

Important changes to your insurance

This Significant Event Notice is issued by Legal Super Pty Limited (ABN 37 004 455 789), (AFSL 246315) in its capacity as Trustee of legalsuper (ABN 60 346 078 879) ('legalsuper').

Thank you for choosing legalsuper, the super fund for Australia's legal community. This Notice outlines some important changes to legalsuper's insurance arrangements.

Why are these changes being introduced?

After 6 years with no increase in insurance fees, our current insurance policy will expire on 7 October 2016.

A review of our insurance arrangements and options has been completed and some changes have resulted.

legalsuper's core focus in this review has been to optimise overall benefits for our members and continue to provide competitive insurance benefits.

legalsuper's insurer will continue to be OnePath Life Limited (ABN 33 009 657 176), (AFSL 238341) ('Insurer').

What is changing and who is affected?

Insurance is provided to members under group insurance policies taken out by the Trustee for the benefit of members. Two separate policies exist. They provide:

- a) Death, Terminal Illness and Total & Permanent Disability (TPD) cover; and
- b) Salary Continuance cover.

From 8 October 2016 the following changes from current insurance arrangements will apply to all members:

1. Increased insurance fees for Death and TPD cover and Salary Continuance cover

2. Amended definition of TPD
3. New Medical Specialist Requirement when claiming a TPD benefit
4. Amended definition of Terminal Illness
5. New Screening Questions apply

You can read more about the changes below.

Please note that the following information is a summary of the significant changes to the current insurance arrangements. Full terms and conditions are contained in the insurance policies issued by the Insurer. You can request printed versions of the insurance policies by calling 1800 060 312.

1a. Increased insurance fees for Death and TPD cover

From 8 October 2016, insurance fees for Death cover and TPD cover will increase for all members by 29.9%.

If your Death & TPD cover (or Death Only cover) is expressed in units, the new weekly fee per unit of cover, from 8 October 2016, will be:

- \$1.95 Death & TPD (previously \$1.50)
- \$1.37 Death Only (previously \$1.05)

If you have fixed insurance cover, the new weekly insurance fee continues to depend on your age, gender, and any loading applied by the Insurer because of factors such as your health and occupation. The fixed insurance cover fees that will apply from 8 October 2016 are shown in Table 1 of Appendix A.

1b. Increased insurance fees for Salary Continuance cover

If you have applied for and been issued Salary Continuance cover, the level of increase in insurance fees, from 8 October 2016, depends on the chosen Benefit Payment Period for your Salary Continuance cover:

Benefit Payment Period	Increase in insurance fees from 8 October 2016
2 years	13%
To age 60 or To age 65	75%

The increased insurance fees continue to depend on your age, gender, chosen Waiting Period, chosen Benefit Payment Period and any loading applied by the Insurer because of factors such as your health or occupation. The Salary Continuance insurance fees that will apply from 8 October 2016 are shown in Tables 2 to 4 of Appendix A.

2. Amended definition of TPD

If you have Death & TPD cover, an insured benefit will become payable to you upon you meeting the definition of totally and permanently disabled (as that term is defined in the Insurer's policy).

We have negotiated a change in eligibility terms applicable to members employed on a casual basis. If the 'event date' occurs on or after 8 October 2016, a member employed on a casual basis will be eligible to claim a total and permanent disablement benefit under the same TPD definitions applicable to members employed on a permanent basis provided they have been 'gainfully employed' for the 'minimum average hours' immediately before the 'event date'.

The criteria for eligibility to claim for total and permanent disablement benefits under the policy and relevant definitions are summarised in Appendix B.

3. New Medical Specialist Requirement when claiming a TPD benefit

As well as the existing requirements of submitting completed claim forms and medical reports on your condition, a new Medical Specialist Requirement has been introduced. From 8 October 2016, to receive payment of an insured TPD benefit you will be required to provide proof, in a form which is subject to verification by the Insurer, that you have continuously been **Following The Advice Of A Medical Practitioner and a Specialist Medical Practitioner** in relation to the injury or illness for which you are claiming.

