



# AvSuper Member Insurance Guide



Your guide to  
AvSuper's  
insurance options

30 November 2020

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The icon indicates that information in this guide forms part of the AvSuper Public Offer and Corporate PDSs (dated 30 November 2020) to help you understand AvSuper and insurance. This icon can be found on our website to indicate that the material forms part of these AvSuper PDSs. We suggest you regularly check our website for updated information.

### Disclaimer:

The information provided is of a general nature and does not take into account your specific financial needs or personal situation. You should assess our [Financial Services Guide](#) and your own financial position and personal objectives before making any decision based on this information. This Member Guide has been issued by AvSuper Pty Ltd (ABN 46 050 431 797, AFSL 239078), the Trustee of the AvSuper Fund (ABN 84 421 446 069). The Insurance Policy is the final authority on the conditions governing the insurance cover described in this Guide - you can contact us for a copy. Although every effort has been made to verify the accuracy of the information contained in this document, AvSuper, its officers, representatives, employees and agents disclaim all liability (except for any liability which by law cannot be excluded), for any error, inaccuracy in or omission from the information contained in this document or any loss or damage suffered by any person directly or indirectly through relying on this information. Any alterations to the information contained in this guide that are not materially adverse will be available on [www.avsuper.com.au](http://www.avsuper.com.au) and in printed or electronic form (free of charge) upon request, along with our privacy policy which includes the collecting and handling of your personal information. Insurance fees may change from time to time. For references to third party services, the Trustee has no responsibility for their products, services, views or actions and accepts no liability for the outcomes of your interactions with those third parties. All insurance cover is provided through group insurance policies issued to the Trustee by Hannover Life Re. Hannover assesses most insurance applications and works with the AvSuper Trustee in assessing all claims. Please note that the Trustee reserves the right to change insurers without prior notification.



## AvSuper insurance - we've got you covered

AvSuper provides eligible members, including those in nominated higher risk occupations, with access to affordable death, total & permanent disablement (TPD) and income protection insurance. Cover is provided 24 hours a day, 7 days a week - not just when you are at work.

You can adjust your AvSuper cover to suit your changing needs and circumstances (some additional information may be required to increase cover).

## AvSuper insurance options and you...

<b>Automatic Cover*</b>	provision of a minimum level of cover for most non-Corporate members	GREEN section
<b>Corporate Cover*</b>	insurance cover provided to Corporate members only - see page 8	BLUE section
<b>Voluntary Cover*</b>	all superannuation members can apply for insurance to suit their needs	ORANGE section

The AvSuper Trustee believes that insurance cover is an effective way of providing you and your family with additional financial security (ie in addition to your super savings) in case you die or become permanently disabled before you retire.

Insurance through your super is a very significant benefit as we can use our large scale to obtain significant discounts and a tax deduction which we refund to members (effectively a refund of 15% of your insurance fees). Remember that fees are deducted from your super, not your bank account.

This insurance guide provides important information about obtaining insurance through AvSuper. It provides a summary of the main terms and conditions you need to satisfy when applying for (or varying) your insurance cover. Please read this booklet and the [fees information](#) on our website carefully and refer to our website for any updates to this guide as it is important that you fully understand the terms and conditions if you need to lodge an insurance claim.

\* Eligibility terms apply to all AvSuper cover

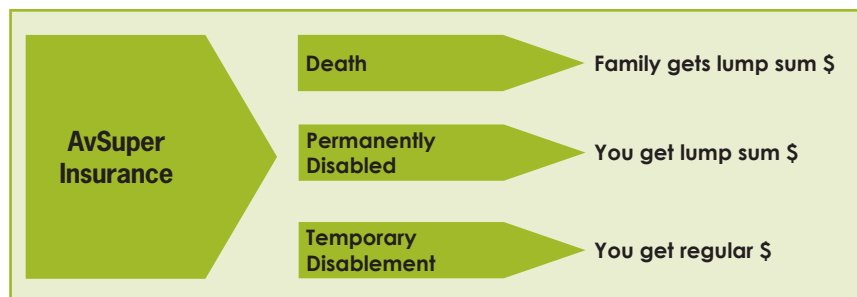


## AvSuper Insurance

Insurance cover is an effective way of providing you and your family with additional financial security in the event of illness, disability or death. Unfortunately, many Australians are underinsured, or have no insurance cover at all.

**Cover is provided 24 hours a day, 7 days a week – not just while you're at work.**

A lump sum or replacement income can reduce financial worries during stressful times - it's worth thinking about and discussing with your family.



### How much cover is enough?

Although we don't like to think that accidents and illness can happen to us, they can happen – and they can cause stress and financial difficulties. Having death and disability insurance offers financial protection against illness or injury, but how much cover is enough?

There is no one amount of cover that will suit everyone, and the right amount of cover for you is also likely to change over time. Your lifestyle, financial commitments, age and family structure can all affect your insurance needs.

#### Not an AvSuper member?

AvSuper insurance cover is only available to AvSuper members, however, it's easy to join and get access to these insurance options. Simply read the [Product Disclosure Statement](#) then download an [AvSuper Member application](#) from [www.avsuper.com.au](http://www.avsuper.com.au), complete it and return it to us with your [voluntary insurance application](#).

