Mercer

Mercer Business Super

Product Disclosure Statement

1 August 2026
Insurance Only Category

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This Product Disclosure Statement (PDS) is issued by Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533 Australian Financial Services Licence (AFSL) #235906.

MSAL is the trustee of the Mercer Super Trust (Mercer Super) ABN 19 905 422 981. In this PDS, MSAL is referred to as 'trustee', 'we', 'our' or 'us'.

The trustee has appointed the following providers which are named in this PDS and have consented to being so named:

- Mercer Outsourcing (Australia) Pty Ltd (MOAPL) ABN 83 068 908 912 AFSL #411980 to provide administration services.
- Mercer Financial Advice (Australia) Pty Ltd (MFAAPL) ABN 76 153 168 293 AFSL #411766 to provide financial advice services. Mercer Financial Advisers are authorised representatives of MFAAPL.
- Mercer Consulting (Australia) Pty Ltd (MCAPL) ABN 55 153 168 140 AFSL #411770 to provide actuarial and advisory services.
- AIA Australia Limited (AIA) ABN 79 004 837 861 AFSL #230043 is the insurer (Insurer) of the group insurance policy for your Plan.

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About this Product Disclosure Statement

Your employer (referred to as your Employer throughout this PDS) has chosen to provide superannuation (super) and insurance benefits for its employees through Mercer Business Super (referred to as your Plan) in the Corporate Superannuation Division (CSD) of the Mercer Super Trust (Mercer Super). Your Employer has been admitted to participate in Mercer Business Super in accordance with the terms of the trust deed for the Plan.

Your insurance cover is administered within the Insurance Only Category (IOC) of your Plan.

References to 'Corporate category' in this PDS refer to:

- The category of membership applying to you in the Plan immediately prior to Exercising Choice, or
- When you are an IOC member who Exercises Choice and subsequently joins or rejoins the Corporate category of your Plan with your Employer.

See the 'Insurance definitions' section for clarification on capitalised terms used in this PDS.

Any insured benefit is subject to the terms, conditions and exclusions of the applicable insurance policy. Other conditions and restrictions may apply. Any benefit payable may be reduced if the Insurer does not pay out any or all of the insured benefit if a claim is made. All terms, conditions and exclusions of the insurance policy prevail over any inconsistency in this PDS.

This PDS provides an outline of the main features and benefits of the Insurance Only Category of your Plan and Mercer Super. It includes references to important information in an incorporated booklet applicable to your Plan. The incorporated booklet, which forms part of this PDS, is the *Ocupation Rating Guide*.

You should read and consider the information in this PDS and the incorporated booklet before making a decision about this product. You can get a copy of the PDS and the incorporated booklet that is part of the PDS at **mercersuper.com.au/pds** or by calling the Helpline.

It is important that you understand the information in this PDS. Ask us or a person you trust, such as your adviser, for help if you have difficulty understanding any information about the options available to you.

If you are having difficulty due to a disability, understanding English or for any other reason, we have accessibility support. Please contact our Helpline.

The trustee has the right to change the Insurer for your Plan.

Updated Information

The information in this PDS is current as at the date of publication. Information in this PDS may change from time to time and if the change is not materially adverse, will be made available online at **mercersuper.com.au/pds**.

A paper copy of any updated information will be given or an electronic copy made available on request at no charge by calling the Helpline.

We will advise you directly of any material changes as required by law.

Definitions

We aim to make information about insurance in this PDS as straightforward as possible.

Some terminology has a specific meaning to the insurance policy and for clarification, those terms are capitalised in this PDS.

Please see section 10 'Insurance definitions' for the meaning of the terms and conditions used throughout this PDS.

This PDS contains general information only and does not take into account your individual objectives, personal financial situation or needs. Before acting on this information, you should consider whether it is appropriate to your individual objectives, personal financial situation and needs. You should get financial advice tailored to your personal circumstances. The product's Target Market Determination setting out the class of people for whom the product may be suitable can be found at **mercersuper.com.au/tmd**.

About Mercer Business Super

At Mercer Super, everything we do is centred around driving better outcomes for each and every one of our more than 1 million members. Our strategy focuses on empowering you with the tools and support you need throughout your path to and through retirement. With 75 years' experience, we're backed by Mercer, a locally led, global expert in retirement and investments. Our local know-how and global expertise are put to work for you, with approximately 3,000 investment experts seeking out opportunities in Australia and around the world.

On joining your Plan, you will be a member of Mercer Business Super in the CSD of Mercer Super. Mercer Super is a registered superannuation fund made up of the CSD, a Retail Division and an Allocated Pension Division.

As a Mercer Super member, you benefit from:

- **24/7 online access:** Manage your account anytime, anywhere.
- **Dedicated support:** Assistance from our Australian-based Helpline team.
- **Limited financial advice and support tools:** Access to financial advice about your Mercer Super account and support tools at no additional cost.
- **Continuous learning:** Anytime access to our online educational webinars.
- **Retirement planning:** Access our Retirement Income Simulator to understand how much income you're on track to receive when you retire and estimate how long your super may last.

Joining the Insurance Only Category

If you Exercise Choice when you first join your Employer, then you will automatically become an IOC member (if applicable) when you commence employment.

If you are a Corporate category member and later Exercise Choice, you may be eligible to join the IOC by:

1. Completing the *Mercer Business Super - Insurance Only Category Election* form (available when you call Helpline), and
2. Transferring your Corporate category account balance to another superannuation fund so that your Corporate category account can be closed.

Your insurance cover from your Corporate category account will continue in the IOC from the date we accept your election form **and** your Corporate category account is closed.

Important

If your Corporate category account is closed and insurance cover is cancelled before we receive your election to join the IOC, your IOC insurance cover will only start from the date we accept your election form and will be subject to New Events cover. See section 2.4.

Your insurance benefit

You or your beneficiaries will be entitled to a benefit payment if you die, are diagnosed with a Terminal Illness or become totally and permanently disabled while a member of the IOC of your Plan. This benefit payment is made up of any insurance amount received by the trustee in respect of you.

If the Insurer does not make any payment under the insurance policy, your benefit payment in respect of the IOC will be nil.

See section 1 'About the insurance cover in your Plan' for more details about the insurance cover available in the IOC of your Plan.

Contributions

Under the IOC, you or your Employer cannot make any contributions (except those your Employer may make to cover fees and the cost of any insurance cover) or transfer any monies from other super funds. The IOC exists solely for your Employer to ensure that you, as an eligible employee who has Exercised Choice, can access a default amount of Death, TPD and IP cover while you remain employed with your Employer.

Important

Your insurance only account provides insurance cover only. It is not an investment and does not have an account balance. Your Employer pays contributions to cover the cost of your insurance and related fees as part of your employment benefits. Because this account is only for insurance, it does not build savings for retirement, and you do not earn investment returns or interest on these contributions. All contributions are used to pay for your insurance. These contributions still count towards your annual concessional contributions cap, which may affect your tax.

Cost of cover

Your Employer currently meets the fees and cost of any insurance cover available to you in the IOC. See section 1 'About the insurance cover in your Plan' for more details.

Important

There is always the possibility that your Employer may decide to vary its contributions to your Plan, amend your Plan or even close it at some point in the future. This may affect the amount, type and cost of any insurance cover you have in your Plan. Should there be any significant changes to your Plan, we will give you prior written notice in accordance with any legislative requirements.

The Insurer may review the cost of cover. If this happens, we'll give you at least 30 days' notice of any increase in the cost of cover. Increases to the cost of cover may cause your Employer to vary its contributions and further impact your concessional contributions caps.

For more information about tax on contributions and concessional contribution caps see the Contributions Fact Sheet at **mercersuper.com.au/pds**.

Leaving your Employer

Once you finish working for your Employer, you won't be able to stay a member of your Plan.

Risks associated with being a member of Mercer Super

There are risks you should consider before deciding to hold insurance through superannuation including:

Insufficient amounts of insurance

The type and amount of insurance provided in the Plan may not meet your needs causing you to suffer financial hardship after receiving a benefit payment.

You should consider your needs carefully to prevent this from occurring and may wish to contact a financial adviser for assistance.

Taxation treatment

A benefit paid is a superannuation benefit for tax purposes. The benefit paid may be subject to more tax than would apply if the same type and amount of insurance was held outside of superannuation.

Super or tax laws may change in the future, affecting the tax effectiveness of your super or when your final benefit can be paid.

If your Employer meets the cost of your insurance cover, this amount counts towards your concessional contribution cap. This may have an impact on any contributions you make to your super account(s) and reduce your retirement savings.

Cover may cease or reduce

We will reduce your benefit payment if, for some reason, the trustee cannot arrange cover for you on standard terms or if the Insurer does not pay out all or part of the insured part of your super.

Important

If your Employer fails to continue to meet the costs of any insurance premiums that it has currently agreed to pay on your behalf, then any insurance cover provided to you in the IOC will cease and your IOC account will be closed.

1. About the insurance cover in your Plan

Mercer Business Super offers insurance cover that can help provide financial support to you and your beneficiaries in the event of your death or disablement.

It allows you to focus on what's most important if the unexpected occurs, such as stopping work due to injury or illness.

The cost of your insurance cover is deducted from your IOC account.

1.1 Types of insurance cover available

Type of cover	Benefit payable
Death cover (including Terminal Illness)	Death cover pays a lump sum benefit if you die. Death cover can also be paid before you die if you are diagnosed with a Terminal Illness.
Total and Permanent Disablement (TPD) cover	TPD cover pays a lump sum benefit if you are unlikely to ever work again due to an injury or illness.
Income Protection (IP) cover	IP cover pays a Monthly Benefit if you can't work at all or if you are working in a reduced capacity because of an injury or illness. This IP Monthly Benefit can help you to focus on your recovery, return to work and ease financial pressures. Not all plans offer IP cover.

We'll let you know if IP cover is available to you in your Welcome letter.

To be paid an insurance benefit you must meet the Insurer's definition of Terminal Illness, TPD, Partial Disablement or Total Disablement (see section 10. 'Insurance definitions'), and satisfy any other applicable conditions found throughout this PDS. You must also meet any condition of release required under superannuation law. Refer to the *Accessing your Super* Fact Sheet at **mercersuper.com.au/pds** for more details.

1.2 How this Booklet applies to you

Please refer to your Welcome letter to confirm that you are an IOC member.

If you are an IOC member, you may be provided with default cover in your Plan automatically without the need to answer any health or lifestyle questions when you meet the eligibility requirements. See section 2 'Default insurance cover' for information on the types of cover available and the eligibility requirements.

When we are notified by your Employer that you have left employment, your insurance cover in the IOC will cease.

You can cancel or reduce your cover at any time.

Financial advice

Considering getting financial advice tailored to your personal circumstances? If you don't have a financial adviser, as a member of Mercer Super, you can access a range of limited financial advice and support tools.

Find out more at **mercersuper.com.au/advice**

2. Default insurance cover

If eligible, you may automatically receive default Death, TPD, and IP cover (if this has been made available) in your Plan.

The types and amount of default cover provided to you is dependent on the insurance design selected by your Employer.

2.1 Types of cover designs explained

The amount of cover provided to you is subject to minimum and maximum limits (see section 2.3 'Default cover limits').

Insurance design	What it is	Options available	Examples
Essentials cover (unitised cover)	Death only or Death and TPD cover which increases or decreases based on your age. The default cover is 5 units. The amount of cover at each age for 5 units is shown in Appendix A – Table 4.	Up to 10 units depending on your Plan. Note – The maximum is 5 units for Employers with fewer than 15 employees.	Sophie is 42 years old and she has 5 units of Death and TPD Essentials cover. Sophie's total amount insured would be $245,000 of Death and TPD cover.
Tailored cover (percentage of Income)	Death only or Death and TPD cover which is calculated based on a percentage of your Income for each year and complete month (each complete month counts as 1/12th of a year) to the retirement age as selected by your Employer. If your Income is adjusted due to working reduced hours, we will calculate your cover based on your actual annual Income, not the annualised equivalent Income. The amount of your Death and TPD cover will be fixed and remain the same from your age immediately prior to the retirement age until your Cover Expiry Age.	Percentage of your Income options available are: • 5% • 10% • 15% • 20% • 25% • 30% Retirement age options are from a minimum of age 60 to a maximum of age 70. This is calculated as: Percentage of your Income multiplied by years and complete months to the retirement age selected by your Employer.	On 1 July, Jack is aged exactly 45 years and 6 months old with an Income of $100,000. If Jack's Employer chose the option of 15% and a retirement age of 65, his amount insured would be calculated as: 15% x $100,000 x 19.5 (the number of years and complete months from age 45.5 to age 65). Jack's total amount insured would be $292,500 of Death and TPD cover. If Jack's total amount insured on 1 July after his 64th birthday is $15,000, this cover would be fixed cover from age 65 (the retirement age) and the cover will remain the same until his Cover Expiry Age (age 70).

Insurance design	What it is	Options available	Examples
Tailored cover (multiple of your Income)	Death only or Death and TPD cover where the amount insured is calculated based on a multiple of your Income. If your Income is adjusted due to working reduced hours, we will calculate your cover based on your actual annual Income, not the annualised equivalent Income. Your cover may also be subject to scaling and tapering (see section 2.7 'Automatic changes to your default cover').	Options available are: 1, 2, 3, 4 or 5 times your Income.	Mary is 37 years old with an Income of $100,000. Mary's Employer has chosen the multiple of 3 times Income option, so her amount insured would be calculated as: 3 x $100,000. Mary's total amount insured would be $300,000 of Death and TPD cover.
Tailored cover (fixed cover)	Death only or Death and TPD cover where the amount insured is fixed. When we review your insurance (see section 4.3 'When premiums are calculated and charged'), the amount of your cover does not change but the cost of your cover may change. Your cover may also be subject to scaling and tapering (see section 2.7 'Automatic changes to your default cover').	You are insured for a fixed amount of cover, subject to the minimum and maximum cover limits.	Vic is 51 years old, and he's insured for $150,000 of Death and TPD cover that has an annual cost of $434.72.[1] When we review Vic's insurance, he has turned 52. His total amount insured would continue to be $150,000 of Death and TPD cover but the annual cost becomes $482.31.[1]
Tailored cover (fixed weekly premium)	Death only or Death and TPD cover where the cost of cover is fixed. When we review your insurance (see section 4.3 'When premiums are calculated and charged'), the cost of your cover does not change but the amount of your cover may change.	You are insured for an amount of cover determined by the cost of your cover.	Mark is 47 years old and has a fixed weekly premium of $5.00. His amount insured for Death only cover would be $257,630.[1] When we review Mark's insurance, he has turned 48. He would continue to have a fixed weekly premium of $5.00 but the amount insured becomes $237,097.[1]

1 Factors including an Occupation Category Factor and/or a Plan Rating Factor (PRF) may be used to determine the cost or amount of your insurance cover. Refer later in this Booklet for more details. The examples shown use factors of 1.0.