This means that you must be under the regular care and following the advice of your treating Medical Practitioner(s). Where the Trustee and the Insurer agree it is reasonable for payment of a TPD claim, you must be

following the advice of a Specialist Medical Practitioner, on an ongoing basis, including following all recommended courses of treatment and rehabilitation.

4. Amended definition of Terminal Illness

Currently, to be entitled to claim a payment, two Medical Practitioners must make a written certification that the Illness or injury is likely to lead to your death within 12 months from the date of the written certification despite reasonable medical treatment. From 8 October 2016 this period of time will be extended to 24 months from the date of the written certification.

Also, the definition of 'Terminal Illness Benefit' has been amended to clarify that the amount payable will be the value of the Death Benefit cover held on the date of the latest written certification.

5. New Screening Questions apply

From 8 October 2016, if you wish to apply to increase your existing Death & TPD cover or Death Only cover (up to certain limits) under one of the following arrangements:

1. Life Events Cover
2. Transfer of Cover from another superannuation fund
3. Conversion of cover between fixed cover and unitised

you will need to answer a set of six Screening Questions to the satisfaction of the Insurer.

To be eligible to increase insurance cover under these arrangements, the answer to each of the six Screening Questions must be acceptable to the Insurer.

If your answer to any one or more of the six Screening Questions is not acceptable to the Insurer, you can still apply for increased insurance cover but this must be fully underwritten by the Insurer.

The same six Screening Questions will apply from 8 October 2016 to all new members who apply for voluntary Salary Continuance cover of up to \$6,000 per month. If you apply for Salary Continuance cover in excess of this amount you will need to provide more detailed evidence of your health to the Insurer for consideration of whether to accept or decline your application.

Revised insurance application forms will be available from 10 October 2016.

If you have any questions you can contact legalsuper on 1800 060 312 (Monday to Friday, 8am–8pm AEST) or by email at mail@legalsuper.com.au.

Further insurance related information is available on legalsuper's website legalsuper.com.au/super-members/insurance.

Appendix A

New insurance fees of fixed insurance cover (Effective 8 October 2016)

Death Cover and combined Death & TPD cover — Fixed Cover

This fixed insurance cover applies to members of the Personal Division as well as to Employer-sponsored members who elect to switch from unitised cover to fixed cover.

Table 1: Annual insurance fee per \$10,000 of fixed cover

Current Age	Male		Female	
	Death Only Age Rates	Death and TPD Age Rates	Death Only Age Rates	Death and TPD Age Rates
15 – 19	\$6.31	\$7.21	\$2.57	\$2.95
20 – 24	\$5.68	\$7.22	\$2.27	\$3.03
25 – 29	\$4.26	\$6.20	\$1.75	\$2.74
30 – 34	\$4.04	\$6.78	\$2.03	\$3.87
35 – 39	\$4.57	\$8.86	\$3.00	\$6.94
40 – 44	\$6.51	\$14.64	\$4.43	\$12.50
45 – 49	\$9.86	\$25.80	\$5.70	\$20.16
50 – 54	\$14.50	\$44.37	\$8.61	\$35.85
55 – 59	\$21.24	\$72.51	\$12.96	\$55.53
60	\$27.11	\$97.65	\$16.16	\$69.21
61	\$29.41	\$108.12	\$17.59	\$75.34
62	\$31.76	\$119.29	\$19.38	\$82.99
63	\$34.20	\$131.28	\$21.52	\$92.19
64	\$36.76	\$144.40	\$23.95	\$102.58
65	\$48.09	\$172.29	\$32.66	\$123.38
66	\$54.90	\$198.28	\$37.67	\$142.41
67	\$62.55	\$229.04	\$43.50	\$165.13
68	\$71.48	\$266.01	\$49.82	\$191.91
69	\$80.68	\$307.30	\$56.84	\$222.40
70	\$92.93	NA	\$62.96	NA
71	\$106.89	NA	\$70.57	NA
72	\$122.59	NA	\$80.12	NA
73	\$140.32	NA	\$91.59	NA
74	\$160.27	NA	\$105.41	NA
75	\$182.85	NA	\$121.90	NA
76	\$208.36	NA	\$141.50	NA
77	\$237.51	NA	\$164.52	NA
78	\$270.87	NA	\$191.49	NA
79	\$308.94	NA	\$222.88	NA
80	Nil	NA	Nil	NA

