Supplementary Product Disclosure Statement

FutureWise

Issued by:	Macquarie Life Limited ABN 56 003 963 773 AFSL 237 497 (Macquarie Life) Macquarie Investment Management Limited ABN 66 002 867 003 AFSL 237492 (MIML)
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This Supplementary Product Disclosure Statement (SPDS) must be read together with the FutureWise Product Disclosure Statement dated 7 June 2014 (the PDS).

This document has been prepared by Macquarie Life. It contains important information about insurance issued by Macquarie Life and available to superannuation funds, including the Macquarie Superannuation Plan of which MIML is trustee. The SPDS has been jointly issued by Macquarie Life and MIML. However, each issuer is not responsible for the products issued by the other issuer.

Information contained in this document 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 for a FutureWise policy 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 the PDS and this SPDS before completing the application form.

This document does not take into account your objectives, financial situation or needs. Before acting on the PDS and this SPDS you should consider whether it is appropriate to your situation. We recommend you obtain advice before making any financial decision.

Macquarie Life and MIML are not authorised deposit taking institutions for the purposes of the Banking Act (Cth) 1959 and their obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Neither Macquarie Bank Limited, nor any other company in the Macquarie Group, guarantees or otherwise provides assurance in respect of the obligations of Macquarie Life or MIML.

About this SPDS

This SPDS provides information relating to a new type of disability income insurance being made available by Macquarie Life called Disability Income Super-only. This cover is offered as an additional type of Disability Income Insurance available to be held wholly within superannuation and is an alternative to Disability Income Standard and Disability Income Plus. Generally, the terms applying to a Disability Income Insurance policy as set out in the PDS will apply to Disability Income Super-only policies except to the extent varied or qualified by this SPDS. This SPDS updates the information provided in the summary of Disability Income Insurance on pages 28 and 29 of the PDS, and the policy terms for Disability Income Insurance set out on pages 31 to 38 of the PDS. The terms and conditions of all other insurances offered under the PDS, including other Disability Income Insurances, are unchanged by this SPDS.

Disability Income Super-only is only available within superannuation ownership – that is, where the policy is to be issued to a trustee of a superannuation fund as policy owner (and the insured person is a member of that superannuation fund). This can include:

- MIML as trustee of the insurance-only division of the Macquarie Superannuation Plan
- MIML, or another trustee approved by Macquarie Life, as trustee of an *eligible superannuation plan*
- a trustee of a self managed superannuation fund (SMSF).

Disability Income Super-only is available under a single policy, without the need to apply a Superannuation Optimiser structure. This differs to the structure applied to Disability Income Standard and Disability Income Plus when issued to superannuation fund trustees. However, additional restrictions are applied to the policy terms for Disability Income Super-only so that it complies with new requirements of superannuation law which came into effect from 1 July 2014.

Please read the ownership section of the PDS on pages 45 and 46 for more information on holding insurance through superannuation. Please note the information on Superannuation Optimiser on pages 48 and 49 is not relevant to Disability Income Super-only, which is issued under a single policy wholly through superannuation. If you are applying for Disability Income Super-only as a member of the insurance-only division of the Macquarie Superannuation plan you should also refer to pages 61 to 64 of the PDS for important additional information about that particular type of ownership.

Summary of the benefits and features of Disability Income Super-only

This section updates the tables on pages 28 and 29 of the PDS. It summarises the benefits and features included in Disability Income Super-only and the extra cost options available. It also indicates whether any special conditions apply. The details of those special conditions are set out in the next section.

Included benefits	
Total Disability benefit	Yes, subject to additional conditions to comply with the requirements of superannuation law. The description on page 31 of the PDS is replaced with the information on page 3 of this SPDS.
Partial Disability benefit	Yes, subject to additional conditions to comply with the requirements of superannuation law. The description on page 31 of the PDS is replaced with the information on page 3 of this SPDS.
Specific Injury benefit	Not included.
Death benefit	Yes, as described on page 32 of the PDS.
Included features	
Indexation Increases feature	Yes, as described on page 32 of the PDS.
Premium Waiver feature	Yes, as described on page 32 of the PDS.
Recurrent Disability feature	Yes, as described on page 33 of the PDS.
Waiting Period Reduction feature	Yes, as described on page 33 of the PDS.
Involuntary Unemployment Waiver feature	Yes, as described on page 33 of the PDS.
Medical Professionals feature	Not included.
Extra cost options	
Extra Benefits option	Not available (none of the benefits or features of this option apply).
Accident option	Yes, as described on page 36 of the PDS.
Claims escalation option	Yes, with additional conditions to comply with the requirements of superannuation law. The description on page 36 of the PDS is replaced with the information on page 3 of this SPDS.
Superannuation Cover option	Not available.
Booster option	Not available.
TPD Commutation option	Not available.
Benefit type	
Indemnity	Yes, as described on page 30 of the PDS.
Agreed Value	Not available.
Endorsed Agreed Value	Not available.