Insurance design	What it is	Options available	Examples
IP cover	IP cover will only be provided automatically to you if it's included in your Employer's insurance design. IP cover generally pays an IP Monthly Benefit (percentage of Income) if you cannot work due to injury or illness, and you become Totally Disabled or Partially Disabled.	Benefit Period options: • 2 years • 5 years • To Age 65 Waiting Period options: • 30 days • 60 days • 90 days Your IP Monthly Benefit amounts may be up to 75% of your Income. Your Employer may also choose to cover a portion of your employer superannuation contributions.	Damien is 38 years old with an Income of $120,000. He has IP cover with a 2-year Benefit Period and a 90-day Waiting Period. Damien's IP Monthly Benefit would be: 75% x $120,000 / 12 = $7,500

We'll let you know the insurance design and the amount of default cover available to you in your Welcome letter.

2.2 Are you eligible for default cover?

Eligibility requirements

To be eligible for default cover, all the following applies:

- You must be a member of your Plan.
- You must be:
  - aged at least 14 years old, and
  - less than age 65

  on the date you become eligible for cover.
- You must be an Australian Resident on the date you become eligible for cover.
- Your Employer must pay Employer Additional Contributions (EAC) on your behalf to the Mercer Super Trust.
- For IP cover, you need to be working 15 hours or more per week. If you are a Casual Employee, you need to have worked for your Employer for 12 consecutive months and for 15 hours or more per week on average in that 12-month period.

Your employment status may also impact the types of default cover available to you

Death (including Terminal Illness) and TPD cover

Available to Permanent Employees, Contractors and Casual Employees.

IP cover with a 2-year Benefit Period

Available to Permanent Employees, Contractors and Casual Employees who have worked in paid employment for their Employer for 12 consecutive months and have worked on average 15 hours or more per week in that 12-month period.

IP cover with a 5-year or To Age 65 Benefit Period

Only available to Permanent Employees.

Cover Expiry Age

Your insurance cover stops when you reach the Cover Expiry Age shown in the table below.

Cover type	Cover Expiry Age
Death cover (including Terminal Illness)	11.59pm on the day before your 70th birthday.
TPD cover	11.59pm on the day before your 70th birthday.
IP cover	11.59pm on the day before your 65th birthday.

No health checks

You do not have to undergo underwriting (health checks) to be eligible to receive default cover.

Important

You can't hold multiple default Death only or Death and TPD cover, or more than one default IP cover in respect of the same period of employment with the same Employer.

2.3 Default cover limits

The amount of default cover provided to you is subject to minimum and maximum limits as shown in the following table.

	Minimum default cover amount	Maximum default cover amount
Death cover (including Terminal Illness)	Minimum amount of Death cover is determined by your age, as described below: • Age 20–34 = $50,000 • Age 35–39 = $35,000 • Age 40–44 = $20,000 • Age 45–49 = $14,000 • Age 50–55 = $7,000	**Essentials cover:** 10 Units of cover Note – The maximum is 5 units for Employers with fewer than 15 employees. **Tailored cover:** The cover amount is capped at your Employer's Automatic Acceptance Limit (AAL).
TPD cover	Minimum amount of TPD cover is determined by your age, as described below: • Age 20–34 = $50,000 • Age 35–39 = $35,000 • Age 40–44 = $20,000 • Age 45–49 = $14,000 • Age 50–55 = $7,000	**Essentials cover:** 10 Units of cover **Tailored cover:** The cover amount is capped at your Employer's AAL.
IP cover	No minimum.	The maximum IP Monthly Benefit you can receive is the lesser of: • 75% of your Income plus (if applicable) the employer superannuation contribution benefit, or • An IP Monthly Benefit amount capped at your Employer's AAL.

What is an Automatic Acceptance Limit (AAL)?

Each Employer and cover type has its own AAL which means you are automatically covered up to specified limits without having to provide any health or lifestyle information.

If your insurance design would result in a level of cover being higher than the AAL, or if you require an amount of cover above the AAL, you will need to apply for this cover (the cover in excess of the AAL) and your application is subject to acceptance by the Insurer. Your cover will be limited to the AAL until you are assessed and accepted by the Insurer.

If your Employer supports a level of cover higher than the AAL arrangement, the costs of the insurance premium (including the part above AAL) will be covered by the Employer. If your Employer does not support this arrangement, you'll need to move to the Corporate category, apply for this cover, and have your application accepted by the Insurer.

Example

Jenny's Plan's default insurance design is 3 times her Income and the AAL is $1,500,000. As Jenny's Income is $545,000, her insurance design of 3 times her Income would be $1,635,000 (3 x $545,000). Subject to meeting eligibility requirements, Jenny would be provided with default cover of $1,500,000 (her Plan's AAL). If Jenny wanted to be covered for an amount above the AAL but her Employer does not support this arrangement, she'll need to move to the Corporate category and apply for this cover and have her application accepted by the Insurer.

2.4 When your default cover starts

Your default cover begins on the date you meet the eligibility criteria and are classified as an IOC member.

If your default cover starts automatically as an IOC member, it will initially be limited to New Events cover. This limited cover applies until you have been At Work for 30 consecutive days from the start of your cover. The requirement to be At Work for 30 consecutive days is also known as the 'At Work' condition.

Timeframe to join the IOC	Conditions
Within 120 days of you starting work with your Employer	Your default cover will be subject to New Events cover until you are At Work for **30 consecutive days** from when your default cover starts.
After 120 days of you starting work with your Employer	Your default cover will be subject to New Events cover for **6 months** from the date your default cover starts. New Events cover will continue to apply until you are At Work for 30 consecutive days after the end of the 6-month period, at which time, you will have full cover. **How to remove the New Events cover restriction earlier** 1. Within 120 days of your cover starting, you can cancel your existing insurance cover (of the same insured benefit type) with your existing fund (and that cover is not replaced elsewhere) by cancelling all cover. New Events cover will apply until you are At Work for 30 consecutive days from the date your default cover starts, at which time, you will then have full cover. Please note, in the event of a claim, you will be required to provide evidence to the Insurer of cancellation of cover under the previous fund. 2. At any time, you can apply to remove the New Events cover restriction by completing the relevant form. If the Insurer accepts your application, we'll let you know the date the New Events restriction will end. **An exclusion for suicide and intentional self-inflicted acts will apply for 13 months from the date your default cover commences.**

2.6 When New Events cover applies to your default cover

In the circumstances set out below, your default cover will be limited to New Events cover. This means while New Events cover applies, you are only covered for claims arising from an illness which first became apparent, or an injury which first occurred, on or after the date your insurance cover started and that existing illnesses or injuries may not be covered.

New Events cover applies to your default cover in the following situations:

Essentials cover only

When New Events cover applies	When New Events cover ends
If your Employer has less than 15 employees, you meet the eligibility requirements and you have been given default cover under automatic acceptance.	• 6 months after your default cover started, provided you are At Work for 30 consecutive days immediately following the end of the 6-month period. Otherwise, New Events cover will continue to apply until you are At Work for 30 consecutive days, or • When your application to remove the New Events restriction has been accepted by the Insurer within 120 days of commencement of cover. If the Insurer accepts your application, we'll let you know the date the New Events restriction will end.
If your Employer has 15 employees or more, you meet the eligibility requirements and you have been given default cover under automatic acceptance.	• Once you have been At Work for 30 consecutive days from when cover started.

Tailored cover and IP cover

When New Events cover applies	When New Events cover ends
Once you have satisfied the eligibility requirements and you have been given default cover under automatic acceptance.	Once you have been At Work for 30 consecutive days from when cover started.

All cover

When New Events cover applies	When New Events cover ends
Where your default cover increases as a result of the AAL of your Employer increasing, and you are not At Work for 30 consecutive days immediately prior to the date the increase in cover starts. Any New Events cover under this scenario will only apply to the increased portion of your cover.	Once you have been At Work for 30 consecutive days from when the increase in cover started (provided that you do not have New Events cover for any other reason).
Where your cover increases as a result of the Plan's AAL increasing, and you are not At Work for 30 consecutive days immediately prior to the date the increase in cover starts. Any New Events cover applied under this scenario will only apply to the increased portion of your cover.	

Example

Ariel's default cover commences on 2 June with New Events cover applying from this date. While New Events cover applies, she is only covered for claims arising from an illness which first became apparent, or an injury which first occurred, on or after the date her insurance cover starts.

This means that for an existing illness or injury she may not be covered.

Once she has been At Work continuously for 30 consecutive days up to 1 July, the New Events cover will cease.

2.7 Automatic changes to your default cover

Adjustments are made to your default cover amount automatically each year on 1 July.

Default cover designs and these adjustments help manage the amount and cost of your cover as you age without any action required from you.

2.7.1 Essentials cover

Essentials cover is designed to provide an amount of Death and TPD cover that automatically adjusts each 1 July as per the table below.

Adjustment occurs each 1 July	You are provided with
Until you are aged 35	An amount of Death cover that is lower than TPD cover.
From when you are aged 35	The same amount of Death and TPD cover.
From when you are aged 40	Amounts of Death and TPD cover that progressively reduce.

2.7.2 Tailored cover

Tailored cover also provides an amount of Death and TPD cover that automatically adjusts each 1 July as per the table below:

Adjustment occurs each 1 July	You are provided with
Until you are aged 60	The same amount of Death and TPD cover.
From when you are aged 60	Tapering applies so the amount of TPD cover reduces (see section 2.7.3 'Tapering of TPD cover').

2.7.3 Tapering of TPD cover

Tapering of TPD cover will apply if you are age 60 and above and your amount of TPD cover does not automatically reduce with your age. This applies to the following benefit designs:

- Multiple of Income, or
- A fixed benefit amount.

Each 1 July from your 60th birthday, your TPD cover will reduce annually by 15% of your amount insured. From 1 July after age 64, your amount of cover will become fixed until the Cover Expiry Age. The table below shows an example of tapering where the amount insured at age 59 was a fixed amount of $100,000.

Age	TPD cover reduction	Example Amount insured $100,000
59	0%	$100,000
60	15%	$85,000
61	30%	$70,000
62	45%	$55,000
63	60%	$40,000
64	75%	$25,000
65	75%	$25,000
66	75%	$25,000
67	75%	$25,000
68	75%	$25,000
69	75%	$25,000
70	100%	Nil

2.7.4 Adjustments due to changes in Income

Where you have an insurance design based on your Income (for example – multiple of Income or IP cover), your Employer may provide updated details from time to time. In this case, the amount of your Death, TPD and IP cover will be recalculated at the date we receive your updated Income.

This may mean the cost of your cover increases, especially if you have had a recent pay rise and as a result the amount of your Death, TPD or IP cover increases. Refer to 'Appendix A' for further information about how to estimate the cost of your insurance cover.

3. Changing your cover

You can cancel your Death (or Death and TPD cover), or reduce the amount of cover, to better meet your needs.

To help you identify how to amend your cover, refer to the table below. For any other enquiries call the Helpline.

Ways cover can be changed	Essentials cover	Tailored cover	IP cover (if applicable)
Reduce your cover	✓	✓	✓
Cancel your cover	✓	✓	✓

3.1 Cancelling or reducing your cover

If you request to cancel your default cover within 14 days of the date of our confirmation letter to you about the start of your default cover, it will be cancelled from the day it started and it will be as if this cover never existed.

Any payments made to cover the cost of your insurance cover during the 14-day period will be reimbursed to your Employer.

If you request to cancel your cover after the 14-day period has ended, it will be cancelled effective the date we receive your request.

You can cancel or reduce your Death only cover, Death and TPD cover or IP cover at any time.

Your request to cancel or reduce cover will be processed effective the date we receive your request. Any associated premiums will no longer be deducted from your super account.

If you choose to cancel your cover it is important to note that you will not be able to make a claim for insurance benefits for an illness or injury that arises after your cover has been cancelled, and your IOC account will close. Also, if you want cover in the future, you may need to apply for cover and your application may be subject to acceptance by the Insurer and require underwriting.

You can cancel your TPD cover only and retain your Death cover. However, you cannot cancel your Death cover and retain your TPD cover. Your TPD amount insured cannot exceed your Death amount insured unless you have Essentials cover and you are under age 35.

If you want to cancel or reduce your cover or need more information about the cancellation process, use your personal login at **mercersuper.com.au/login** or call the Helpline to discuss your options.

3.2 Increasing your cover

You cannot increase your cover in the IOC of your Plan.

If you choose to transfer to the Corporate category of your Plan, any request to increase your insurance cover may be subject to underwriting. You will be advised of the details required if this applies to you. Refer to section 8.2 'When you become a Corporate member' for further details.

A licensed or appropriately authorised financial adviser can help you decide the appropriate amount of insurance cover for your personal needs and circumstances.

4. Cost of cover

4.1 Estimating the cost of cover

The rate tables in 'Appendix A' give an indication of the cost of insurance cover (premiums) that may be payable in respect of each type of cover.

These premium rates are indicative only. The actual premium rates charged may differ slightly to the premium rates shown in 'Appendix A' which have been rounded up to four decimal places.

The premium payable will depend on some or all of the following:

- Your age
- The date premiums are calculated (see section 4.3 'When premiums are calculated and charged')
- Your gender
- Your Occupation Classification
- The type and amount of cover you have
- Your Plan Rating Factor (refer to section 4.2 'Your Plan Rating Factor (PRF)')
- The number of days in the month
- Any underwriting requirements (which may take into account the state of your present health, and any other relevant factors)
- Any discounts or loadings that may have been negotiated by your Employer.

For further information about how to estimate the cost of your insurance, please refer to 'Appendix A'.

Occupation Classification

Your Occupation Classification (see Table 2 and Table 6 in 'Appendix A') is one of the factors that is used to determine the cost of your insurance.