Salary Continuance

Table 2 – Annual insurance fee per \$100 Monthly Benefit*

Benefit Period – 2 years

Current Age	30 day Waiting Period		60 day Waiting Period		90 day Waiting Period	
	Male	Female	Male	Female	Male	Female
15 – 19	\$2.52	\$2.80	\$1.46	\$1.60	\$0.94	\$1.02
20 – 24	\$2.62	\$2.89	\$1.53	\$1.67	\$0.96	\$1.05
25 – 29	\$2.81	\$3.30	\$1.66	\$1.92	\$0.93	\$1.18
30 – 34	\$3.40	\$4.32	\$1.99	\$2.50	\$1.03	\$1.38
35 – 39	\$4.50	\$5.90	\$2.66	\$3.44	\$1.39	\$1.86
40 – 44	\$6.17	\$8.03	\$3.79	\$4.88	\$2.16	\$2.96
45 – 49	\$8.70	\$10.83	\$5.37	\$6.61	\$3.66	\$4.86
50 – 54	\$12.69	\$14.66	\$8.45	\$9.54	\$6.47	\$7.64
55 – 59	\$19.37	\$20.36	\$12.96	\$13.31	\$11.46	\$11.21
60	\$25.32	\$25.17	\$17.88	\$16.67	\$15.83	\$13.61
61	\$27.87	\$27.12	\$19.70	\$17.99	\$17.62	\$14.40
62	\$29.82	\$24.43	\$20.66	\$18.50	\$17.96	\$14.00
63	\$20.31	\$19.31	\$13.28	\$11.87	\$10.17	\$7.71
64	\$6.70	\$6.37	\$4.38	\$3.92	\$3.36	\$2.54

* The above rates include nominal stamp duty. Actual stamp duty payable is based on the insured member's State of domicile.

Table 3 – Annual insurance fee per \$100 Monthly Benefit*

Benefit Period – 'to age 60'

Current Age	30 day Waiting Period		60 day Waiting Period		90 day Waiting Period	
	Male	Female	Male	Female	Male	Female
15 – 19	\$8.37	\$11.22	\$4.67	\$6.32	\$3.55	\$5.09
20 – 24	\$9.22	\$12.30	\$5.22	\$6.98	\$3.87	\$5.53
25 – 29	\$10.89	\$15.35	\$6.23	\$8.79	\$4.18	\$6.83
30 – 34	\$14.19	\$21.35	\$8.07	\$12.08	\$5.01	\$8.33
35 – 39	\$19.62	\$29.94	\$11.20	\$16.99	\$6.98	\$11.36
40 – 44	\$27.18	\$40.13	\$16.08	\$23.66	\$10.73	\$17.27
45 – 49	\$36.80	\$50.24	\$21.74	\$29.52	\$16.99	\$25.38
50 – 54	\$46.78	\$56.61	\$29.49	\$35.02	\$24.90	\$31.36
55	\$49.72	\$55.18	\$31.01	\$33.71	\$27.69	\$30.29
56	\$48.60	\$52.26	\$30.08	\$31.66	\$26.95	\$27.86
57	\$43.31	\$45.48	\$26.36	\$27.07	\$22.93	\$22.56
58	\$29.93	\$31.26	\$17.17	\$17.55	\$13.27	\$12.62
59	\$9.87	\$10.31	\$5.67	\$5.79	\$4.38	\$4.17

* The above rates include nominal stamp duty. Actual stamp duty payable is based on the insured member's State of domicile.

