* categories* 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 SIS definition of permanent incapacity, 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 *superannuation optimiser – any occupation* 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 SIS definition of permanent incapacity, 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 *any occupation* definition, and ■ the insured person does not meet the 'superannuation component' part of the definition.

* This tier of the definition does not apply where the policy owner is the trustee of a superannuation fund and a Superannuation Optimiser definition does not apply.

Term	Definition
total and permanent disablement continued	e) if the *superannuation optimiser – domestic duties* 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 *domestic duties* definition, and ■ the insured person meets the SIS definition of permanent incapacity, 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 *domestic duties* definition, and ■ the insured person does not meet the 'superannuation component' part of the definition. f) 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 it is likely they will be able to perform neither *domestic duties* nor engage in *any occupation* ever again OR ■ has suffered permanent and irreversible *whole person impairment* of at least 25% and, in our opinion, is incapacitated to the extent that it is likely they will be able to perform neither *domestic duties* nor engage in *any occupation* ever again OR ■ the insured person suffers *functional impairment* of at least 4 *extended ADL* categories* OR ■ the insured person meets the *modified TPD* definition g) If the *modified TPD* definition applies: ■ the insured person has suffered *loss of limbs,* ■ the insured person has suffered *loss of independent existence,* or ■ the insured person has suffered *cognitive loss.*
total disability/ totally disabled	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*. If you have Disability Income Plus Insurance, for a maximum of twelve monthly payments per claim, we will also consider the insured person to be *totally disabled* if the insured person: ■ is unable to work more than 10 hours** per week in their *usual occupation*, ■ is not *gainfully employed* for more than 10 hours** per week, and ■ has a *post-disability income* that is less than 25% of their *pre-disability income* (for Business Expenses Insurance, has a *post-disability business income* that is less than 25% of their *pre-disability business income*) 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.
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.

* This tier of the definition does not apply where the policy owner is the trustee of a superannuation fund and a Superannuation Optimiser definition does not apply.

** If the insured person was working less than 20 hours per week in their *usual occupation* in the 12 months immediately prior to *disability*, the insured person must be unable to work more than 5 hours per week in their *usual occupation* and not be *gainfully employed* for more than 5 hours per week.

How to contact Macquarie Life and Macquarie Investment Management Limited

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.

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