You will need your Occupation Classification to estimate the cost of your insurance. Please refer to your Welcome letter to find out what your Occupation Classification is or contact the Helpline for assistance.

To find out how your occupation is classified, refer to the full occupation listing in the *Occupation Rating Guide* available at **mercersuper.com.au/pds**.

An Occupation Classification of 'Not Provided' will apply if your Employer did not advise us of your Occupation Classification. This means your Employer could be paying more, or less, for your insurance cover than they should be.

Please let your Employer know if the Occupation Classification for you is 'Not Provided' or is incorrect. They will need to advise us of your correct Occupation Classification.

4.2 Your Plan Rating Factor (PRF)

Your PRF is one of the factors that is used to determine the cost of your insurance. It is based on the Insurer's assessment of the collective risk of the employees in your Plan, which includes assessing the industry your Employer is in, the size of the company, and your Employer's claims history.

You will need your PRF to estimate the cost of your insurance. Please refer to your Welcome letter to find out what your PRF is or contact the Helpline for assistance.

4.3 When premiums are calculated and charged

We generally review your insurance on 1 July each year. If we or you adjust your cover at any other time, premiums will be recalculated, and the new premium will apply from the date the change to your cover is processed.

Insurance premiums are payable monthly in arrears and inclusive of stamp duty. MOAPL receives up to 12.25% (inclusive of GST) of the premiums payable by you as a fee for administering your Plan's insurance arrangements including underwriting and claims processing.

The cost of your insurance cover is deducted monthly from your super account. Your Employer meets the cost of your insurance cover.

The trustee will let you know of any change in the cost of cover. You'll receive at least 30 days' notice of any increase:

- In the cost of the premium rates, or
- Any other factors shown in 'Appendix A'.

Important

Your Employer meets the cost of insurance cover for IOC Members. If at any time your Employer stops paying this cost, your insurance cover will stop.

If your Employer continues to make payments to cover the cost of your insurance while you are on leave without pay, your cover will continue while you're on leave without pay. If your Employer does not continue to pay the cost of your premiums while on leave without pay, your insurance cover will stop and you will cease to be a member of the IOC.

You should be aware that this contribution from your Employer will be included in your concessional contributions cap. Refer to the *Contributions* Fact Sheet at **mercersuper.com.au/pds** for details about contribution caps.

5. What are the benefits

When you need to make a claim, a benefit is payable subject to you meeting the insurance policy terms and conditions (summarised in this section).

5.1 Paying your benefits

5.1.1 Death (Terminal Illness) or TPD benefit

You'll need to meet the Insurer's definition of Terminal Illness or TPD before being eligible for a Terminal Illness or TPD benefit.

The trustee can only pay an insured benefit for Death, Terminal Illness or TPD if:

- The Insurer has accepted the claim, and
- The insurance proceeds have been received from the Insurer, and
- You satisfy a relevant condition of release under superannuation law.

Refer to the *Accessing Your Super* Fact Sheet at **mercersuper.com.au/pds** for details about the conditions of release under superannuation law. We will deduct any applicable tax from your benefit payment. Refer to the *Tax on super payouts* Fact Sheet for more information.

Each type of claim has a different process. For more details about what's involved, the process and timeframes, please select the relevant guide and/or frequently asked questions (FAQs) on our website at **mercersuper.com.au/claims**

When the Insurer has paid a Death (Terminal Illness) or TPD benefit to the trustee, any applicable earnings will be added to the benefit up to the date the benefit is released. The trustee is generally liable to pay tax on earnings at a maximum rate of 15%.[1]

5.1.2 Income Protection benefit

You'll need to meet the definition of Partial Disablement or Total Disablement before being eligible for an IP Monthly Benefit payment.

If your claim is accepted, your IP Monthly Benefit will be paid monthly in arrears. Payments will usually be made at the end of each month commencing from the day following the end of the Waiting Period, up to the maximum Benefit Period as long as you remain Totally Disabled or Partially Disabled.

Example

Helen has IP cover with a 30-day Waiting Period that ends on 20 March 2026.

As payments are made monthly in arrears, Helen's first IP Monthly Benefit payment (for the period 21 March 2026 to 20 April 2026), would be made on 20 April 2026 (i.e. 60 days from the start of Helen's Waiting Period).

A pro-rated IP Monthly Benefit payment will be made where a benefit is payable for less than a whole month.

If you are Partially Disabled, you will receive a portion of the IP Monthly Benefit. See section 5.3.2 'Income Protection' subsection 'Partial Disablement benefit' for more information.

Exclusions and additional conditions apply to IP cover. See section 6 'What's not covered' for more information.

Pay As You Go (PAYG) tax will be deducted from each IP Monthly Benefit payment.

The premiums for your IP cover will stop being deducted from your super account while you are receiving, or are entitled to receive, a Total Disablement or Partial Disablement IP Monthly Benefit.

The Insurer will generally review your case monthly to determine if you remain eligible for your IP Monthly Benefit. You will need to provide the Insurer with medical and other information it requires as part of their review.

1 Applicable earnings may be subject to additional tax if the combined balance of all your super and pension accounts exceeds $3 million.

5.2 How your insured benefit payment is calculated

Insured benefit	How insured benefit payments are calculated
Death (including Terminal Illness)	If you die, a lump sum will be paid equal to the amount of your Death cover calculated as at your date of death. If you are diagnosed with a Terminal Illness, a lump sum will be paid equal to the amount of your Death cover calculated on the date the last Doctor certifies you as having a Terminal Illness (2 Doctors need to certify that you meet the definition of Terminal Illness). Your Death benefit will be reduced by: • Any TPD benefit paid or payable under your Death and TPD cover, and • Any Terminal Illness benefit paid or payable under your Death only or Death and TPD cover.
TPD	If you are TPD, a lump sum will be paid equal to the amount of your TPD cover calculated as at the Date of Disablement (subject to the maximum amount insured).
Income Protection **Total Disablement benefit**	If you become Totally Disabled because of injury or illness, you'll generally be eligible to receive an IP Monthly Benefit[1] after the Waiting Period. Your IP Monthly Benefit will be the lesser of: • 75% of your monthly Income[2] plus the employer superannuation contribution benefit[3] (if applicable) at the Benefit Calculation Date, or • Your amount insured, or • The maximum benefit amount.

Example
Lauren's Income is $10,000 per month and her amount insured is $6,000 per month.

Her IP Monthly Benefit will be the lesser of:

- 75% of her monthly Income (75% x $10,000 = $7,500), or
- Her amount insured ($6,000), or
- The maximum benefit amount of $40,000.

If Lauren became Totally Disabled, she would be entitled to an IP Monthly Benefit of $6,000 per month from the end of her Waiting Period.

Income Protection **Partial Disablement benefit**	If you become Partially Disabled because of injury or illness and return to work with an employer but in a reduced capacity, you'll generally be eligible to receive an IP Monthly Benefit[1] after the Waiting Period for up to the maximum Benefit Period. The IP Monthly Benefit is based on the formula: (((A - B) / A) x C) – benefit offset[1] where: A is your monthly Income as at the Benefit Calculation Date. B is your Income during the month in which you are Partially Disabled. C is the IP Monthly Benefit (amount insured).

Example
Paul is working at 50% capacity due to injuries sustained in a motorbike accident. He is earning $4,500 per month compared to his normal Income of $9,000. His amount insured is $5,000.
Paul would be entitled to a Partial Disablement benefit of:
(((A - B) / A) x C) – benefit offset
((($9,000 – $4,500) / $9,000) x $5,000) = $2,500

1 Certain conditions apply. See section 5.3 'Terms and conditions' for more information.

2 Monthly Income means 1/12th of your Income.

3 The super contributions amount will be paid to your nominated super fund.

5.3 Terms and conditions

5.3.1 Death (Terminal Illness) and TPD

If you die whilst your TPD claim is being assessed

If you have lodged a claim for a TPD benefit and your TPD benefit is higher than your Death benefit, and you subsequently suffer a Terminal Illness or die before the TPD benefit is paid, the higher TPD benefit will be paid.

The higher TPD benefit will only be paid where the Insurer is satisfied that you had met the relevant TPD definition prior to your death.

5.3.2 Income Protection

Maximum period an IP Monthly Benefit is payable

The Benefit Period applicable to you is the maximum period that IP Monthly Benefits are paid for each claim. It applies to payments for Total Disablement or Partial Disablement benefits.

Income used in IP Monthly Benefit calculations

If your Income is adjusted due to reduced working hours, we will calculate your cover based on your actual annual Income, not the annualised equivalent Income.

Partial Disablement benefit

If you become Partially Disabled, you may be eligible for a Partial Disablement benefit after the expiry of the Waiting Period if:

- During the Waiting Period you are Totally Disabled for at least 7 out of 12 consecutive days, and
- You continue to be Totally Disabled or Partially Disabled for the balance of the Waiting Period, and
- You continue to be Partially Disabled after the expiry of the Waiting Period, or
- After receiving a Total Disablement benefit and where the maximum Benefit Period has not been reached, you are no longer Totally Disabled but are Partially Disabled for the same or related condition.

You'll generally be reviewed by the Insurer monthly to determine if you remain eligible for your Partial Disablement benefit. You will need to give the Insurer relevant medical and other information.

The premiums for your IP cover will stop being deducted from your super account while you are receiving a benefit.

5.3.3 When your Total Disablement or Partial Disablement benefit stops

Your Total Disablement or Partial Disablement benefit stops on the earliest date of one of the following events occurring:

- For Total Disablement only, when you are gainfully employed with your Employer or another employer.
  - You may still be able to claim a Partial Disablement Benefit if you are Partially Disabled but are no longer Totally Disabled.
- You are no longer Totally Disabled or Partially Disabled (as applicable).
- You reach the Cover Expiry Age.
- You make a fraudulent claim.
- You reach the end of the Benefit Period.
- You are no longer under Medical Care.
- You refuse to return from overseas for medical treatment or assessment at the Insurer's request and the Insurer does not consider your assessment or treatment overseas to be equivalent to Australian standards.
- You refuse to undertake reasonable treatment or Rehabilitation which could, in the Insurer's opinion, expect to assist with your return to work.
- You fail to provide the evidence required to assess your claim within 60 days of the Insurer's request.
- You are no longer an Australian Resident or do not permanently reside in Australia, and you are not working for the Employer overseas, after 6 months of benefit payments have been made.
- You die (your beneficiaries may be entitled to the Death benefit – see section 5.4 'If you die whilst claiming IP Monthly Benefits').

5.3.4 When IP Monthly Benefits may be reduced

Offsets

Your Total Disablement or Partial Disablement benefit can be reduced (offset) by any of the following amounts, regardless of how they are paid:

(a) All benefits or other payments which are paid to you, or are required to be paid to you in relation to your injury or illness under any:
  (i) workers' compensation scheme, motor accident compensation, or similar legislation;
  (ii) statute or common law, whether for loss of income, loss of earning capacity or any other economic loss;
  (iii) disability income type insurance policy (including any benefits or payments received for work injury damages), whether paid as a lump sum or not;

(b) Any other loss of income, loss of earning capacity or any other economic loss component of a lump sum payment (other than a lump sum TPD benefit or lump sum superannuation payment);

(c) Any sick leave received by you at the same time we are paying a benefit to you; and

(d) Any other income, benefit or payment received by you from your Employer that is not as a result of your own personal exertion at the same time we are paying a benefit to you.

If your IP Monthly Benefit (amount insured) includes SG contributions, your Total Disablement or Partial Disablement benefit will be reduced by any SG contributions your Employer makes on your behalf.

Your benefit will not be reduced by any amount received for annual leave, long service leave or social security benefits.

The purpose of the reduction is to ensure that the amount received from the above sources, when combined with any Total Disablement or Partial Disablement benefits payable to you and any actual Income you receive (if you are Partially Disabled) will not exceed:

- 75% of your monthly Income at the date you ceased work due to illness or injury in the event you are Totally Disabled, or
- 100% of your monthly Income at the date you ceased work due to illness or injury in the event you are Partially Disabled.

Other Reductions

Your insurance benefit may not be payable or may be reduced, subject to applicable law where you do not notify us as soon as reasonably possible after you first become disabled, in circumstances where such a delay has prejudiced the Insurer's ability to assess and manage a claim.

See the following tables for examples of the IP offset calculation.

IP Total Disablement benefit offset

Example 1: Jane earns $10,000 per month, is unable to work and has IP cover of $7,500. Jane is receiving workers' compensation of $3,000 per month following an injury at work for her Total Disablement.		
Income	$10,000 per month	Jane's monthly Income prior to the Benefit Calculation Date.
IP Monthly Benefit (amount insured)	$7,500 per month	Jane has an IP Monthly Benefit design based on 75% of Income. 75% x $10,000 = $7,500.
Amount received	$3,000 per month	Amount Jane received for workers' compensation.
Potential income from all sources	$7,500 + $3,000 = $10,500	IP Monthly Benefit plus the amount received for workers' compensation. As the income from all sources ($10,500) is more than 75% of Jane's Income ($7,500) prior to the Benefit Calculation Date, an offset will apply.
Total offset	$10,500 – $7,500 = $3,000	Potential income from all sources less 75% of pre-disability Income.
Benefit payable	$7,500 - $3,000 = $4,500	The IP Monthly Benefit less the total offset amount.

IP Partial Disablement benefit offset

Example 2: Paul is working at 50% capacity following a motorbike accident and is receiving monthly motor accident compensation of $5,000 per month.		
Income	$9,000 per month	Paul's monthly Income prior to the Benefit Calculation Date.
IP Monthly Benefit (amount insured)	$5,000 per month	Paul applied for, and received, IP cover with an IP Monthly Benefit of $5,000 per month.
Income earned	$4,500 per month	Paul's monthly Income whilst he is working in a reduced capacity due to his injury.
Partial Disablement benefit	($9,000 - $4,500) / $9,000 x $5,000 = $2,500	((A-B)/A x C) – benefit offsets where: A is your pre-disability Income B is the Income earned C is the IP Monthly Benefit
Amount received	$5,000 per month	Amount Paul receives as motor accident compensation.
Potential income from all sources	$2,500 + $4,500 +$5,000 = $12,000	IP Monthly Benefit plus Income earned plus the amount received for motor accident compensation.
Total offset	$12,000 - $9,000 = $3,000	Potential income from all sources less 100% of Paul's pre-disability Income.
Benefit payable	$2,500 - $3,000 = $0	The calculated Partial Disablement benefit is $0, as the Partial Disablement benefit ($2,500) is less than the total offset amount ($3,000). Paul is receiving a total of $9,500 ($4,500 from his reduced earnings plus $5,000 motor accident compensation) which is more than 100% of his Income ($9,000) prior to the Benefit Calculation Date.