Our minimum level of insurance cover (provided to most eligible members upon joining) is just a starting point and we suggest you review whether it is enough for your needs. This guide will help you decide what type of cover you need. You may also consider [making an appointment with an AvSuper Member Advice Consultant](#) for assistance in determining your level of cover.

## Automatic Cover upon joining AvSuper

Two units of Automatic Cover will generally be provided to eligible new members upon joining AvSuper. Insurance for our Corporate members is different and described on page 8.

Automatic Cover provides you with a basic level of protection against death and total and permanent disablement (TPD). You can opt out of this cover at any time. Note that Automatic Cover is the same as AvSuper's Voluntary Cover once it is in place.

To be eligible for Automatic Cover, you must:

- not have opted out of AvSuper cover previously
- not have made nor currently be eligible to make a TPD or terminal illness claim against any super fund or life insurance policy
- meet eligibility criteria for AvSuper Voluntary Cover, such as age restrictions and being an Australian resident
- be an accumulation (not Income Stream) member
- be at least 25 years of age\*
- have an account balance over \$6,000\* so cover may not start until you have transferred additional savings into your account

If your employer has not yet chosen AvSuper as their default super fund, your cover is provided on a **Limited Cover** basis for 24 months and will revert to full cover after that time if you are **Actively Employed**. If you are not at work after 24 months, you will have **Limited Cover** until you are **Actively Employed**.

**Limited Cover** means cover for an illness diagnosed or an injury that occurs on or after the date insurance commences (ie it does not cover pre-existing conditions).

**Actively Employed** means you are actively performing all the duties and hours of your usual occupation and not receiving or claiming any income support benefits (eg workers compensation, transport accident benefits).

### What will it cost?

A unit of death only cover is \$0.57 per week. A unit of death and TPD cover is \$0.85 per week. Note these Automatic Cover fees are based on a Light Blue collar worker until you change occupation class which will have a different fee rate as [shown on our website](#). Insurance fees are deducted monthly from your account.

Opting out of Automatic Cover within 60 days of joining AvSuper means any insurance fees will be refunded.

If you would like more cover than is provided via Automatic Cover, or want income protection insurance, see page 4 for the voluntary insurance section.

\* You can [use our online form](#) to elect to get cover immediately even if you are under 25 or have a low balance. Otherwise cover will start when you reach those milestones once you meet all other eligibility criteria.

## Voluntary Cover

All AvSuper members with an accumulation account, including members with a Corporate account, can apply for Voluntary Cover (eligibility terms apply) if their account balance is at least \$1,200. This means you can apply for the level of cover that suits your personal circumstances.

<b>Death</b>	<b>fixed cover or fee</b>	up to \$1,500,000 without health evidence
<b>Death &amp; TPD</b>	<b>fixed cover or fee</b>	up to \$3,000,000
<b>Income protection</b>	<b>fixed-fees only</b>	up to \$30,000 per month

Your AvSuper voluntary death and TPD insurance can be either fixed cover (so fees increase each year for the same amount of cover) or fixed fee (your fee stays the same but cover decreases each year). Cover will be fixed fee if you do not make a choice.

To be eligible for Voluntary Cover, you must be an AvSuper member, have an accumulation account balance of at least \$1,200 or be receiving regular superannuation guarantee contributions into your AvSuper account, meet age restrictions, be an Australian resident or citizen, and not have made (nor be currently eligible to make) a TPD claim.

### How to vary (increase or decrease) your insurance cover

You can apply for or increase your Voluntary Cover by completing a [voluntary insurance application](#) (available from [www.avsuper.com.au](http://www.avsuper.com.au)) or by [logging into AOL](#).

You may be asked to provide additional medical information. You should note that the availability and the amount of your cover may be affected by certain exclusions (see page 16).

Please refer to page 18 for details on when Voluntary Cover starts and ends. Interim accident cover applies while your application is being processed – please see page 11 for details.

If you wish to reduce the amount of Voluntary Cover, please complete and return a [reducing voluntary insurance cover](#) form.

#### AvSuper insurance is open to pilots!

AvSuper Voluntary Death & TPD Cover (defined on page 17) is generally open to commercial pilots (other eligibility criteria apply, income protection cover is excluded)

### Death only

Death only cover offers you the peace of mind that your family and dependants will be financially cared for if you die. If under 70 years of age, you can apply for as many units as you wish; please see our website for [how much cover a unit buys](#) at your age.

### Death & TPD

Death & TPD cover may provide a lump sum payment to you (if you stop work because you are terminally ill or totally and permanently disabled – see page 17 for the definition) or your dependants or estate (if you die). This may help ease some worries during a stressful time.

If under 70 years of age, you can apply for as many units as you wish up to \$3,000,000 of TPD cover, including any AvSuper Automatic or Corporate Cover you may have. Our website shows [how much cover a unit buys](#) at your age.

If you have previously claimed (or been eligible to claim) a TPD payment from any super fund or life insurance policy, you can only apply for Death cover.