Table 4 – Annual insurance fee per \$100 Monthly Benefit*
Benefit Period – ‘to age 65’

Current Age	30 day Waiting Period		60 day Waiting Period		90 day Waiting Period	
	Male	Female	Male	Female	Male	Female
15 – 19	\$8.42	\$11.41	\$4.71	\$6.42	\$3.59	\$5.22
20 – 24	\$9.31	\$12.57	\$5.27	\$7.14	\$3.92	\$5.69
25 – 29	\$11.08	\$15.82	\$6.35	\$9.07	\$4.27	\$7.07
30 – 34	\$14.58	\$22.33	\$8.30	\$12.65	\$5.16	\$8.79
35 – 39	\$20.46	\$31.96	\$11.71	\$18.15	\$7.35	\$12.25
40 – 44	\$29.02	\$44.10	\$17.20	\$26.06	\$11.59	\$19.25
45 – 49	\$40.83	\$57.93	\$24.22	\$34.16	\$19.22	\$29.89
50 – 54	\$56.51	\$71.98	\$35.93	\$44.89	\$31.26	\$41.60
55 – 59	\$74.22	\$82.06	\$46.87	\$50.75	\$45.43	\$47.53
60	\$80.22	\$80.78	\$52.76	\$49.91	\$49.53	\$43.42
61	\$78.45	\$76.49	\$51.26	\$46.92	\$47.48	\$38.97
62	\$69.20	\$65.96	\$44.45	\$39.80	\$39.43	\$30.73
63	\$46.71	\$44.42	\$28.32	\$25.31	\$22.10	\$16.73
64	\$15.42	\$14.65	\$9.35	\$8.35	\$7.30	\$5.51

* The above rates include nominal stamp duty. Actual stamp duty payable is based on the insured member’s State of domicile.

Appendix B

Summary of key eligibility provisions

1. Eligibility

1.1 A member who is:

- (a) an Existing Member on the Event Date;
- (b) aged less than 65 years on the Event Date and:
 - (i.) Gainfully Working on the day immediately prior to the Event Date; and
 - (ii.) Gainfully Employed for at least the Minimum Average Hours,

is entitled to a TPD Benefit if he or she satisfies either Part 1, 2, 3, 4 or 5 of the TPD definition; or

1.2 A member who is:

- (a) an Existing Member on the Event Date; and
- (b) aged:
 - (i.) either 65, 66, 67, 68 or 69 years on the Event Date; or
 - (ii.) less than 65 years on the Event Date and is:
 - A. not Gainfully Working on the day immediately prior to the Event Date; or
 - B. not Gainfully Employed for at least the Minimum Average Hours,

is entitled to a TPD Benefit if he or she satisfies either Part 2, 3, 4 or 5 of the TPD definition; or

1.3 A member who:

- (a) is a New Member on the Event Date; and
- (b) is aged less than 65 years on the Event Date; and
- (c) is:
 - (i.) Gainfully Working on the day immediately prior to the Event Date; and
 - (ii.) Gainfully Employed for at least the Minimum Average Hours,

is entitled to a TPD Benefit if he or she satisfies TPD Definition 1; or

1.4 A member who is:

- (a) a New Member on the Event Date; and
- (b) aged:
 - (i.) either 65, 66, 67, 68 or 69 years on the Event Date; or
 - (ii.) less than 65 years on the Event Date and is:
 - A. not Gainfully Working on the day immediately prior to the Event Date; or
 - B. not Gainfully Employed for at least the Minimum Average Hours,

is entitled to a TPD Benefit if he or she satisfies TPD Definition 2.

2. The TPD definition

“Totally and Permanently Disabled”, “Total and Permanent Disablement”, “Total and Permanent Disability” or “TPD” means:

- A. for a New Member, total and permanent disablement or totally and permanently disabled in accordance with the TPD Definition 1 or TPD Definition 2 as applicable.
- B. for an Existing Member:

Part 1) Unlikely to return to work

If the Insured Member is employed or engaged in Gainful Employment when suffering an injury or illness and, as a result of that injury or illness, he or she is;