By applying the above reductions, your benefit may be reduced to nil. If this applies, you will be deemed to be receiving a benefit even though you are receiving no money.

Where your benefit is reduced to nil as a result of you being paid benefits under another default insurance policy with another superannuation fund, your cover in your Plan will cease, and you will be refunded all premiums to the shorter of the following:

- The period cover overlapped, and
- Six years.

If any of the above reductions are payable as a lump sum, your benefit will only be reduced by the portion of the lump sum relating to loss of income, loss of earning capacity or any other economic loss for the same period, as determined by the Insurer at their discretion.

You will need to provide to the Insurer as far as reasonably practicable, a breakdown of the lump sum including the portion of the lump sum relating to loss of income, loss of earning capacity or any other economic loss, the amount claimed in respect of each head of damage or loss (to the extent applicable) and any other information the Insurer reasonably require in relation to the lump sum.

If you do not provide sufficient particulars to reasonably allow the Insurer to make a determination, the lump sum will be converted to an equivalent monthly payment of 1/60th of the lump sum over a period of 60 months from the date of the lump sum payment.

Example

A lump sum paid for $180,000 for loss of income due to a motor vehicle accident would be converted to a monthly amount of $3,000 ($180,000/60). The offset would then be applied as per the IP Partial Disablement benefit offset example shown.

5.3.5 Paid Rehabilitation expenses

In addition to the IP Monthly Benefit, you may be eligible for a Rehabilitation expense amount if you have occupational rehabilitation costs. You must be Totally Disabled or Partially Disabled for longer than the Waiting Period and you must have all of the following:

- Prior written approval from the Insurer, and
- A written statement from your Medical Practitioner (to which the Insurer agrees) that you need to incur these expenses as part of your occupational rehabilitation, and
- No other source of reimbursement for these expenses.

The rehabilitation expense amount could cover the cost of joining any pre-approved rehabilitation program or purchasing goods or equipment.

This amount will be paid directly to the rehabilitation service provider.

Six times your IP Monthly Benefit is the maximum amount payable while you have IP cover in your Plan.

The Insurer will not pay a rehabilitation expense amount if this contravenes the National Health Act 1953, Health Insurance Act 1973, Private Health Insurance Act 2007, Private Health Insurance (Prudential Supervision) Act 2015 or any similar health insurance legislation or regulation.

5.3.6 Escalation benefit

The escalation benefit is only available with either a 5-year or a To Age 65 Benefit Period option.

If you have been receiving a Total Disablement or Partial Disablement benefit for 12 consecutive months, the amount of your IP Monthly Benefit will increase by the lesser of:

- The Consumer Price Index, and
- 5%.

This will occur annually so long as you continue to be Totally Disabled or Partially Disabled and have been paid an IP Monthly Benefit continuously for the 12 months. The IP Monthly Benefit will not increase above the maximum cover amount.

5.3.7 Recurrent disablement

If you return to work and subsequently become Totally Disabled or Partially Disabled again for the same or related cause to the previous claim, your new claim will be treated as a:

- Continuation of the previous claim if your new claim is made within 6 months from when IP Monthly Benefits under your previous claim ceased. (The Waiting Period does not apply. The Benefit Period will be adjusted to account for any prior IP Monthly Benefit payments).
- New claim if you returned to work for at least 6 months from when IP Monthly Benefits under your previous claim ceased. The Waiting Period will apply. IP Monthly Benefits can be paid for the full Benefit Period.

Example

Stephan has IP cover with a 30-day Waiting Period and a 2-year Benefit Period.

Stephan injured his back and received IP Monthly Benefits for 4 months when his claim ceased as he had recovered and returned to work. Unfortunately, after returning to work for 3 months, Stephan aggravated his back injury and needed to claim IP Monthly Benefits.

As this new claim occurred within 6 months of the previous claim ceasing, Stephan would not have to wait 30 days (the Waiting Period) before IP Monthly Benefit payments could start. As Stephan was previously paid benefits for 4 months, the maximum period he could be paid under this new claim would be 20 months (i.e. the 2-year Benefit Period less the 4 months paid previously).

If Stephan had returned to work for 8 months (rather than 3 months) before aggravating his injury after his original claim ceased this would be treated as a new claim. Stephan would:

- Need to wait 30 days (the Waiting Period) before any IP Monthly Benefits could be paid, and
- Be able to claim IP Monthly Benefits for a maximum of 2 years (i.e. his full Benefit Period).

5.4 If you die whilst claiming IP Monthly Benefits

If you die while we are paying you a benefit, or you are eligible to be paid a benefit because you are Totally Disabled or Partially Disabled, we will pay a lump sum amount equal to 3 times your IP Monthly Benefit.

This will be paid in addition to any insured death benefit from your Plan (if you have Death only or Death and TPD cover and are eligible for a death claim).

6. What's not covered

As with every insurance policy, there are certain exclusions you need to be aware of.

In addition to the exclusions in this section, the Insurer will not make any benefit payment if:

- The payment would cause the Insurer to infringe any Health Insurance Legislation, or
- Where the Insurer has imposed a specific exclusion that applies to you as a result of underwriting.

The following table shows situations when a benefit will not be payable (i.e. when you are not covered).

Type of benefits	Exclusions
Death	An insurance benefit won't be paid if: 1. Your death is directly or indirectly caused by your active service in the armed forces of any country, territory, foreign or international organisation after your cover commenced[1] unless you are on war service for Australia only, or 2. Your death is caused by attempted suicide or deliberate self-inflicted act within 13 months of your cover starting, where you joined the IOC more than 120 days after commencing work with your Employer.
Terminal Illness, or TPD	An insurance benefit won't be paid if: 1. Your injury or sickness is directly or indirectly caused by your active service in the armed forces of any country, territory, foreign or international organisation after your cover commenced[1], or 2. Your injury or illness is caused by attempted suicide or deliberate self-inflicted act within 13 months of your cover starting, where you joined the IOC more than 120 days after commencing work with your Employer.
IP	An insurance benefit won't be paid if an illness or injury is directly or indirectly caused by: • Active service in the armed forces of any country or territory or foreign or international organisation after your cover started[1], or • Deliberate self-inflicted injury or illness (whether sane or insane), or • Uncomplicated pregnancy or childbirth.

1 If you are enrolled in the Australian Defence Forces Reserve, the active service exclusion only applies where you have been called up for active service.

7. Other important information

7.1 When your cover ends

Your Death, TPD and IP cover stops if any of the following events occur:

- You reach your Cover Expiry Age.
- You no longer meet the eligibility criteria of your Plan.
- You leave your Employer.
- Your Employer stops paying for your cover.
- You die.
- When your amount insured reduces to nil under your cover design (for Death cover and TPD cover only).
- If you make a fraudulent claim.
- If you do not return to work from your Employer approved leave without pay on the specified return to work date, your cover will automatically stop 30 days after the specified return to work date.
- The insurance policy terminates.
- For TPD cover, when a Terminal Illness or TPD benefit becomes payable.
- For Death cover, when a Terminal Illness or TPD benefit becomes payable. Where your Death cover is greater than your TPD cover, your Death cover will reduce by the amount of TPD benefit paid and Death cover will continue until another condition under this section is met.
- If you are unable to claim under the Policy from the date cover started for cover that did not require any underwriting.
- The date we receive your request to cancel cover.

Income Protection cover will also end when:

- We agree with your Employer that IP cover will no longer be provided in your Plan.
- For IP default cover, if you make a claim and your benefits are reduced to nil because you are being paid under a different IP policy with automatic acceptance cover.

7.2 Reinstatement of cover

You may be able to reinstate your cover, subject to certain conditions, if your cover ended because your Employer stopped fully paying for it.

If your Employer stops paying for your cover, we will notify you and you will have 60 days from when your cover ended to provide a written election to reinstate your cover within the Corporate category of your Plan.

Where a reinstatement request is received outside of the 60 days of cover ending, you will need to go through underwriting to obtain cover again within the Corporate category of your Plan. You will not be covered until the date that your application is accepted by the Insurer.

To apply for cover reinstatement, please complete the relevant form or call the Helpline to obtain a copy of the form.

7.3 Cover during approved leave

Where your Employer approves a period of leave without pay (including parental leave) and you have agreed and documented a return to work date before you start that leave without pay, your cover will continue for up to four years as long as premiums continue to be paid.

For Death (including Terminal Illness) and TPD cover

If you die, are diagnosed with a Terminal Illness or become Totally and Permanently Disabled when you are on leave without pay, then to calculate your benefit amount we will use:

- Where you have units of cover or a fixed amount of cover, your amount insured at the date immediately before the Benefit Calculation Date, or
- Where your amount insured is based on a percentage or multiple of income, your Income at the date immediately before you started your leave without pay.

For IP cover

For IP cover, your approved leave without pay must be for reasons other than injury or illness.

If you become Totally Disabled or Partially Disabled during the period of leave without pay:

- The Waiting Period will start from the date a Medical Practitioner issues a medical certificate stating that you are unable to work due to injury or illness.
- Your IP Monthly Benefit will start from the later of:
  - your specified return to work date, or
  - the expiry of your Waiting Period.
- Your IP Monthly Benefit at the date immediately before you started your leave without pay will be used to calculate the amount of any Total Disablement or Partial Disablement benefits.
- The Income used to calculate the amount of any Total Disablement or Partial Disablement benefits will be based on your Income immediately before you started your leave without pay.

Example

Margaret has been on leave without pay for 18 months and sustains an eye injury shortly before her specified return to work date.

Margaret has IP cover with a Monthly Benefit of $7,000 and when she started her leave without pay, Margaret earned $10,000 per month.

This means the maximum IP Monthly Benefit Margaret may be entitled to is $7,000 and the Income used to calculate any Total Disablement or Partial Disablement will be $10,000 per month, even though Margaret had no earnings in the previous 12 months.

For all cover

If you die, are diagnosed with a Terminal Illness or become Totally and Permanently Disabled when you're on leave without pay, the benefit amount will be based on your amount insured at the date immediately before you started your leave without pay.

When you return to work, your amount insured will be calculated based on your age and Income as at the date you return to work.

If you do not return to work, your cover will automatically stop on the earlier of 30 days after the specified return to work date or after you have been on approved leave for four years.

If your cover stopped because you did not return to work by the specified date, you can apply for cover. This cover will be subject to underwriting and acceptance of cover by the Insurer.

You must advise us if you are going to be on leave without pay for longer than four years or for longer than your specified return date. We will need to get the Insurer's approval to continue cover.

7.4 Cover while travelling or working overseas

Working overseas

Your insurance cover will continue if you are working overseas for your Employer as long as:

- Your Employer provides details of your overseas arrangements to the Insurer when requested.
- You remain employed by your Australian Employer.
- Premiums for your cover continue to be paid.

TPD or IP claims while overseas

If you make a TPD or IP claim, you may have to return to Australia at your own expense for medical treatment or assessment, or the Insurer may require your medical treatment and/or assessment to be equivalent to Australian standards, which may be at your cost. A TPD or IP Monthly Benefit may not be paid if you do not comply with these requirements.

For an IP claim, where you are no longer:

- An Australian Resident, or
- Residing permanently in Australia, or
- Eligible to work in Australia

and claim while overseas, your IP Monthly Benefit Period will be limited to a maximum period of 6 months for each claim that occurs while overseas, unless you return to Australia for assessment and treatment for the duration of your claim.

This restriction does not apply where you are working overseas for your Employer.

Other important details while overseas

You need to let us know if you are working overseas permanently or if you no longer intend to work in Australia whilst being a member of your Plan. Keep your contact details up to date by contacting the Helpline so we can provide you with more information about what will happen to your insurance arrangements and other benefits under your Plan.

Your benefits are provided based on the information we hold on file. If your personal details are not up to date, this may result in your insurance cover being cancelled or you incurring premiums for cover you are ineligible to claim on.

Got a question or want to keep, reinstate or cancel your cover?

To help you identify how to access key information explained in this section or perform common transactions with us, refer to the table below. For any other enquiries call the Helpline.

Transactions	Use your personal login at mercersuper.com.au/login	Paper form/written request
Reinstating cover	X	✓
Cancelling cover	✓	✓

Important

To keep up-to-date with your insurance arrangements, you can login to your personal account at mercersuper.com.au/login to view your insurance cover. You'll also receive regular newsletters, an annual member statement and the *Mercer Super Trust Annual Report (Fund Information Statement)*.

8. When you cease to be an IOC member

You cease to be an IOC member of your Plan:

- When you leave your Employer; or
- When you become a Corporate member; or
- Your Employer stops paying for your cover.

8.1 When you leave your Employer

Your insurance cover will cease in the IOC of your plan when you leave your Employer.

8.2 If you decide to become a Corporate member

If you are an IOC member and then subsequently decide to commence or recommence SG contributions to your Plan in Mercer Super, you will need to inform your Employer. This means you will cease to be an IOC member and your IOC account will be closed.

For more information about becoming a Corporate member, please refer to the Mercer Business Super PDS (Corporate and Retained category) at **mercersuper.com.au/pds**.

8.3 Other important information

Claim conditions

If you leave employment because of an injury or illness and are in the process of lodging a Terminal Illness, TPD or IP claim, the entitlement to claim will be assessed against your benefits as recorded in your Plan prior to leaving employment.

You can still claim IP Monthly Benefits against the cover you held in your Plan prior to leaving employment.

In the event of an IP claim, the IP Monthly Benefit will be calculated as described in section 5.2 'How your insured benefit payment is calculated'.

Financial advice

Considering getting financial advice tailored to your personal circumstances? If you don't have a financial adviser, as a member of Mercer Super, you can access a range of limited financial advice and support tools.

Find out more at **mercersuper.com.au/advice**

9. How to make a claim

A claim for Death, Terminal Illness, TPD or IP may be made if you die or have an injury or illness.