### Income protection

Income protection cover may provide a monthly payment to you if you are totally temporarily disabled due to illness or injury and unable to work.

The amount of cover is 75% of your salary, to a maximum of \$30,000 per month, and based on units of \$100 cover per month. You must be working at least 15 hours a week when you apply for this cover.

You can also choose to insure another 10% of your salary which will be paid as a superannuation contribution to your AvSuper account.

There are two types of income protection cover available:

- **short-term income protection** where you may get payments for one disability for a maximum period of 2 years or the period to age 65 (whichever is shorter)
- **long-term income protection** where you may get payments whilst you remain disabled up to age 60.

Any income protection payments made to you do not reduce your TPD entitlement (if applicable). If you take out income protection insurance, any Corporate TTD Cover will cease (see page 9 for the definition of TTD).

Providing you're eligible, income protection payments are made monthly in arrears and waiting periods apply. Income protection payments cease at the end of the term (short-term or long-term as described above), if you die, or when you are no longer totally disabled.

There are some **limitations and payment reductions** that may apply to any claims (see page 16 for information about making claims). Payments may be reduced by other disablement payments such as workers' compensation, Centrelink payments and other insurance payments.

No income protection is payable if the claim is caused directly or indirectly by:

- war, or act of war
- an insured member's intentional self-inflicted act, or





- events related to pregnancy.
- Cover may continue for up to three years (or longer if the insurer agreed in writing) of you being out of Australia. Claim payments cease after six months absence from Australia but may recommence when you return.

The insurer may also reduce or refuse to pay out any claims:

- while you are imprisoned
- if you do not comply with the insurer's claim requirements
- if you do not advise the insurer at the time a disability starts.

### Taxation information

Income protection payments are paid in place of your salary/wage so will be taxable under Pay As You Go (PAYG) tax rules. Before paying your claim to you, AvSuper and our insurer will deduct any relevant tax (or at the maximum rate if we do not have your tax file number (TFN) on file).

If you have chosen cover to include super contributions as part of your income protection, those contributions will be taxed by your super fund as if they were employer contributions and will count as concessional contributions (please refer to our [Understanding contributions limit fact sheet](#) on our website for information about concessional limits).

### What does Voluntary Cover cost?

Voluntary insurance fees, listed below, are deducted from your account at the end of each month and depend on various factors including the type and amount of cover you have.

#### Weekly death and TPD fees (per unit of cover)

TYPE OF COVER	OCCUPATION CLASS			
	Professional	White collar	Light Blue collar	Heavy Blue collar
Death only	\$0.34	\$0.40	\$0.57	\$1.03
Death and TPD	\$0.51	\$0.60	\$0.85	\$1.53

#### Sample weekly Income Protection fees (per \$100 monthly payment for a light blue collar occupation)

AGE	30 day waiting period		90 day waiting period		180 day waiting period	
	Short term	Long term	Short term	Long term	Short term	Long term
18	\$4.15	\$8.92	\$1.51	\$3.85	\$1.28	\$3.28
59	\$36.42	\$56.24	\$24.57	\$40.98	\$20.90	\$34.83
64	\$13.07	n/a	\$7.77	n/a	\$6.60	n/a

Please refer to our website for the [value of a unit of cover](#), [fixed cover fees](#) and [all income protection fees](#).



Fees vary depending on your occupation class (see definitions below). If your role and occupation class change, please let us know [online](#) or via a [change occupation class form](#) (on our website) - not telling us could result in delays and issues if you need to make a claim.

The occupational classifications used to determine your fees are:

#### Professional

You work indoors (at least 80% of the time) in a sedentary capacity, have a tertiary qualification, earn over \$100,000, and belong to a professional institute or are registered by a government body.

#### White collar

Professional pilot OR you are mainly engaged in clerical and administrative duties, working indoors and in a sedentary capacity.

#### Light Blue collar

Air Traffic Controller OR you are mainly engaged in light manual duties. You may travel for work but do not deliver goods (eg in retail or sales, a computer technician, a supervisor of manual work or a professional with some fieldwork).

#### Heavy Blue collar

Fire fighter OR you predominantly perform manual work or are a skilled employee performing heavy manual work (eg cleaners, labourers, delivery drivers, storemen, production workers, machine operators)

#### Excluded

Certain high risk occupations, as determined by the insurer [and listed on our website](#), are not eligible for Voluntary Cover - remember to cancel cover if this applies to you when changing jobs

*Your classification includes your interests and hobbies, not just paid work, and will be verified if a claim is made.*

Your Voluntary Cover may include fee loadings or exclusions applied by the insurer. Note that these loadings and exclusions will not affect your existing Automatic Cover.

Tax rebates for insurance fees received by AvSuper will be applied to relevant members' accounts. Stamp duty has been factored into these fees. The rates are not guaranteed - any rate changes will be published on our website and members notified in writing.

## Corporate Cover

Cover is generally provided automatically to eligible Corporate members upon joining AvSuper.

Corporate Cover provides you with a basic level of protection against death, total and permanent disablement (TPD) and total and temporary disablement (TTD). You can see how much you are covered for on your member statement or by [logging into AOL](#).