- totally unable to engage in any occupation, business, profession or employment for a period of six consecutive months; and
- determined by us at the end of that six month period (or such later time we agree with you), to be permanently incapacitated to such an extent as to render him or her unlikely ever to engage in any gainful occupation, business, profession or employment, for which he or she is reasonably suited by education, training or experience.

or

Part 2) Permanent impairment

If the Insured Member is employed on, or engaged in, a Gainful Employment when suffering an injury or illness and, as a result of that injury or illness, the Insured Member:

- suffers a permanent impairment of at least 25% of whole person function as defined in the American Medical Association publication ‘Guides to the Evaluation of Permanent Impairment’, 4th edition, or an equivalent guide to impairment approved by us; and
- is disabled to such an extent, as a result of this impairment, that they are unlikely ever again to be able to engage in any occupation, business, profession, or employment for which they are reasonably suited by their education, training or experience.

or

Part 3) Specific loss

As a result of illness or injury, the Insured Member suffers the total and permanent loss of the use of:

- two limbs (where ‘limb’ is defined as the whole hand or the whole foot); or
- the sight in both eyes; or
- one limb and the sight in one eye.

or

Part 4) Loss of independent existence

As a result of illness or injury, the Insured Member suffers Loss of Independent Existence.

or

Part 5) Cognitive loss

As a result of illness or injury, the Insured Member suffers Cognitive Loss.

“TPD Definition 1” means

Part 1) Unlikely to return to work

If the Insured Member is employed or engaged in Gainful Employment when suffering an injury or illness and, as a result of that injury or illness, he or she is;

- totally unable to engage in any occupation, business, profession or employment for a period of six consecutive months; and
- determined by us at the end of that six month period (or such later time we agree with you), to be permanently incapacitated to such an extent as to render the Insured Member unlikely ever to engage in any gainful occupation, business, profession or employment, for which he or she is reasonably suited by education, training or experience.

or

Part 2) Permanent impairment

If the Insured Member is employed on, or engaged in, Gainful Employment when suffering an injury or illness and, as a result of that injury or illness, the Insured Member:

- suffers a permanent impairment of at least 25% of whole person function as defined in the American Medical Association publication ‘Guides to the Evaluation of Permanent Impairment’, 4th edition, or an equivalent guide to impairment approved by us; and
- is disabled to such an extent, as a result of this impairment, that the Insured Member is unlikely ever again to be able to engage in any occupation, business, profession, or employment for which they are reasonably suited by their education, training or experience.

or

Part 3) Specific loss

As a result of illness or injury, the Insured Member:

- is disabled to such an extent that they are unlikely ever to engage in any gainful occupation, business, profession or employment, for which he or she is reasonably suited by education, training or experience; and
- suffers the total and permanent loss of the use of:
 - two limbs (where ‘limb’ is defined as the whole hand or the whole foot); or
 - the sight in both eyes; or
 - one limb and the sight in one eye;

or

Part 4) Loss of independent existence

As a result of illness or injury, the Insured Member:

- is disabled to such an extent that they are unlikely ever to engage in any gainful occupation, business, profession or employment, for which he or she is reasonably suited by education, training or experience; and
- suffers Loss of Independent Existence.

or

Part 5) Cognitive loss

As a result of illness or injury, the Insured Member:

- is disabled to such an extent that they are unlikely ever to engage in any gainful occupation, business, profession or employment, for which he or she is reasonably suited by education, training or experience; and
- suffers Cognitive Loss.

“TPD Definition 2” means

Part 3) Specific loss

As a result of illness or injury, the Insured Member:

- is disabled to such an extent that they are unlikely ever to engage in any gainful occupation, business, profession or employment, for which he or she is reasonably suited by education, training or experience; and
- suffers the total and permanent loss of the use of:
 - two limbs (where ‘limb’ is defined as the whole hand or the whole foot); or
 - the sight in both eyes; or
 - one limb and the sight in one eye.

or

Part 4) Loss of independent existence

As a result of illness or injury, the Insured Member:

- is disabled to such an extent that they are unlikely ever to engage in any gainful occupation, business, profession or employment, for which he or she is reasonably suited by education, training or experience; and
- suffers Loss of Independent Existence.

or

Part 5) Cognitive loss

As a result of illness or injury, the Insured Member:

- is disabled to such an extent that they are unlikely ever to engage in any gainful occupation, business, profession or employment, for which he or she is reasonably suited by education, training or experience; and
- suffers Cognitive Loss.