How to make a claim

If you find yourself in a situation where you need to make an insurance claim, we understand you are already going through a challenging time. Our goal is to make the claims process as easy as possible and to provide support every step of the way.

Getting started

These are typically the key steps involved in making a claim.

1. Contact us

Please contact us at the earliest possible time to let us know you need to make a claim. You'll be given a representative to guide you through the claims process, and they'll stay with you right up until the end of the process.

Call our claims consultants on **1300 008 605** Monday to Friday, 9am-5pm (AEST/AEDT) or visit **mercersuper.com.au** for more information.

2. Confirm eligibility

We will ask you to provide us with information about your claim so that we can identify if you are eligible to make an insurance claim.

If we determine that you are not eligible to make an insurance claim, we'll explain this in writing and give you the opportunity to provide more information.

3. Claims pack

A claims pack will be emailed or posted to you within five business days of you notifying us you would like to make a claim. You will need to meet the costs associated with completing the claims pack (including the completion of any forms).

4. Claims assessment

You and your Medical Practitioner(s) must provide the necessary documents and complete all requirements to make a claim.

Once we have received all required documents and claim information, the Insurer will commence their assessment.

Where the Insurer needs further information to assess your claim, the Insurer may pay the cost to obtain this information.

4a. Timing

Each type of claim has a different process. For more details about what's involved, the process and timeframes, please select the relevant guide and/or frequently asked questions (FAQs) on our website at **mercersuper.com.au**

4b. Costs

If you are overseas, you may have to return to Australia at your own expense for medical treatment or assessment, or the Insurer may require your medical treatment and assessment to be equivalent to Australian standards. If you are living or travelling overseas you will need to pay the cost of returning to Australia.

The Insurer may, subject to law, consider your claim withdrawn or refuse to pay your claim if you do not meet the Insurer's requirements.

4c. Refunds

We may refund the premiums to your Employer either:

- For the period the Insurer identifies you are not eligible to claim for any automatic (default) cover.
- If you make a claim that is accepted and your cover ceases under the terms of the Policy on the date you became eligible to claim.

5. Trustee review

The trustee is committed to ensuring that the Insurer's assessment of your claim is fair and transparent, and that all final claim decisions are fair and reasonable.

We have an independent team who review your claim, and in some cases, may challenge the decision on your behalf with the Insurer.

6. Confirmation

We'll contact you with the outcome of your claim and discuss the next steps with you.

9.1 Key claim conditions for all claims

If you were ineligible when cover commenced and cover was provided in error, no benefits will be payable and any overpaid premiums will be refunded to your Employer, unless otherwise agreed between us and the Insurer.

The Insurer reserves the right to require that you return to Australia (at your expense) for claim assessment and examination prior to payment of any Terminal Illness benefit, TPD benefit or continued payment of any IP Monthly Benefits. The Insurer may not pay benefits or may cease to pay IP Monthly Benefits where you don't return to Australia.

The Insurer also reserves the right to arrange for you to be examined by a Medical Practitioner, at the Insurer's expense, to determine your insurance entitlement.

9.2 What happens if you have multiple insurance policies

If you have cover outside your Plan, you should consider the impacts of having multiple insurance policies (of the same or similar cover) because you may not be able to claim on multiple policies. If you are unsure about what to do about any duplicate cover you may hold, call the Helpline.

Duplicate claims will not be paid where the cause of the duplicated cover is due to administration errors by your Employer or us, whether fraudulent or not. Where an error is identified, the duplicate cover will be cancelled from inception and any insurance premiums paid for the duplicated cover, will be refunded to you or your Employer as applicable.

Your original claim will still be considered and paid if accepted by the Insurer.

Got a question about claims?
Refer to our claims guide at **mercersuper.com.au**

10. Insurance definitions

This section explains capitalised terms used throughout this Booklet.

At Work

Means that you are actively performing all the duties of your usual occupation with your Employer free from any limitation due to injury or illness and you are not receiving and/or are not entitled to claim income support payments from any source including workers' compensation payments, statutory transport accident payments or disability income payments. If you are absent from work for reasons other than injury or illness, you will be considered to be At Work as long as you are At Work on the day before the first day of your Employer approved leave. If you do not meet any of these conditions, you will be considered to be not At Work.

Australian Defence Force (ADF) Super member

Means a member of the Permanent Forces or a continuous full-time Reservist, defined in the Australian Defence Force Superannuation Trust Deed 2015 as a 'serving ADF Super member'.

Australian Resident

For insurance purposes, means you are legally permitted to reside and work for reward in Australia.

Automatic Acceptance Limit (AAL)

Is the maximum amount of cover that you can have without having to provide any health or lifestyle information.

Benefit Calculation Date

Means for:

(a) Death cover, the date of death.
(b) Terminal Illness the date on which the last Medical Practitioner certifies you as Terminally ill.
(c) TPD cover the Date of Disablement.
(d) IP cover the last day at work prior to injury or illness.

Refer to section 7.3 'Cover during approved leave' as the Benefit Calculation Date may be different based on your leave.

Benefit Period

The maximum period for which a Total and/or Partial Disablement benefit, other than for Interim cover, will be paid to you. It starts from the date you are first entitled to be paid a Total and/or Partial Disablement benefit and stops when any of the events under section 5.3.3 'When your Total Disablement or Partial Disablement benefit stops' occurs.

Where your claim is considered to be a continuation of a previous claim (see section 5.3.7 'Recurrent disablement'), the maximum Benefit Period will include the total of any period where you were Totally Disabled or Partially Disabled due to the same or related cause, unless otherwise agreed between the Insurer and the trustee.

Casual Employee

Means you are employed on a casual basis by your Employer, regardless of the number of hours you work and you are not a Permanent Employee, Non-Employee or a Contractor.

Consumer Price Index (CPI)

Means the Australian National All Groups Consumer Price Index rated average of 8 capital cities combined.

Contractor

Means you are:

- Contracted by your Employer where the contract duration is for a fixed term as agreed between you and your Employer,
- Contracted by your Employer to personally perform the duties that you are contracted for, and
- Not a Permanent Employee, Non-Employee or a Casual Employee.

Corporate member

A Corporate member is a person employed by the Employer who has joined the Plan and is eligible to receive Superannuation Guarantee (SG) contributions.

Cover Expiry Age

Means 11.59pm on the day immediately prior to the age cover ceases as specified in Section 2.2 'Are you eligible for default cover?'.

Date of Disablement

For TPD cover means:

(a) The date that is the first day of the three consecutive month period you have been absent from employment solely due to injury or illness, or
(b) Where you first become unable to work due to injury or illness while not working or on employer approved unpaid leave, the date you are first unable to work solely due to injury or illness as certified by a Medical Practitioner.

De facto or de facto Relationship

For insurance purposes means a relationship between you and another person (whether of the same sex or different sexes) where you and the other person:

- Are not legally married to each other; and
- Having regard to all the circumstances of your relationship
  - you and the other person have a relationship as a couple living together on a genuine domestic basis, or
  - such other meaning as set out in the Family Law Act 1975 (Cth).

Disability Income

Means the monthly (or pro rata) amount earned by you, while you are Partially Disabled, as a result of your own personal exertion from any employment.

The amount earned may include employer superannuation contributions.

Employer

Your employer (referred to as your Employer through this *Insurance* booklet) has chosen to provide superannuation (super) and insurance benefits for its employees through Mercer Business Super. Your Employer has been admitted to participate in Mercer Business Super in accordance with the terms of the trust deed for the Plan.

Exercising Choice

Means:

- You choose to have your contributions paid to another super fund when you commenced employment with your Employer; or
- You are an existing member of the Corporate category of your Plan, and you subsequently choose to have your contributions paid to another super fund and become a member of the IOC.

Gainful Employment

Means employment or self-employment for gain or reward in any business, trade, profession, vocation, calling, occupation, or employment.

Important Duties

Means one or more duties that involve 20% or more of your overall occupational tasks which are important and essential in producing Income.

Income

Income for the purposes of **Death and TPD cover** means your regular remuneration under the terms of your employment as advised by your Employer.

This includes fringe benefits and may include superannuation contributions, but excludes any commissions, bonuses, investment and interest income unless otherwise agreed to by us.

Income for the purposes of **IP cover** means your regular remuneration under the terms of your employment immediately prior to the Benefit Calculation Date as advised by your Employer, including:

- Fringe benefits
- Regular bonuses and commissions
- Regular overtime earnings, and
- May, where agreed to by us, include employer superannuation contributions.

The annual rate of regular bonuses, regular overtime earnings, and regular commissions will be calculated based on the average of the last 3 years (or where you have been employed for less than 3 years, averaged across your period of employment). Only regular bonuses, regular overtime earnings and regular commissions received by you, whilst insured in your Plan, will be included as Income.

Irregular commissions, irregular bonuses, investment, and interest income are not considered Income.

If you are a Casual Employee, Income as described above, will be averaged over the 12 months immediately prior to the Benefit Calculation Date.

Insurance Only Category (IOC) member

An IOC member is a person employed by the Employer who has joined the Plan but is not eligible to receive Superannuation Guarantee (SG) contributions

Medical Care

Means that you must be receiving and following medical treatment or advice reasonably recommended by a Medical Practitioner who has personally assessed you and been provided with full clinical details of your case, and you will continue to be reviewed in these circumstances on at least a monthly basis unless otherwise agreed by the Insurer.

Medical Practitioner or Doctor

Means a person who is registered as such and who is appropriately qualified to treat your injury or illness. The Medical Practitioner cannot be you or a family member, business partner, employee or your Employer.

The Insurer may, in their absolute discretion, accept a similarly qualified person who is registered and practicing as a medical practitioner in another country with a similar standard of medical care as that in Australia. The Insurer may, in their absolute discretion, seek an independent opinion from a medical practitioner in Australia to review such overseas medical evidence.

For Terminal Illness and TPD claims, where reasonable, the Insurer may require the Medical Practitioner to be a specialist practising in the area related to the injury or illness suffered by you, specifically if the condition is more commonly diagnosed and treated by a specialist.

Monthly Benefit

Means the lesser of:

- 75% of monthly Income plus the employer superannuation contribution benefit (if applicable) at the Benefit Calculation Date
- The amount insured; and
- Maximum benefit amount.

New Events cover

Means you are only covered for claims arising from an illness which became apparent or an injury which occurred on or after the date your insurance cover started or most recently started under your Plan.

Occupation Classification

Means the Occupation Classification (e.g. Blue Collar) agreed between the Insurer and us and which applies to you.

Occupation Category Factor

Means the factor that applies to an Occupation Classification (e.g. Blue Collar) as agreed with the Insurer and which applies to you.

Partial Disablement/Partially Disabled

Means because of an injury or illness, you:

(a) Are unable to perform the Important Duties of your regular occupation, and
(b) Have returned to work in your regular occupation or an alternative occupation, and
(c) Are earning a Disability Income from your regular occupation or alternative occupation which is less than your monthly Income at the last day you were at work prior to your injury or illness, and
(d) Are capable of working (whether or not for reward), and
(e) Remain under Medical Care.

Permanent Employee

Means you are employed on a permanent basis, by your Employer, for an indefinite duration where you receive entitlements normally associated with permanent employment.

Rehabilitation

Means occupational rehabilitation for the purpose of returning you to your pre-disablement occupation or another occupation. Occupation rehabilitation may include initial rehabilitation assessment, physical conditioning program, graduated return to work program, vocational assessment and assistance to obtain new employment. Any occupational rehabilitation must be as part of a return to work program approved by the Insurer.

Spouse

Spouse means:

(a) A party to a marriage; or
(b) A party to a de facto relationship.

Terminal Illness

Means:

- Two Medical Practitioners have certified, jointly or separately, that an illness has caused a reduction in your life expectancy to 24 months or less and the Insurer agrees (based on medical evidence provided by your Medical Practitioners), that you suffer from an illness that is likely to result in your death within a period (the certification period) that ends not more than 24 months after the date of the certification, regardless of any treatment that might be undertaken, and
- At least one of the Medical Practitioners is a specialist practicing in an area related to the illness suffered by you, and
- For each of the certifications, the certification period has not ended.

The illness resulting in the Terminal Illness must occur, and the date any Medical Practitioner certifies you as being Terminally ill, must take place while you are covered under your Plan.

Terminally ill

Has a corresponding meaning to Terminal Illness.

Total and Permanent Disablement (TPD)

Means you:

(a) Are under the care and following the advice of a Medical Practitioner, and
(b) In the opinion of the Insurer, have become incapacitated due to ill-health (whether physical or mental) to such an extent that makes it unlikely that you will ever engage in or work for reward in any occupation or work for which you are reasonably qualified by education, training or experience, and
(c) Have not worked in any capacity for at least three consecutive months since the Date of Disablement solely due to injury or illness or you have suffered a Specified Medical Condition.

Total Disablement/Totally Disabled (IP)

Means if you are working 15 hours or more per week on average over the 3 months immediately prior to the Benefit Calculation Date, and, because of an injury or illness, you:

(a) Have been continuously absent from employment throughout the Waiting Period, and
(b) Are not working in any occupation (whether paid or unpaid), and
(c) Are under Medical Care, and
(d) Are not capable of doing the Important Duties of your regular occupation

If you are working less than 15 hours per week on average over the 3 months immediately prior to the Benefit Calculation Date, and, because of an injury or illness, you:

(a) Have been continuously absent from employment throughout the Waiting Period, and
(b) Are not working in any occupation (whether paid or unpaid), and
(c) Are under Medical Care, and
(d) Are not capable of performing any occupation (whether paid or unpaid) for which you are reasonably qualified by education, training or experience.

Totally and Permanently Disabled

Has a corresponding meaning to Total and Permanent Disablement (TPD).

Waiting Period

The Waiting Period is the number of days that must elapse before an IP Monthly Benefit begins to accrue.

The Waiting Period commences from the later of the following:

- The date you are first examined and certified by a Medical Practitioner as Totally Disabled in relation to the injury or illness giving rise to the claim, and
- The date you cease work with your Employer due to that injury or illness.

If you consult a Medical Practitioner within 7 days of ceasing work with your Employer due to that injury or illness, the Waiting Period will commence from the date you ceased work.