If you are not a Corporate AvSuper member, our voluntary insurance cover may suit your needs (please refer to pages 3 and 4 for details).

### Who is eligible/covered?

You are provided with Corporate death, TPD and TTD cover upon commencement with your employer if you meet all of the following criteria:

- you are a Corporate member (ie you currently work for Airservices or CASA),
- your full superannuation guarantee contributions are paid to AvSuper,
- you join AvSuper within six months of starting with your Corporate employer
- you are not a CSS member
- you are between 25<sup>#</sup> and 60 years of age (if under 25, you can apply for cover)
- you are an Australian resident
- you have an opening balance over \$6,000<sup>#</sup>

There is no need for any health evidence unless your insurance cover is above the automatic acceptance level (see below) or you don't meet eligibility requirements. You can not decline or reduce your Corporate Cover, but you can apply for additional voluntary insurance cover for death only or death and TPD, and/or to replace your TTD cover with income protection. You can also apply for Voluntary Cover if you do not meet the Corporate Cover criteria.

If you have previously claimed (or been eligible to claim) a TPD from any super fund or life insurance policy, you must tell us and can only access Death cover.

### How much cover is available?

Corporate Cover for death and TPD is calculated as:  
20% x your future service to age 60 x your salary.

"Future service" is defined as how many years remain to your 60th birthday. For instance, if you are now 33.25 years old, you have a future service of 26.75 years.

Your future service and salary relate to your age and salary (according to our records) at the time of a claim. If you are working less than full-time hours your cover will be calculated on your part-time equivalent salary.

Please note that the maximum Corporate Cover (the automatic acceptance level or AAL) you can have without providing evidence of your health is currently \$1,500,000. We will contact you with details if your cover exceeds the AAL, and you will be insured for the AAL until such time as the insurer assesses your application.

<sup>#</sup> If otherwise eligible, cover will apply once age and balance restrictions are met. You can request cover sooner via the 'elect to have default cover' form on our website.

If you would like more cover than your Corporate Cover provides, or want income protection cover, refer to the Voluntary Cover section of this member guide.

### Death or Total and Permanent Disablement (TPD) claim

If you make a death/TPD claim before age 60, you (or your dependants) may be entitled to a cash lump sum consisting of your super balance and an insurance payment. The insurance would be reduced by any TTD payments made (please see below for TTD information). After you turn 60, you (or your dependants) will only be entitled to your super balance as Corporate Cover ceases at age 60.

### Total and Temporary Disablement (TTD) Cover

Corporate insurance cover may provide you with maintenance income known as total and temporary disablement (TTD) cover. You may be eligible to receive TTD payments if you are determined to be totally and temporarily disabled.

The amount payable is calculated as 65% of your gross salary\* up to a maximum of \$25,000 per month. Payment commences after 180 days from the date of disablement, and is reduced by other disablement payments such as workers' compensation, Centrelink payments and other insurance payments. TTD cover ends if you get AvSuper income protection cover.

**Total and temporary disablement (TTD)** – An injury or illness, confirmed by a Medical Practitioner, that stops you performing your usual income producing occupation. You can not be engaged in any occupation while so disabled.

Any TTD payments you become eligible for will cease once you:

- have received payments for 12 months
- are no longer TTD
- have a TPD claim accepted\*\*
- die, or
- reach 60 years of age.

### Taxation information

TTD payments are paid in place of your salary/wage so will be taxable under Pay As You Go (PAYG) tax rules. Before paying your claim to you, AvSuper and our insurer will deduct any relevant tax (or at the maximum rate if we do not have your tax file number (TFN) on file).

\* Your salary is provided to AvSuper by your employer when you commence employment and at 30 June each year for accumulation members and on your birthday for defined benefit members.

\*\* If your TPD claim is subsequently accepted, the TPD cover payable is reduced by any TTD payments made.



### What will it cost?

Corporate Cover fees are available on our website. Weekly rates vary between \$0.26 (for a 16 year old female) and \$7.84 (for a 59 year old male) per \$1,000 of cover.

They are deducted from your accumulation account at the end of each month. Fees are calculated according to your age, salary, gender and level of insurance cover.

### Defined benefit members

If you are a defined benefit member, your Corporate cover is paid for by your employer as part of your membership (refer to your [defined benefit member guide](#) for details). If you also have an accumulation account with a minimum balance of \$1,200, you can apply for Voluntary Cover as well (eligibility criteria apply).

## Continuation of Cover

Your death, TPD and income protection (if applicable) cover will continue even if you leave Airservices/CASA employment as long as you maintain a minimum \$1,200 balance. However, any Corporate Cover will be converted to an equivalent level (rounded up as required) of Voluntary Cover units.

There is no continuation of TTD cover if you leave Corporate employment.

Fees are payable at the Voluntary Cover rates (see our website) for a light blue classification as default. If you are taking up, or take up in the future, professional, white collar or heavy blue collar employment (and relevant lifestyle interests) you need to let us know so your fees can be adjusted.

Your cover will cease if your account balance reduces below \$1,200 or another 'end of cover' event occurs (refer to page 18). If you stay an AvSuper member but wish to reduce or end your cover, please complete a *reducing voluntary insurance cover form*.