3 Other important definitions

“Event Date” means in relation to an Insured Member:

- (a) who claims a TPD Benefit under Part 1 of the TPD Definition or TPD Definition 1 – the first day of the six consecutive month period (or any lesser period agreed by us) that the Insured Member is totally unable to engage in any occupation, business, profession or employment that results in the Insured Member’s Total and Permanent Disablement;
- (b) who claims a TPD Benefit under Part 2 of the TPD Definition or TPD Definition 1 – the date on which the Insured Member suffers a permanent impairment of at least 25% of whole person function as described in the American Medical Association’s publication ‘Guides to the Evaluation of Permanent Impairment’, 4th edition, or an equivalent guide to impairment approved by us, that results in the Insured Member’s Total and Permanent Disablement;
- (c) who claims a TPD Benefit under Part 3 of the TPD Definition, TPD Definition 1 or TPD Definition 2 - the date the Insured Member suffers the loss of the use of two limbs (where ‘limb is defined as the whole hand or the whole foot), the sight in both eyes, or the sight in one eye and the use of one limb; or
- (d) who claims a TPD Benefit under Part 4 of the TPD Definition, TPD Definition 1 or TPD Definition 2 - the date on which the Insured Member suffers a ‘loss of independent existence’ (as defined in Part 4 of the TPD definition);
- (e) who claims a TPD Benefit under Part 5 of the TPD Definition, TPD Definition 1 or TPD Definition 2 - the date on which the Insured Member suffers a total and permanent deterioration or loss of intellectual capacity that results in the Insured Member’s Total and Permanent Disablement.

“Existing Member” means an Insured Member with TPD cover, who obtained TPD cover under the Policy:

- (a) on or before 30 June 2014; or
- (b) after 1 July 2014 as an application for cover, which was received by us on or before 30 June 2014.

“Gainfully Employed” or **“Gainful Employment”** means employed or working for gain or reward in any business, trade, profession, vocation, calling, occupation or employment.

“Gainfully Working” means a person is:

- (a) Gainfully Employed; or
- (b) on paid Employer Approved Leave; or
- (c) on unpaid Employer Approved Leave that has not been ongoing for more than 24 consecutive months.

“Insured Member” means a Member who we have agreed to provide Benefits pursuant to the Policy.

“Minimum Average Hours” means where the Insured Member is Gainfully Employed on a:

- (a) Casual basis, 15 hours per week averaged over the six consecutive months immediately prior to the Event Date based on the number of hours the Insured Member worked over the six month period. Where this six consecutive month period includes a period or periods of unpaid Employer Approved Leave, this means 15 hours per week averaged over the period within the six consecutive months immediately prior to the Event Date in which the Insured Member was not on unpaid Employer Approved Leave provided that we are satisfied based on evidence issued by the employer that the relevant period the Insured Member was not working was Employer Approved Leave rather than a period the Insured Member was not required to work;
- (b) Permanent Basis, 15 hours per week averaged over the six consecutive months immediately prior to the Event Date (including periods of Employer Approved Leave) based on the number of hours the Insured Member is employed to work on a permanent or contractual basis (as applicable).

“New Member” means an Insured Member who satisfies the following (a) and (b):

- (a) as at 30 June 2014, is not insured for any amount of TPD cover under the Policy or we have not received an application for cover from the person; and
- (b) the Insured Member’s TPD cover under the Policy first commenced on or after 1 July 2014.

“Total and Permanent Disability Benefit” in relation to an Insured Member means the amount specified in the Policy as it pertains to the Insured Member (dependent on the Insured Member’s age and whether they hold Fixed Cover or Unitised Cover) or the Decision Note (as applicable) as at the Event Date.