If you return to work or participate in a Rehabilitation program after your Waiting Period has commenced and you then return to work for:

- Less than 10 consecutive days (on a 90-day Waiting Period), or
- Less than 6 consecutive days (on a 60-day Waiting Period),

and then cease work again due to the same injury or illness, the number of days you returned to work or attended Rehabilitation will be added on to your Waiting Period.

If you returned to work for more than 10 or 6 consecutive days respectively, your Waiting Period will start again.

Specified Medical Conditions

Alzheimer's disease or other dementias means the diagnosis of dementia (including Alzheimer's disease) as confirmed by a consultant neurologist or geriatrician resulting in significant cognitive impairment. Significant cognitive impairment means deterioration in your mini-mental state examination scores, or equivalent thereof, scores to 20 or less.

Blindness means that as a result of disease or accident and certified by an ophthalmologist, the:

(a) Visual acuity on the Snellen Scale after correction by suitable lenses is less than 6/60 in both eyes, or
(b) Field of vision is constricted to 20 degrees or less of arc around central fixation in the better eye irrespective of corrected visual activity (equivalent to 1/100 white test object), or
(c) Combination of visual defects results in the same degree of vision impairment as that occurring in (a) or (b) above.

Cardiomyopathy means impairment of the ventricular function of variable aetiology resulting in significant and irreversible physical impairment to the degree of at least Class III of the New York Heart Association classification of cardiac impairment.

The New York Heart Association classifications are:

Class I – no limitation of physical activity, no symptoms with ordinary physical activity.

Class II – slight limitation of physical activity, symptoms occur with ordinary physical activity.

Class III – marked limitation of physical activity and comfortable at rest, symptoms occur with less than ordinary physical activity.

Class IV - symptoms with any physical activity and may occur at rest, symptoms increased in severity with any physical activity.

Chronic lung disease means end stage respiratory failure requiring continuous and permanent oxygen therapy and is confirmed by a specialist Medical Practitioner, excluding intermittent oxygen therapy.

Diplegia means the total and permanent loss of the use of both sides of the body due to injury or sickness.

Hemiplegia means the total and permanent loss of the use of one side of the body due to injury or sickness.

Loss of hearing means complete and irrecoverable loss of hearing, both natural and assisted, from both ears as a result of injury or illness, as certified by an appropriate specialist Medical Practitioner.

Loss of limb and/or sight means you have suffered an injury or illness which first became apparent while you were insured in this Plan and as a result of the injury or illness you have suffered the total and irrecoverable loss of (or total loss of the use of):

(a) Both hands, or
(b) Both feet, or
(c) One hand and one foot, or
(d) The sight of both eyes, or
(e) One hand and the sight in one eye, or
(f) One foot and the sight in one eye.

where the loss of sight means to the extent that the visual acuity is 6/60 or less, or to the extent that the visual field is reduced to 20 degrees or less of arc.

Loss of speech means the complete and irrecoverable loss of the ability to speak as a result of injury or illness which must be established and the diagnosis reaffirmed after a continuous period of three months of such loss by an appropriate specialist Medical Practitioner.

Major head injury means an accidental head injury resulting in permanent neurological deficit, resulting in you either:

(a) Being totally and permanently unable to perform any one of the 'Activities of Daily Living' listed below, without assistance from another person:
  - bathing/showering
  - dressing/undressing
  - eating/drinking
  - using the toilet to maintain personal hygiene
  - getting in and out of bed, a chair, a wheelchair or moving from place to place by walking, a wheelchair or with a walking aid, or
(b) Suffering at least a 25% impairment of whole person function as defined in Guides to the Evaluation of Permanent Impairment 5th edition, American Medical Association.

Diagnosis must be confirmed by a consultant neurologist.

Motor neurone disease means unequivocal diagnosis of motor neurone disease by a consultant neurologist and confirmed by neurological investigations.

Multiple sclerosis means the unequivocal diagnosis of multiple sclerosis confirmed by a consultant neurologist.

Muscular dystrophy means the unequivocal diagnosis of muscular dystrophy confirmed by a consultant neurologist.

Paraplegia means the total and permanent loss of function of the lower limbs due to spinal cord injury or disease, or brain injury or disease.

Parkinson's disease means an unequivocal diagnosis of idiopathic Parkinson's disease as confirmed by a consultant neurologist. All other types of Parkinsonism are excluded (for example, secondary to medication).

Pulmonary arterial hypertension (primary) means primary pulmonary hypertension associated with right ventricular enlargement established by cardiac catheterisation, resulting in significant irreversible physical impairment of at least Class III of the New York Heart Association classification of cardiac impairment.

Pulmonary hypertension in association with chronic lung disease is specifically excluded.

Other forms of hypertension (involving increased blood pressure) are specifically excluded.

The New York Heart Association classifications are:

Class I – no limitation of physical activity, no symptoms with ordinary physical activity.

Class II – slight limitation of physical activity, symptoms occur with ordinary physical activity.

Class III – marked limitation of physical activity and comfortable at rest, symptoms occur with less than ordinary physical activity.

Class IV - symptoms with any physical activity and may occur at rest, symptoms increased in severity with any physical activity.

Quadriplegia means the total and permanent loss of use of the upper and lower limbs due to spinal cord injury or disease.

Tetraplegia means the total and permanent loss of use of the upper and lower limbs due to spinal cord injury or disease.

Other things you should know about your super

Contributions

Under the IOC, you or your Employer cannot make any contributions (except those your Employer may make to cover fees and the cost of any insurance cover) or transfer any monies from other super funds. The IOC exists solely for your Employer to ensure that you, as an eligible employee who has Exercised Choice, can access a default level of Death, TPD and IP insurance cover while you remain employed.

Accessing your super

As an IOC member you do not have a super account balance. However, if a Death, Terminal Illness or TPD benefit is paid, that benefit is treated as a super benefit.

Government legislation restricts access to your super and is designed to ensure that you generally use your super for retirement. There are a number of Fact Sheets available from **mercersuper.com.au/pds** that you may find useful. These include:

- *Accessing your super* Fact Sheet,
- *Tax on lump sum super payouts* Fact Sheet.
- *Contributions* Fact Sheet,
- *Government Contributions* Fact Sheet.

Family law

Subject to relevant legislation, married and de facto couples may be able to make binding agreements or get court orders to determine how each partner's super will be divided if their marriage or relationship breaks down.

Under the Family Law Act 1975, the trustee needs to provide certain information about a member's super benefit to eligible persons where the information is required to negotiate a superannuation agreement or to help with a court order. An eligible person under the Act includes a member, the spouse of a member or any person who intends to enter into a superannuation agreement with the member for the purposes of splitting superannuation.

We may need to adjust your benefit payment to reflect any agreements or court orders that may be binding on the trustee. We will advise you about any fee for a request related to the Family Law Act 1975 in respect of your benefit payment.

Call the Helpline about family law matters affecting your super in Mercer Super.

Anti-Money Laundering

Under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act), superannuation funds have to identify, monitor and mitigate the risk that the fund may be used for the laundering of money or the financing of terrorism. Because of this, you will be asked to provide satisfactory proof of your identity to the trustee before you withdraw your super benefit. You may also need to provide satisfactory proof of identity to meet other legal requirements.

At a minimum, we need to collect your full name (including any other names you are known by), date of birth and residential address, verified by acceptable independent documentation, such as a certified copy of your current identification documents – driver's licence, passport, a foreign national identity card or other supporting documents.

We are unable to process your payment without this information in an appropriate form.

Under the AML/CTF Act, we may need to undertake additional identification checks and monitor transactions. We may also need to block or suspend transactions. The trustee will not be liable for any loss suffered by you due to a delay in making a payment which has been caused by the need to comply with AML/CTF Act requirements.

By law the trustee is also required to comply with confidential reporting obligations to the AML/CTF Act regulator Australian Transaction Reports and Analysis Centre (AUSTRAC).

Other key information

Beneficiaries

It's important to let us know who you would prefer to receive your death benefit if you die while a member of Mercer Super. Reviewing and updating your beneficiary nomination may ensure that your benefit can be paid according to your nomination.

For more information about nominating beneficiaries, see the *Beneficiaries* Fact Sheet available from **mercersuper.com.au/pds**.

Representing members' interests

If your Plan has a policy committee, the names of policy committee representatives and dates of when their terms expire will be published in a supplement to the *Mercer Super Trust Annual Report (Fund Information Statement)* to members.

A policy committee comprises an equal number of member and employer representatives.

The policy committee represents members of your Plan in all dealings with the trustee of Mercer Super. The policy committee is a communications channel to the trustee for any member issues and concerns.

Call the Helpline for information about policy committee election rules.

Service providers to the trustee

The trustee has appointed a number of service providers to help it run Mercer Super. The main service providers to the trustee include the administrator, the implemented consultant, the financial advice service provider and your Plan's insurer.

The administrator, the implemented consultant and the financial advice service provider are paid from the trustee's fee income. See below for further details on each of these service providers.

More information on service providers to the trustee are available at **mercersuper.com.au/governance** under Trustee Documents.

Administrator

The trustee has appointed Mercer Outsourcing (Australia) Pty Ltd (MOAPL) to provide administration services to Mercer Super including but not limited to:

- Administration of member records and unit holdings
- Daily management of Mercer Super's operations including accounting
- Preparing communications materials, including the Mercer Super website
- Helpline facilities for members.

Corporate resources

The trustee has appointed Mercer (Australia) Pty Ltd (MAPL) to provide various corporate resources and services including but not limited to compliance and risk management, information technology services, internal audit, and general corporate administration services.

Implemented consultant

The trustee has appointed Mercer Investments (Australia) Limited (MIAL) as an implemented consultant. MIAL provides services to MSAL on the selection, appointment, replacement and ongoing evaluation of investment managers through an implemented consulting arrangement.

Financial advice services

The trustee has appointed Mercer Financial Advice (Australia) Pty Ltd (MFAAPL) to provide financial advice services to members of Mercer Super. Such financial advice services include a limited personal financial advice service, and general advice.

Actuarial services

The trustee has appointed Mercer Consulting (Australia) Pty Ltd (MCAPL) to provide actuarial and advisory services to Mercer Super.

Trustee powers and responsibilities

The trustee is responsible for:

- Exercising its duties and powers in members' best financial interests
- Ensuring members' rights are protected in accordance with the Trust Deed and relevant law
- Payment of correct super benefits at the appropriate time
- The proper management of assets
- The general operation of Mercer Super in accordance with the governing documents and applicable legislation.

The trustee pays itself a fee out of the fees charged in respect of members.

Trustee's indemnity

Both the trustee and its directors are entitled to be indemnified, out of the assets of Mercer Super, against all liabilities including losses, costs and expenses that may be incurred in administering Mercer Super.

Liabilities include any payments to the trustee of any predecessor fund to your Plan for any liabilities incurred by that trustee before the transfer into Mercer Super.

The operation of the trustee's indemnity may result in a reduction in a super benefit.

The indemnity does not apply to:

- Liabilities arising out of fraud, dishonesty or intentional or reckless neglect or default
- Amounts, such as penalties, for which indemnification is not permitted under Government legislation.

Governing rules

The governing rules of your Plan include:

- The trust deed that governs the operation of Mercer Super
- The designated rules covering the general operation of your Plan
- Your Employer's Application Form that sets out the specific details of your membership.

The governing rules of your Plan together with relevant laws and regulations, set out the rules and procedures under which Mercer Super and your Plan operate and also set out the trustee's duties and obligations to you. The trust deed and designated rules are available at **mercersuper.com.au/governance**.

Amendments to your Plan and governing rules

Sometimes the governing rules' provisions need to be amended.

The trustee has the power to amend all or any of the provisions of the trust deed and designated rules. Each Employer may amend its plan benefit design schedule with the consent of the trustee.

Any amendment must comply with the restrictions in the trust deed, designated rules and any applicable government requirements.

Your Employer can also decide to vary its contributions to your Plan. Member benefits may be adjusted if your Plan is closed, or contributions varied.

How super is taxed

Superannuation is generally taxed at three stages:

- When certain contributions are received
- On investment income
- When super benefits are paid out.

Contributions limits and tax issues can be complex. We have provided a general summary of the way superannuation is taxed based on laws current at the date of this PDS.

The information applies to Australian or New Zealand citizens or Australian permanent residents. If you are an Australian or New Zealand citizen or an Australian permanent resident but are currently not a resident of Australia for tax purposes, different tax rules will apply.

Visit the ATO website for further information about tax and your super (**ato.gov.au**).

Tax on contributions

Not all the money you put into super will be taxed when it is paid into the fund. It depends on:

- The type of contribution – concessional or non-concessional
- How much you contribute and whether you exceed the super contribution limits (caps)
- If the trustee has your TFN
- Whether you are a high-income earner.

If you roll in super from an untaxed Australian public sector fund, any untaxed element of the rollover will be taxed at 15%. Tax at 15% may also apply to a component of an amount transferred from a foreign super fund, with the tax-free part treated as a non-concessional contribution.

No Tax File Number

The trustee is authorised to collect, use and disclose your TFN. You do not have to provide your TFN to us and it is not an offence if you choose not to provide it. However, if we do not have your TFN:

- You will pay extra tax on employer contributions, salary sacrifice contributions and possibly on your super benefit
- We cannot accept your voluntary contributions (including any spouse contributions)
- We will be unable to consolidate multiple super accounts you may have with us.

We may disclose your TFN to another super provider if your benefits are being transferred, unless you request us in writing that your TFN is not to be disclosed to any other super provider.

Tax on super benefits

You may have to pay tax on your super benefit when it is paid from Mercer Super. The actual amount of tax you may have to pay depends on:

- Your age when your super benefit is paid
- The type of benefit and its tax components
- Some other factors including your residency and citizenship status.

Super benefits for Australian or New Zealand citizens or an Australian permanent resident are generally:

- Tax free when paid from age 60 (although tax may be payable on some death and Income Protection benefits and FHSSS releases)
- Taxable when paid before age 60.

See the *Tax on lump sum super payouts* Fact Sheet at **mercersuper.com.au/pds** for more information about tax on lump sum super benefits.

We recommend that you get advice from a licensed or appropriately authorised financial adviser about how the tax laws affect you, especially if you are considering making large contributions, or retiring. This is because the tax treatment of super can be complex and may change at any time.

You should also get appropriate advice while you build your super.

Appendix A

A.1 Estimating the cost of your insurance

The following sections contain the information used to calculate the amounts insured and the cost of your insurance cover. Your Employer may have negotiated different costs to the amounts shown in these sections.