## Interim Accident Cover

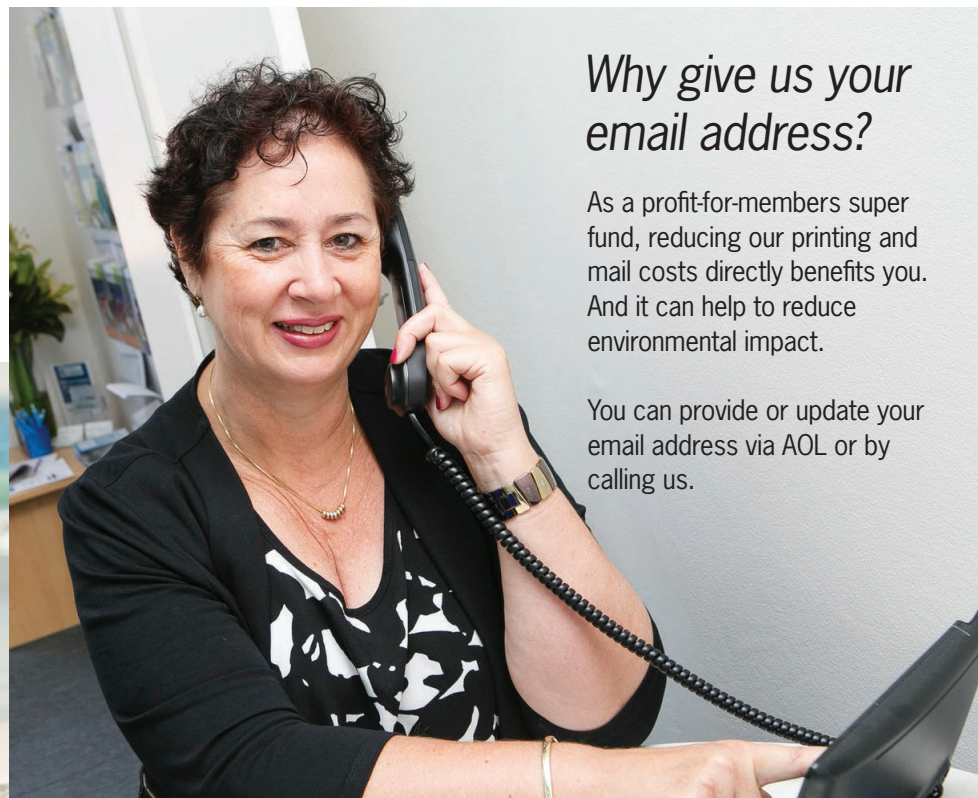
Interim Accident Cover is provided during assessment of your application for:

- Corporate death and/or TPD Cover above the AAL (see page 8)
- Voluntary Death and/or TPD Cover
- Voluntary income protection (IP) Cover

Interim Accident Cover applies for a death or a TPD or IP disablement (as relevant to the cover applied for) directly resulting from an accident caused by violent, external and visible means. Note that Corporate TTD cover is not included in Interim Accident Cover.

The amount of Interim Accident Cover is equal to the amount being assessed, \$15,000 per month up to 12 months for IP cover, or \$1,500,000 for death and TPD cover, whichever is less. It commences on the date your application is received by the insurer. It ends on the earliest of:

- 90 days after the initial application is received by the insurer
- the date the insurer notifies us of their acceptance terms for the cover
- the date the insurer notifies us whether they will accept or reject the cover
- when the policy ends.



### Why give us your email address?

As a profit-for-members super fund, reducing our printing and mail costs directly benefits you. And it can help to reduce environmental impact.

You can provide or update your email address via AOL or by calling us.



## Your beneficiaries

By nominating a beneficiary (or beneficiaries) to receive your superannuation if you die, you assist the Trustee in distributing your death benefit in accordance with your wishes.

When you die, the AvSuper Trustee determines how to pay your death benefit (ie who gets how much of your super and any insurance payments) in accordance with the law. If you make a **valid binding nomination**, the Trustee must follow your instructions. If you do not make a binding nomination, it is not properly witnessed or more than 3 years has passed since you made one, the Trustee has the final say in how your money is distributed but will take any non-binding (preferred) nomination into consideration.

You can nominate any or all of your dependants (see below). If you do not have any dependants, the Trustee may be required to pay your entitlement to your legal personal representative or your estate.

You may wish to keep your nomination of beneficiaries up to date. It's a simple matter of [logging into AOL](#) (non-binding nominations only) or completing a [Nomination of Beneficiaries form](#) and sending it to AvSuper. Your previous nominations are automatically cancelled when a new form is received.

### Who is a dependant?

Your dependants will generally be your spouse (including de facto and same-sex partners), children\*, legal personal representative and any other person with whom the Trustee determines that you had an interdependent relationship as at the time of your death.

#### Two people are considered to have an interdependent relationship if:

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

An interdependent relationship also exists where there is a close personal relationship and one or both people have a physical, intellectual or psychiatric disability. In these circumstances there is no requirement for cohabitation or provision of financial or domestic support.