Additional terms and conditions that apply to Disability Income Super-only

The terms and conditions which apply to Disability Income Super-only policies are contained in the PDS, as modified by this SPDS. The relevant sections of the PDS are modified as indicated below.

1. The following is added to the 'Total Disability benefit' section on page 31 of the PDS, before the subheading 'Calculating the benefit payable':

If you have Disability Income Super-only as shown on your policy schedule, the Total Disability benefit is payable if, during the *period of insurance*, the insured person:

- has been continuously *disabled* during the waiting period and is *totally disabled* for at least five consecutive days during that time
- is *totally disabled* after the end of the waiting period, or after a period during which the Partial Disability benefit has been paid for the same *illness* or injury
- as a result of the *disability,* has either ceased to be *gainfully employed* or has temporarily ceased to receive any gain or reward from a continuing arrangement of *gainful employment,* and
- continues to be *totally disabled.*

2. The first paragraph of the 'Partial Disability benefit' section on page 31 of the PDS is replaced by:

If you have Disability Income Standard or Disability Income Plus as shown on your policy schedule, the Partial Disability benefit is payable if, during the *period of insurance,* the insured person:

- has been continuously *disabled* during the waiting period
- is *partially disabled* after the end of the waiting period, or after a period during which the Total Disability benefit has been paid for the same *illness* or injury, and
- continues to be *partially disabled.*

If you have Disability Income Super-only as shown on your policy schedule, the Partial Disability benefit is payable if, during the *period of insurance,* the insured person:

- has been continuously *disabled* during the waiting period,
- is *partially disabled* after the end of the waiting period, or after a period during which the Total Disability benefit has been paid for the same *illness* or injury
- as a result of the *disability,* has either ceased to be *gainfully employed* or has temporarily ceased to receive any gain or reward from a continuing arrangement of *gainful employment,* and
- continues to be *partially disabled.*

3. The 'Claims Escalation option' section on page 36 of the PDS is replaced by:

This is an option for which an additional premium is charged. If the Claims Escalation option applies, it will be shown on your policy schedule.

If you have Disability Income Standard or Disability Income Plus as shown on your policy schedule, while the Total Disability benefit or Partial Disability benefit is being paid, we will increase the *monthly benefit* at the cover anniversary by any increase in the *consumer price index*.

If you have Disability Income Super-only as shown on your policy schedule, while the Total Disability benefit or Partial Disability benefit is being paid, we will increase the *monthly benefit* at the cover anniversary by the lesser of any increase in the *consumer price index,* and 5%.

4. The 'When the monthly benefit is reduced' section on page 38 of the PDS is replaced by:

The *monthly benefit* payable for the Total Disability benefit or Partial Disability benefit may be reduced by any of the following payments that are made or are payable in respect of the insured person:

- legislated compensation schemes and Workers Compensation (unless your policy schedule shows you have Disability Income Standard or Disability Income Plus and the insured person is categorised with an occupation class of 1E, 1L, 1M or 1P)
- any other insurance that provides income payments due to illness or injury, which commenced prior to the commencement of the FutureWise Disability Income Insurance policy unless we have expressly agreed in writing not to apply a reduction, and
- any payments received from an employer for periods of approved leave including sick leave payments if your policy schedule shows you have Disability Income Super-only.

If a lump sum is paid by any of the above sources in respect of the insured person, 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 and any *post-disability income*, it does not exceed the monthly equivalent of 75% of *pre-disability income* (100% of *pre-disability income* for the Partial Disability benefit or while the monthly benefit is increased under the Booster option).

5. The following is added to the 'When we won't pay' section on page 38 of the PDS:

If you have Disability Income Super-only as shown on your policy schedule, in addition to the above conditions, a benefit will not be payable for a claim if at the time the insured person first becomes *disabled*, the insured person was not in *gainful employment.* (Note: While the insured person is not in *gainful employment* the policy continues, subject to this restriction on a claim being paid, so that cover is still available upon return to *gainful employment*. Premiums continue to be payable during the absence from *gainful employment*, unless you exercise the premium and policy suspension feature explained on page 53 of the PDS.)

6. The definition of *total disability*

The definition of total *disability/totally disabled* for Disability Income Standard on page 83 of the PDS also applies to Disability Income Super-only.

To contact Macquarie Life, call 1800 005 057, visit macquarielife.com.au, email insurance@macquarie.com or send mail to Macquarie Life GPO Box 5216 Brisbane QLD 4001.