A.2 Death only and TPD cover premium rates

Table 1 shows the annual premium rate (cost) for every $1,000 insured of Death only and TPD cover.

These premium rates are used to calculate the cost of Essentials cover (see section A.3) and Tailored cover (see section A.4)

These premium rates include stamp duty and an insurance administration fee of 12.25% (inclusive of GST).

Your Employer pays for all of your cost of cover.

Your Employer currently pays for the cost of your cover. They will continue to do so if you're on leave without pay. If at any time your Employer stops paying this cost, your insurance cover will stop and you will cease to be a member of the IOC.

Table 1: Annual premium rates per $1,000 of insured Death only cover and TPD cover

Age	Annual premium rate per $1,000 of insured cover ($)			
	Death cover		TPD cover	
	Male	Female	Male	Female
14	0.1954	0.0933	0.0766	0.0550
15	0.1954	0.0933	0.0766	0.0550
16	0.2267	0.1049	0.0766	0.0550
17	0.2428	0.1081	0.1020	0.0732
18	0.2379	0.1300	0.1404	0.1008
19	0.3124	0.1491	0.1404	0.1008
20	0.3244	0.1491	0.1404	0.1008
21	0.3363	0.1491	0.1279	0.0916
22	0.3377	0.1444	0.1279	0.0916
23	0.3158	0.1351	0.1153	0.0824
24	0.3154	0.1304	0.1149	0.0824
25	0.2930	0.1212	0.1149	0.0824
26	0.3033	0.1453	0.1153	0.0824
27	0.3222	0.1817	0.1151	0.0916
28	0.3324	0.2181	0.1275	0.1017
29	0.3325	0.2362	0.1275	0.1017
30	0.3608	0.2738	0.1257	0.1120
31	0.3737	0.2836	0.1254	0.1170
32	0.3737	0.2836	0.1379	0.1343
33	0.3737	0.2836	0.1650	0.1586
34	0.3995	0.3032	0.1777	0.1709
35	0.3995	0.3032	0.1905	0.1832
36	0.4122	0.3130	0.2298	0.2197
37	0.4510	0.3424	0.2554	0.2440

Age	Annual premium rate per $1,000 of insured cover ($)			
	Death cover		TPD cover	
	Male	Female	Male	Female
38	0.4640	0.3522	0.2935	0.2807
39	0.5025	0.3815	0.3193	0.3051
40	0.5659	0.4160	0.3572	0.3147
41	0.6046	0.4444	0.4211	0.3709
42	0.6816	0.5011	0.4467	0.3934
43	0.7333	0.5389	0.5358	0.4721
44	0.7410	0.5767	0.5761	0.5394
45	0.8306	0.6334	0.6953	0.6406
46	0.9267	0.6997	0.8269	0.7417
47	1.0092	0.7620	0.9801	0.8610
48	1.0966	0.8279	1.1202	0.9840
49	1.1962	0.9030	1.2838	1.0941
50	1.3134	0.9916	1.3172	1.1224
51	1.4341	1.0828	1.4640	1.2476
52	1.5112	1.1408	1.7042	1.4522
53	1.6037	1.2657	1.8706	1.6664
54	1.7619	1.3904	2.1631	1.9271
55	1.9651	1.5509	2.5185	2.2437
56	2.0911	1.7291	2.8029	2.6160
57	2.2176	1.9253	3.1350	3.0722
58	2.4742	2.1481	3.6619	3.5884
59	2.7026	2.3465	4.2063	4.1221
60	2.7630	2.3989	4.4142	4.3257
61	2.9117	2.5279	4.8492	4.7521
62	3.2283	2.8028	5.5794	5.4676
63	3.6023	3.1275	6.2646	6.1390
64	3.9812	3.4566	7.1467	7.0036
65	4.3325	3.7614	7.6702	7.5165
66	4.7042	4.0842	8.2236	8.0587
67	5.0798	4.4102	8.7612	8.5853
68	5.5049	4.7793	9.3389	9.1516
69	5.9461	5.1624	9.9366	9.7373
70	N/A	N/A	N/A	N/A

Table 2: Occupation Category Factors

Your occupation is one of the factors that determines the cost of your cover. To find out how your occupation is classified, refer to the full occupation listing in the *Occupation Rating Guide*, available at **mercersuper.com.au/pds**.

The Occupation Classification your Employer has advised us will be recorded in the Welcome letter provided to you when you join your Plan.

Your Occupation Classification affects the cost of your cover.

If your Occupation Classification is 'Not Provided', or you have changed occupations, please advise your Employer as you could be paying more, or less, for your insurance cover than you should be. Your Employer will need to let us know the correct Occupation Classification for you.

	Occupation Category Factor	
Occupation Classification	**Death cover**	**TPD cover**
Professional	0.9	0.9
White Collar	1.0	1.0
Light Blue Collar	1.2	1.6
Blue Collar	1.5	2.0
Heavy Blue Collar	1.9	3.5
Special Risk	3.64	5.6
Not provided	1.2	1.6

A.3 Essentials cover – Amount insured per unit

Table 3 shows the amounts insured for 1 unit of cover for:

- Death cover and
- TPD cover.

Table 3: Amounts insured for 1 unit of Essentials cover

	Insured cover amount per unit	
Age	**Death cover**	**TPD cover**
14 to 28	$14,000	$60,000
29 and 30	$20,000	$60,000
31 and 32	$30,000	$60,000
33 and 34	$40,000	$60,000
35 to 39	$60,000	$60,000
40	$57,000	$57,000
41	$56,000	$56,000
42	$49,000	$49,000
43	$44,000	$44,000
44	$39,000	$39,000
45	$34,000	$34,000
46	$29,000	$29,000
47	$27,000	$27,000
48	$23,000	$23,000
49	$22,000	$22,000
50	$19,000	$19,000
51	$16,000	$16,000
52	$15,000	$15,000
53	$13,000	$13,000
54 and 55	$12,000	$12,000
56	$10,000	$10,000
57	$9,000	$9,000
58	$8,000	$8,000
59	$7,000	$7,000
60	$6,000	$6,000
61 and 62	$5,000	$5,000
63 to 69	$4,000	$4,000
70	$0	$0

Amount insured

To calculate the amount of cover you have, multiply the number of units you hold by the cover amount shown in **Table 3** for your age.

Example 1

A member is 33 years old and has 5 units of Death and TPD cover.		
	Death cover	**TPD cover**
Units held	5	5
Insured cover amount per unit	$40,000	$60,000
Total insured cover amount	$200,000	$300,000

Example 2

A member is 48 years old and has 6 units of Death only cover.	
	Death cover
Units held	6
Insured cover amount per unit	$23,000
Total insured cover amount	$138,000

Cost of Cover

The monthly cost of your cover for **5 units** (the default number of units) of cover is:

The amount shown in **Table 4** for your age and gender, multiplied by your Occupation Category Factor, multiplied by your PRF for your Plan.

To get the annual cost, multiply the monthly cost by 12.

Example 1

A male member is 48 years old, works in an occupation deemed as White Collar. He has 5 units of Death and TPD cover, and his Plan's PRF is 1.22.	
	Death and TPD cover
Cost for 5 units of cover (see Table 4)	$21.25
Occupation Category Factor (see Table 2)	1.0
Plan's PRF	1.22
Total monthly cost of cover	$25.93
Total annual cost of cover (x 12)	$311.16

Cost calculations

Monthly cost of cover is: $21.25 x 1.0 x 1.22 = $25.93.

The annual cost of cover is $25.93 x 12 = $311.16.

Table 4: 5 units of Essentials cover — Amounts insured and monthly cost

Monthly costs shown are for White Collar occupations and assume a PRF of 1.0. The amounts shown include stamp duty and an insurance administration fee of 12.25%.

Age	Death cover amount insured	TPD cover amount insured	Monthly cost for 5 units			
			Death cover only		Death and TPD cover	
			Male	Female	Male	Female
14	$70,000	$300,000	$1.14	$0.55	$3.06	$1.92
15	$70,000	$300,000	$1.14	$0.55	$3.06	$1.92
16	$70,000	$300,000	$1.33	$0.62	$3.24	$1.99
17	$70,000	$300,000	$1.42	$0.64	$3.97	$2.46
18	$70,000	$300,000	$1.39	$0.76	$4.90	$3.28
19	$70,000	$300,000	$1.83	$0.87	$5.34	$3.39
20	$70,000	$300,000	$1.90	$0.87	$5.41	$3.39
21	$70,000	$300,000	$1.97	$0.87	$5.16	$3.16
22	$70,000	$300,000	$1.97	$0.85	$5.17	$3.14
23	$70,000	$300,000	$1.85	$0.79	$4.73	$2.85
24	$70,000	$300,000	$1.84	$0.77	$4.72	$2.83
25	$70,000	$300,000	$1.71	$0.71	$4.59	$2.77
26	$70,000	$300,000	$1.77	$0.85	$4.65	$2.91
27	$70,000	$300,000	$1.88	$1.06	$4.76	$3.35
28	$70,000	$300,000	$1.94	$1.28	$5.13	$3.82
29	$100,000	$300,000	$2.78	$1.97	$5.96	$4.51
30	$100,000	$300,000	$3.01	$2.29	$6.15	$5.08
31	$150,000	$300,000	$4.68	$3.55	$7.81	$6.47
32	$150,000	$300,000	$4.68	$3.55	$8.12	$6.91
33	$200,000	$300,000	$6.23	$4.73	$10.36	$8.69
34	$200,000	$300,000	$6.66	$5.06	$11.10	$9.33
35	$300,000	$300,000	$9.99	$7.58	$14.75	$12.16
36	$300,000	$300,000	$10.31	$7.83	$16.05	$13.32
37	$300,000	$300,000	$11.28	$8.56	$17.66	$14.66
38	$300,000	$300,000	$11.60	$8.81	$18.94	$15.83
39	$300,000	$300,000	$12.57	$9.54	$20.55	$17.17
40	$285,000	$285,000	$13.44	$9.88	$21.93	$17.36
41	$280,000	$280,000	$14.11	$10.37	$23.94	$19.03
42	$245,000	$245,000	$13.92	$10.24	$23.04	$18.27
43	$220,000	$220,000	$13.45	$9.88	$23.27	$18.54
44	$195,000	$195,000	$12.05	$9.38	$21.41	$18.14

Age	Death cover amount insured	TPD cover amount insured	Monthly cost for 5 units			
			Death cover only		Death and TPD cover	
			Male	Female	Male	Female
45	$170,000	$170,000	$11.77	$8.98	$21.62	$18.05
46	$145,000	$145,000	$11.20	$8.46	$21.19	$17.42
47	$135,000	$135,000	$11.36	$8.58	$22.38	$18.26
48	$115,000	$115,000	$10.51	$7.94	$21.25	$17.37
49	$110,000	$110,000	$10.97	$8.28	$22.74	$18.31
50	$95,000	$95,000	$10.40	$7.85	$20.83	$16.74
51	$80,000	$80,000	$9.57	$7.22	$19.33	$15.54
52	$75,000	$75,000	$9.45	$7.13	$20.10	$16.21
53	$65,000	$65,000	$8.69	$6.86	$18.82	$15.89
54	$60,000	$60,000	$8.81	$6.96	$19.63	$16.59
55	$60,000	$60,000	$9.83	$7.76	$22.42	$18.98
56	$50,000	$50,000	$8.72	$7.21	$20.40	$18.11
57	$45,000	$45,000	$8.32	$7.22	$20.08	$18.75
58	$40,000	$40,000	$8.25	$7.17	$20.46	$19.13
59	$35,000	$35,000	$7.89	$6.85	$20.16	$18.87
60	$30,000	$30,000	$6.91	$6.00	$17.95	$16.82
61	$25,000	$25,000	$6.07	$5.27	$16.17	$15.17
62	$25,000	$25,000	$6.73	$5.84	$18.35	$17.23
63	$20,000	$20,000	$6.01	$5.22	$16.45	$15.45
64	$20,000	$20,000	$6.64	$5.77	$18.55	$17.44
65	$20,000	$20,000	$7.23	$6.27	$20.01	$18.80
66	$20,000	$20,000	$7.85	$6.81	$21.55	$20.24
67	$20,000	$20,000	$8.47	$7.36	$23.07	$21.66
68	$20,000	$20,000	$9.18	$7.97	$24.74	$23.22
69	$20,000	$20,000	$9.92	$8.61	$26.48	$24.84
70	$0	$0	N/A	N/A	N/A	N/A

If you have a number of units of Essentials cover other than 5, you can calculate the amount and cost of your cover as follows:

1. To calculate the amount of your cover, multiply the number of units you hold by the amount shown in **Table 3** for your age, and
2. To calculate the cost of your cover:
   (a) Divide the amount of your cover by $1, 000.
   (b) Then multiply this amount by the rate for your age and gender in Table 1 multiplied by your Occupation Category Factor (see Table 2) and the plan rating factor (PRF) for your Plan.
   (c) The monthly cost is this amount divided by twelve.

Example

Female, Blue Collar worker, aged 27 with seven units of Death and TPD cover and a PRF of 0.88.		
	Death cover	**TPD cover**
1. Amount insured		
Units held	7	7
Insured cover amount per unit (see Table 3)	$14,000	$60,000
Total insured cover amount	**$98,000**	**$420,000**
2. Cost of cover		
Insured amount of cover	$98,000	$420,000
Annual cost per $1,000 of cover (see Table 1)	$0.1817	$0.0916
Occupation Category Factor (see Table 2)	1.5	2.0
Plan's PRF	0.88	0.88
Total annual cost of cover	$98,000 / $1,000 x $0.1817 x 1.5 x 0.88 = **$23.50**	$420,000 / $1,000 x $0.0916 x 2.0 x 0.88 = **$67.71**
Total monthly cost of cover	$23.50 / 12 = **$1.96**	$67.71 / 12 = **$5.64**

Cost calculations

The annual cost of cover is:

Death cover: $98,000 / $1,000 x $0.1817 x 1.5 x 0.88 = $23.50

TPD cover: $420,000 / $1,000 x $0.0916 x 2.0 x 0.88 = $67.71

Combined total $91.21.

The monthly cost is the annual cost divided by 12 = $7.60.