A close personal relationship is one that involves a demonstrated and ongoing commitment to the emotional support and well-being of the two parties. The definition is not intended to include people who share accommodation for convenience, such as flatmates, or people who provide care as part of an employment arrangement or on behalf of a charity.

Note that financial dependants pay no tax on your death benefits, but other beneficiaries (including non-dependant children over 18) may be subject to tax.

\* There is no distinction between your biological, step or adoptive children.

## Life Changes Cover

We all know that things happen and some of those things can increase the amount of insurance you and your family may need. Eligible AvSuper members can increase their existing Voluntary (including Automatic) death and TPD cover when a major life event takes place – two additional units of cover are pre-approved as our way of supporting you as you move into a new stage of your life (subject to eligibility terms).

Simply send in a [life changes insurance increases](#) form within 60 days of an eligible event to apply to increase your cover.

You can request to increase your current cover by one or two units; additional units require an application for more cover. The same terms and conditions (including fee rates) apply to the additional units as per your existing cover. The additional cover and fees will apply from the date AvSuper receives your completed form and certified evidence, provided you are eligible. The additional units provided under AvSuper's Life Changes Cover are for accidents only in the first six months.

### Am I eligible?

Eligible events include becoming a parent, getting married, buying a house you will live in, getting divorced and starting a child at a private secondary school. Each type of event can only be used for Life Changes Cover once per member.

If you experience an included major life event you must meet the following conditions to qualify for a Life Changes Cover increase:

- no loadings, exclusions or restrictions apply on existing cover
- have not been refused life insurance cover in the past by any insurer
- provide relevant certified evidence to verify the event (as indicated on the form)
- have an AvSuper accumulation account with insurance (members with only a defined benefit account must open an accumulation account)
- be under 55 years
- have not accepted a Life Changes Cover increase within the previous 12 months
- have accepted Life Changes Cover increases less than 3 times in the past.





If you've ever asked yourself if you have enough insurance through super...

avsuper

Personalised  
advice,  
Australia-  
wide!

**AvSuper's member advice consultants - might be just what you need to help make informed choices!**

Get personalised advice about your super and insurance needs in person or over the phone

\* Fees may apply

Julie Peters, Member Advice Consultant

[www.avsuperadvice.com.au](http://www.avsuperadvice.com.au)  
**AvSuper Advice**

**Call 1300 128 751 for details or visit [www.avsuperadvice.com.au](http://www.avsuperadvice.com.au)**

## Transfer of cover

If you have super and insurance cover in another super fund, you may be able to transfer both to AvSuper to potentially save on fees and paperwork\*.

As part of this transfer, you may be able to maintain your current type and level of cover (rounded up to the next whole number of units in AvSuper insurance) without providing any further health evidence.

Your transfer of any old cover commences once your application has been approved in writing. The cover will be subject to the relevant terms of AvSuper voluntary insurance.

### Am I eligible?

To transfer any old insurance cover to AvSuper, you must

- also transfer all super savings from the old fund to AvSuper
- complete a [Roll into AvSuper form](#) or an [AvSuper transfer insurance form](#)
- already have AvSuper insurance
- be or have been eligible for Automatic or Corporate insurance cover
- be transferring cover from your employer default fund

AvSuper may accept your transfer even if you have specific restrictions, loadings, conditions or exclusions associated with your old cover. However, these requirements will also apply to your AvSuper cover unless the insurer waives this in writing.

## Got insurance with an old super account?

**Maybe you've kept an old account open just to keep up that insurance. Why not consider rolling your super and insurance across to AvSuper?**

Combining your old super\* with your AvSuper account is easy and can mean more money for your retirement – not for paying multiple fees!

And transferring your super means you may be eligible to transfer your insurance cover, too, with no health evidence required.

Complete one form and we'll manage the rest for you.

\* Check if you could forfeit other benefits before deciding to close an old super account. It makes good sense to keep your old account open until your AvSuper account is established.

## Insurance claims

AvSuper must be advised in writing of any insurance claim as soon as it is reasonably possible for you (or your beneficiaries) to do so. If we do not receive notice within a reasonable time, the Trustee and insurer may reduce or refuse to pay out the claim to the extent the Trustee's and insurer's assessment of the claim is prejudiced.

Acceptance of any claim is subject to the terms and conditions of AvSuper's insurance policy including eligibility criteria such as our total disability definition. The Trustee can only pay out insurance claims if permitted by the Trust Deed and relevant legislation.

You may not be eligible for cover, or have a reduced level of cover, if:

- the disablement or death is deliberately caused or aggravated
- you fail to undergo tests or treatment
- you fail to provide information
- a claim arises directly or indirectly from war or an act of war
- you have left the country for more than three years
- you commence active duty with the armed forces of any country.

### Making an insurance claim

To assess your claim quickly, we need all relevant information so please contact us for details or the appropriate form(s). However, it is likely you (or your dependants) will need to give us the following information in your claim:

- your name
- your member number
- your address and contact details
- your date of birth
- type of insurance cover you are claiming against
- the date of the claimable event
- details of the claimable event – the more details, the easier it is to assess

Send your claim to us at: AvSuper Pty Ltd, PO Box 223, Civic Square ACT 2608

### What is a terminal illness?

A terminal medical condition (a disease or condition) that has been diagnosed by two registered medical practitioners (including one relevant specialist) as likely to result in your death within 24 months.