A.4 Tailored Death and TPD cover

Tailored cover (see section 2.1 'Types of cover designs explained') provides alternative ways to calculate your amounts insured for Death only, or Death and TPD cover including:

- A fixed insurance amount
- A design that is based on your Income such as a multiple of your Income, or a percentage of your Income by your age to retirement, or
- A fixed weekly premium amount.

How to calculate the cost of Tailored Death only or Death and TPD cover

Unless you pay a fixed weekly premium amount, the annual cost is:

The amount insured divided by 1,000.

This is then multiplied by your Occupation Category Factor, the PRF and the premium rate (cost) that applies to your age and gender.

To get the monthly cost, divide the annual cost by 12.

Tailored cover calculations

Example 1

Male, Light Blue Collar worker, age 34 with $200,000 Death only cover and a PRF of 1.0.	
	Death cover
Amount of cover	$200,000
Annual cost per $1,000 of cover (see Table 1)	$0.3995
Occupation Category Factor (see Table 2)	1.2
Your plan rating factor (PRF)	1.0
Annual cost	$200,000 / $1,000 x $0.3995 x 1.2 x 1.0 = **$95.88**
Monthly cost	$95.88 / 12 = **$7.99**

Example 2

Female, Light Blue Collar worker, age 45 with $300,000 Death cover, $200,000 TPD cover and a PRF of 0.9.		
	Death cover	**TPD cover**
Amount of cover	$300,000	$200,000
Annual cost per $1,000 of cover (see Table 1)	$0.6334	$0.6406
Occupation Category Factor (see Table 2)	1.2	1.6
Your plan rating factor (PRF)	0.9	0.9
Annual cost	$300,000 / $1,000 x $0.6334 x 1.2 x 0.9 = **$205.22**	$200,000 / $1,000 x $0.6406 x 1.6 x 0.9 = **$184.49**
Monthly cost	= $205.22 / 12 = **$17.10**	= $184.49 / 12 = **$15.37**

Please refer to your Welcome letter to find out what your PRF is or contact the Helpline for assistance.

How to calculate your amount insured if you have fixed weekly premium

The amount insured is calculated from the amount you pay annually (your fixed weekly premium amount multiplied by 52) multiplied by 1,000.

This amount is then divided by a number equal to your PRF multiplied by the Death only premium rate or the total of the Death only and TPD premium rate that applies to your cover type, age and gender from **Table 1** and your Occupation Category Factor or factors.

Example 1

Female, Light Blue Collar worker, age 37 with a fixed weekly premium of $2.70 for Death and TPD cover, and a PRF of 1.1.	
Annual cost	$2.70 x 52 = $140.40
Annual cost per $1,000 of cover (see Table 1)	Death Cover = $0.3424 TPD Cover = $0.2440
Occupation Category Factor (see Table 2)	Death Cover = 1.2 TPD Cover = 1.6
Total Death and TPD premium rate including Occupation Category Factors	= ($0.3424 x 1.2) + ($0.2440 x 1.6) = $0.8013
Your plan rating factor (PRF)	1.1
Amount of cover	= (1,000 x $140.40) ÷ ($0.8013 x 1.1) = $159,286

Example 2

Male Heavy Blue Collar worker age 47, with a fixed weekly premium of $5.00 for Death only cover, and a PRF of 1.0	
Annual Premium	= $5.00 x 52 = $260.00
Annual premium rate from Table 1	= $1.0092
Occupation Category Factor from Table 2	1.9
Your plan rating factor (PRF)	1.0
Amount insured	= (1,000 x $260.00) ÷ ($1.0092 x 1.0 x 1.9) = $260,000 ÷ $1.9175 = $135,594

A.5 Income Protection (IP) cover

Table 5 shows the annual premium rate (cost) for every $1,000 insured of IP cover.

These premium rates include stamp duty and an insurance administration fee of 12.25% (inclusive of GST).

Table 5: IP cover premium rates

Age	Annual premium rate per $1,000 of insured IP cover ($)					
	2-year Benefit Period 90-day Waiting Period		5-year Benefit Period 90-day Waiting Period		To Age 65 Benefit Period 90-day Waiting Period	
	Male	Female	Male	Female	Male	Female
14	0.4312	0.5220	0.8906	1.0780	2.6796	3.3410
15	0.4312	0.5220	0.8906	1.0780	2.6796	3.3410
16	0.4389	0.5312	0.9185	1.1117	2.6796	3.3410
17	0.4389	0.5312	0.9461	1.1453	2.7358	3.4112
18	0.4463	0.5402	0.9647	1.1679	2.8201	3.5162
19	0.4463	0.5402	0.9741	1.1792	2.8950	3.6096
20	0.4463	0.5402	0.9926	1.2015	2.9702	3.7031
21	0.4463	0.5402	0.9741	1.1792	2.9513	3.6799
22	0.4389	0.5312	0.9741	1.1792	2.9139	3.6331
23	0.4312	0.5220	0.9647	1.1679	2.8389	3.5397
24	0.4238	0.5130	0.9554	1.1566	2.8764	3.5865
25	0.4312	0.5220	0.9554	1.1566	2.9139	3.6331
26	0.4238	0.5130	0.9461	1.1453	2.9513	3.6799
27	0.4238	0.5130	0.9833	1.1902	3.0168	3.7615
28	0.4238	0.5130	0.9833	1.1902	3.1106	3.8785
29	0.4389	0.5312	1.0113	1.2240	3.1106	3.8785
30	0.4463	0.5402	1.0669	1.2914	3.2416	4.0420
31	0.4538	0.5496	1.0483	1.2690	3.4010	4.2405
32	0.4843	0.5863	1.1318	1.3700	3.6540	4.5561
33	0.5069	0.6136	1.2246	1.4823	3.8133	4.7545
34	0.5296	0.6411	1.2430	1.5048	4.0663	5.0699
35	0.5826	0.7052	1.4007	1.6955	4.6284	5.7709
36	0.6431	0.7783	1.5770	1.9090	5.0313	6.2730
37	0.7110	0.8608	1.7162	2.0774	5.6590	7.0558
38	0.7717	0.9342	1.8739	2.2682	6.2023	7.7334
39	0.8472	1.0257	2.0965	2.5377	6.9425	8.6562

Age	Annual premium rate per $1,000 of insured IP cover ($)					
	2-year Benefit Period 90-day Waiting Period		5-year Benefit Period 90-day Waiting Period		To Age 65 Benefit Period 90-day Waiting Period	
	Male	Female	Male	Female	Male	Female
40	0.9002	1.0897	2.2171	2.6838	7.6170	9.4974
41	1.0061	1.2181	2.5047	3.0318	8.3760	10.4435
42	1.0894	1.3188	2.7088	3.2790	9.1350	11.3897
43	1.1953	1.4471	3.0149	3.6496	10.0903	12.5812
44	1.3012	1.5752	3.2932	3.9864	11.5799	14.4382
45	1.4374	1.7400	3.6550	4.4244	12.8778	16.0566
46	1.5811	1.9139	4.0259	4.8736	14.4704	18.0422
47	1.7400	2.1063	4.4249	5.3563	16.1831	20.1778
48	1.9214	2.3261	4.9350	5.9740	18.0758	22.5375
49	2.1227	2.5006	5.5590	6.5482	19.9378	24.0880
50	2.3450	2.6880	6.2618	7.1775	21.9917	25.7451
51	2.5906	2.8895	7.0536	7.8674	24.2571	27.5163
52	2.8618	3.1060	7.9455	8.6236	26.7561	29.4093
53	3.1614	3.3389	8.9502	9.4525	29.5123	31.4324
54	3.4926	3.5891	10.0820	10.3611	32.5525	33.5948
55	3.8583	3.8583	11.3570	11.3570	35.9060	35.9060
56	4.2061	4.2061	12.4488	12.4488	36.1823	36.1823
57	4.5920	4.5920	13.6121	13.6121	36.3768	36.3768
58	5.0307	5.0307	15.0305	15.0305	36.3369	36.3369
59	5.5451	5.5451	16.6121	16.6121	35.6574	35.6574
60	6.1277	6.1277	18.4589	18.4589	32.4312	32.4312
61	6.8010	6.8010	18.4079	18.4079	30.2608	30.2608
62	7.5799	7.5799	17.6834	17.6834	26.6853	26.6853
63	7.1035	7.1035	15.4079	15.4079	21.4754	21.4754
64	3.9110	3.9110	6.6020	6.6020	9.2684	9.2684
65	N/A	N/A	N/A	N/A	N/A	N/A

Table 6: IP Occupation Category Factors

Your Occupation Classification affects the cost of your cover. If your Occupation Classification is 'Not Provided', or you have changed occupations please advise your Employer as you could be paying more, or less, for your insurance cover than you should be. Your Employer will need to let us know the correct Occupation Classification for you.

Occupation Classification	2-year IP	5-year IP	To Age 65 IP
Professional	0.9	0.9	0.9
White Collar	1	1	1
Light Blue Collar	1.31	1.31	1.31
Blue Collar	1.7	1.7	1.7
Heavy Blue Collar	2.43	2.43	2.43
Special Risk	4.85	4.85	4.85
Not Provided	1.31	1.31	1.31

Table 7: Benefit Period and Waiting Period factors

Waiting Period	2-year Benefit Period	5-year Benefit Period	To Age 65 Benefit Period
30 days	2.70	2.50	2.02
60 days	1.82	1.60	1.47
90 days	1.00	1.00	1.00

How to calculate the cost of IP cover

The annual cost is the amount of IP cover, multiplied by the premium rate based on your age and gender from **Table 5**, the Waiting Period factor, your Occupation Category Factor and the PRF that applies to your IP cover.

Example 1

Male, White Collar worker, age 40, earning $85,000 per year with IP with a 90 day Waiting Period and 2-year Benefit Period	
Amount insured – Annually	($85,000 x 75%) = $63,750
Amount insured - Monthly	$63,750 / 12 = $5,312.50
Premium Rate from Table 5	$0.9002
Occupation Category Factor from Table 6	1.0
Benefit Period and Waiting Period factor from Table 7	1.0
Your plan rating factor (PRF)	0.95
Annual cost	($63,750 / 1,000) x $0.9002 x 1.0 x 1.0 x 0.95 = $54.52
Monthly cost	$54.52 / 12 = $4.54

Example 2

Female, Professional worker, age 50, earning $250,000 per year with IP with a 60 day Waiting Period and 2-year Benefit Period	
Amount insured – Annually	($250,000 x 75%) = $187,500
Amount insured - Monthly	$187,500 / 12 = $15,625 Note - In this example the member works for a plan with an Automatic Acceptance Limit of $12,000 for IP cover, so her monthly amount insured is restricted to $12,000 ($144,000 annually).
Premium Rate from Table 5	$2.6880
Occupation Category Factor from Table 6	0.9
Benefit Period and Waiting Period factor from Table 7	1.82
Your plan rating factor (PRF)	1.0
Annual cost	($144,000 / 1,000) x $2.6880 x 0.9 x 1.82 x 1.0 = $634.02
Monthly cost	$634.02 / 12 = $52.84

How to contact us

Phone

Call the Helpline on **1800 682 525** or if calling from outside Australia on **+61 3 8306 0900** from 8am to 7pm (AEST/AEDT) Monday to Friday.

We can help you in a number of languages, simply ask for a translator when you call.

Online

mercersuper.com.au

Our website is available 24 hours per day, seven days per week. However, the website may not be available when we need to carry out scheduled updates or maintenance. If, for any reason, our online services are not available, you may call the Helpline for assistance. If our online services are not available, we are not responsible for any loss because you were unable to perform transactions during that time.

Mail

Mercer Super Trust
GPO Box 4303
Melbourne VIC 3001

Please include your Plan name and your member number when writing to us.

Privacy

We collect, use and disclose personal information about you in order to manage your super benefits and give you information about your super. Our Privacy Policy outlines the type of information we keep about you and how we, and any organisations we appoint to provide services on our behalf, will use this information. If you do not provide the personal information requested, we may not be able to manage your super. You can read our Privacy Policy online at **mercersuper.com.au/privacy** or you can obtain a copy by calling the Helpline.

The Privacy Policy also includes details about how you may lodge a complaint about the way we have dealt with your information and how we will handle that complaint.

AIA Privacy

Your privacy is important to the Insurer. By becoming a member, or otherwise interacting or continuing your relationship with the Insurer directly or via a representative or intermediary, you confirm that you agree and consent to the collection, use (including holding and storage), disclosure and handling of personal and sensitive information in the manner described in the AIA Australia Group Privacy Policy on the Insurer's website (**aia.com.au/en/privacy-policy**) as updated from time to time (AIA Australia Group Privacy Policy).

Complaints email

MSALCustomer.Complaints@mercer.com

Complaints

Information regarding Mercer Super complaints process can be accessed online. Go to **mercersuper.com.au/complaints** and select the Mercer Complaints Management Procedures. A hard copy can also be provided on request.

The trustee always seeks to resolve any complaints to the satisfaction of all concerned and in the best interests of all members of Mercer Super. We will acknowledge your complaint as soon as practicable. We will provide you with a response no later than 45 calendar days after receiving your complaint, unless another timeframe is allowed or required under the relevant legislation. If we are unable to provide you with a response within this timeframe, we will provide you with a delay notification advising you the reasons for the delay, as well as your rights to complain to the Australian Financial Complaints Authority (AFCA).

If you have made a complaint and are not satisfied with the outcome, or we have not resolved your complaint within the required timeframe, you can complain to AFCA. AFCA is a fair and independent body that can assist you with further resolving your complaint at no cost to you.

You can contact AFCA as follows:

Mail	Australian Financial Complaints Authority Limited GPO Box 3 Melbourne VIC 3001
Phone	1800 931 678
Email	**info@afca.org.au**
Website	**afca.org.au**

Some complaints must be lodged with AFCA within set timeframes or may be outside of AFCA's jurisdiction. Contact AFCA directly for more information about their time limits and other requirements.

Keep your contact details up to date

We can only send you information if we have your current contact details. You can update your details by logging in at **mercersuper.com.au/login** or by calling the Helpline.

If the law permits, we may send member communications to you electronically (including member statements and significant event notices) by:

- Email, and/or
- SMS, and/or
- A link to a website so you can download them.

We can also post any documents to you. When you receive your personal login details, simply update your communication preferences online under 'My details' or call the Helpline.