Members with a terminal illness, even if still working, may be eligible to access their super and relevant insurance, tax free.



## What is a Total & Permanent Disablement (TPD)?

If you are under 70<sup>†</sup> and working 15 hours a week or more within the six months prior to suffering an injury or illness then as a result of that injury or illness, you will be considered totally and permanently disabled under this policy if you meet one or more of the following conditions:

1. are unable to work for three consecutive months; and determined by our insurer at the end of that three month period, to be unlikely to ever resume your previous occupation or any other occupation<sup>^</sup>
2. suffer a permanent impairment of at least 25% of whole person function and are unlikely to ever resume any occupation
3. suffer the permanent loss of the use of two limbs or the sight in both eyes, or one limb and the sight in one eye and are unlikely to ever resume any occupation
4. suffer cognitive loss<sup>\*</sup>
5. are totally and irreversibly unable to perform two Activities of Daily Living<sup>#</sup> without the assistance of someone else for at least three consecutive months, are unlikely to ever do so again, and are under the regular care of a doctor for the illness or injury.

If you are working less than 15 hours per week (including not working at all) or are working as a pilot within the six months prior to suffering an injury or illness, you must satisfy definitions 3, 4 or 5 in the above list. In all cases, you must also satisfy the definition of 'permanent incapacity' in superannuation legislation.

### What is a Disability for Income Protection?

If you have AvSuper income protection cover<sup>\*\*</sup>, Total Temporary Disability means, solely as a result of injury or illness, for two years you are

- unable to perform your usual occupation, and
- following the advice of a qualified medical practitioner, and
- not engaged in any occupation (whether for reward or not).

Beyond two years, you must be unable to perform duties of your occupation or any other occupation for which you are reasonably capable of performing by reason of education, training or experience.

If you are classed as a heavy blue collar worker, to maintain a claim beyond five years, you must be unable to perform at least two Activities of Daily Living<sup>#</sup> without the assistance of someone else.

<sup>†</sup> Under 60 for Corporate Cover

<sup>^</sup> Any occupation you may be reasonably suited to by your education, training or experience. This may include part time occupations, an occupation which may be perceived to be of lower status than your previous occupation, or an occupation in which you do not earn as much income as you did in your previous occupation.

<sup>\*</sup> Cognitive loss means a total and permanent deterioration or loss of intellectual capacity which requires you to be under the continuous care and supervision by another adult for at least 3 consecutive months and at the end of those 3 months, you are likely to require permanent ongoing continuous care and supervision by another adult.

<sup>#</sup> Activities of Daily Living are bathing, dressing, feeding, toileting and mobility (using a chair or bed).

<sup>\*\*</sup> See page 9 for details of a Corporate TTD definition.



## Other things you should know

### When does cover start?

Providing you are eligible, Corporate or Automatic insurance cover usually commences on the first day of your employment, the day you meet age and balance requirements, or the day you elect to override age and balance requirements. However, if you are not in Active Employment\* on the day you join AvSuper you will not have cover until the day after you start work.

Voluntary Cover will commence from the date your application is approved.

If you apply for cover above the automatic acceptance level (AAL), health evidence may be required. Cover above this amount will start from the date the insurer agrees in writing to that extra cover.

### When does the cover end?

Your cover will generally cease on the earliest of the following events:

- the date you notify us you choose to opt out of Voluntary Cover
- you become entitled to the payment of a Death, terminal illness or TPD entitlement<sup>^</sup>
- you reach age limits: 60 (Corporate and long term income protection cover), 65 (short term income protection), or 70 (Voluntary Death only or Voluntary Death & TPD Cover)
- you commence active duty with the armed forces of any country
- you leave AvSuper
- your account balance falls below \$1,200 if you do not have regular employer contributions being made into your account
- the policy is terminated by the Trustee or is cancelled by the insurer, in which case you will be given appropriate notice

Note that your Corporate Cover ends when you cease Airservices/CASA employment unless you maintain a minimum \$1,200 balance with AvSuper (please see the continuation information on page 10). TTD cover ends when you cease Airservices/CASA employment.

By law, we must end your insurance cover if your super account receives no contributions or transfers for 16 months unless you specifically elect for it to continue. We will send reminders, and you can use our [online form to make the election](#).

Remember that Automatic Cover forms part of your Voluntary Cover.

### Reinstatement of cover

You can opt out of your Voluntary Cover (including Automatic Cover) at any time and reapply for it later. However, you would need to satisfy health and policy conditions at the time of reapplying – acceptance, fees and cover level may not be the same as your previous cover.

If your cover ceased at any point because you were ineligible for cover, you will need to make a new application for cover which may or may not be accepted. This includes cover ceasing because you join the armed forces, couldn't pay fees or your account became inactive.

\*Active Employment means you are:

- Actively performing all the specific duties and hours of your usual occupation
- Not on paid sickness/injury leave
- Able to perform your duties on a full time basis (even if you are a part time or casual worker)

<sup>^</sup> Note death cover (if applicable) will continue whilst receiving an income protection payment.

### What happens when I change jobs?

If you change employers, including if you become self-employed, you can stay in AvSuper.

Any voluntary and Automatic insurance will continue as usual at the same rates and terms as long as you maintain a minimum super balance of \$1,200, have not changed occupation class nor started an excluded occupation (see the list on our website) and have not canceled your cover.

However, any Corporate death and TPD cover will be converted to units of Voluntary Cover and voluntary fee rates will apply. The cover provided by those units will decrease over the life of the policy but the fee will remain fixed.

### Unpaid Leave

Your insurance cover continues for up to 24 months of unpaid leave, including parental leave. No time extension is allowed unless the insurer's approval is obtained in advance.

You can, of course, make extra contributions to your AvSuper account to cover any insurance fees during any period of leave, if required.

### Outside of Australia

Your insurance cover will continue for up to three years if you are out of Australia whether you are travelling for work or pleasure. Please contact us if leaving Australia for an extended period or to see if we can arrange cover beyond 3 years. Insurance fees must be maintained throughout your absence from Australia.

IP payments cease after six months but may recommence when you return to Australia. Any TPD claims may require assessment within Australia before payment will be made.

Note no insurance applies if you visit a country graded as 'do not travel' when you leave Australia. Please contact us if you are considering such travel.

### Fixed cover

If you choose fixed Voluntary Death and TPD Cover, please note that your TPD cover tapers by 10% per year from your 61st birthday until cover ceases when you turn 70. For fees and other details on your fixed cover, please refer to our website.

### Insurance fee rates

The Trustee does not guarantee the fee rates and any changes will be advised to you in writing and on our website. Tax deductions received by AvSuper are refunded so that insured members enjoy the benefit of the deduction.





### Your duty of disclosure

As part of applying for AvSuper's voluntary insurance cover, you have a duty under the Insurance Contracts Act 1984 to tell the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept your application and, if so, on what terms.

Your duty of disclosure continues until the insurer has assessed and accepted your application for new or increased insurance cover.

You have a duty to disclose such matters to the insurer before you change your insurance cover or apply for new cover. Your duty, however, does not require disclosure of a matter that:

- diminishes the risk to be undertaken by the insurer
- is of common knowledge
- the insurer knows, or in the ordinary course of business, ought to know or
- the insurer has waived.

### Non-disclosure

If you fail to disclose something that would have stopped the insurer agreeing to insuring you on any terms, the insurer may avoid the contract within three years of entering into it. If your non-disclosure is fraudulent, the insurer may avoid the contract at any time.

Instead of avoiding a contract, the insurer may choose to reduce the sum that you have been insured for within three years of starting the contract. The reduced sum will be based on a formula that takes into account the fee that would have been payable if you had disclosed all relevant matters to the insurer.

### Your privacy

AvSuper Pty Ltd collects information from you for the purpose of administering and disbursing your super entitlement, including any insurance payment. If it is not collected we cannot look after your interests as an AvSuper member.

Your information will be passed onto our insurer to assess and manage your insurance cover. The insurer may also need to collect further and potentially sensitive information.

It may be necessary for AvSuper or the insurer to pass some of your personal information to medical practitioners to clarify or verify details, as well as to insurance reference agencies, claims assessors, reinsurers and any person acting on your behalf (such as a solicitor, financial advisor, guardian or executor).

AvSuper and our insurer undertake all necessary precautions to maintain the security and privacy of your information. You can access the personal information we collect and the organisations to which we disclose your personal information by contacting AvSuper. AvSuper's Privacy Notice is available at [www.avsuper.com.au](http://www.avsuper.com.au) or by calling 1300 128 751.

### Checklist for tidy financials

Make life easier for your beneficiaries by keeping your finances organised and tidy

- ✓ Make a clear list of your assets, including account numbers and similar details
- ✓ Review your assets periodically
- ✓ Ensure you have enough insurance to support your family if you die – the worksheet below can get you started
- ✓ Check your beneficiary arrangements – super, insurance and your will
- ✓ Keep your partner and/or executor informed about your financial arrangements
- ✓ Consider getting qualified financial advice on your insurance and investments

### A guide to calculating your insurance needs

The following table can help you determine your death cover needs. It is only a guide and you may want to get personalised financial advice before making a decision.

How much money do you have?	
Super balance	
Shares	
Savings	
Paid leave entitlements	
Other	
TOTAL money available for your family	A
How much would your family need?	
Mortgage balance	
Balance of other loans	
Credit card balances	
12 months living expenses	
12 months of childcare costs	
Education costs (per year times the number of school years remaining for each child)	
Other expenses	
TOTAL expenses your family needs	E
Your death cover needs	
The difference between your assets and your family's expenses:	A - E = \$



Carl Wilson, qualified financial planner &  
Member Services Manager

Understanding your super...  
...now and in retirement

Experienced Trustee staff answer your calls  
- not an anonymous call centre

**[www.avsuper.com.au](http://www.avsuper.com.au)**



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