

Insurance definition changes impacting BT Business Super

Issue date: 1 July 2014

The information in this notice details the material changes, effective 1 July 2014, that may impact you and your application for **new** insurance cover. These changes do not impact cover issued before 1 July 2014, or increases to this existing cover.

What are the changes?

As a result of changes to superannuation regulations, the insurance definitions for Total and Permanent Disablement (TPD) and Salary Continuance Insurance (SCI) have been amended for new insurance cover issued within BT Business Super on or after 1 July 2014. These definitions, along with the other terms of your cover, determine whether you are eligible for a payment from the insurer due to a terminal medical condition or incapacity.

The table below illustrates the changes to these definitions.

Type of cover	Pre 1 July 2014 definition	Post 1 July 2014 definition
Total and Permanent Disablement (TPD)	<p>Total and Permanent Disablement</p> <p>You may receive a lump sum benefit for TPD under either of the definitions outlined below.</p> <p>Definition 1</p> <p>You have suffered the total and irrecoverable loss of use of:</p> <ul style="list-style-type: none"> ▶ both hands ▶ both feet ▶ one hand and one foot ▶ the sight of both eyes ▶ one hand and the sight of one eye, or ▶ one foot and the sight of one eye. <p>OR</p> <p>Definition 2</p> <p>(a) If you're an Insured Member under age 65 and are working 15 or more hours per week (including Casual employees, Contractors and spouse members):</p> <ul style="list-style-type: none"> ▶ you are unable to follow your usual occupation by reason of an illness, accident or injury for a period of six consecutive months after the occurrence of the illness, accident or injury, and ▶ in the opinion of the Insurer (after consideration of medical and other evidence satisfactory to it), you're unlikely ever to be able to follow your usual occupation and any other occupation for which you're reasonably suited by education, training or experience. <p>(b) If you are:</p> <ul style="list-style-type: none"> ▶ an Insured Member aged 65 or above ▶ an Insured Member who has been on employer approved leave for a period greater than 24 months ▶ an Insured Member under age 65 and are working less than 15 hours per week (including as a Casual employee, Contractor or spouse member) ▶ a non-working Insured Member (excluding non-working spouse members and non-working personal members), or ▶ an Insured Member working in a 'Special Risk Occupation' 	<p>Total and Permanent Disablement</p> <p>You may receive a lump sum benefit for TPD under either of the definitions outlined below.</p> <p>Definition 1</p> <p>In the opinion of the Insurer, after the consideration of medical and other evidence satisfactory to it, you have suffered the total and irrecoverable loss of use of:</p> <ul style="list-style-type: none"> ▶ both hands ▶ both feet ▶ one hand and one foot ▶ the sight of both eyes ▶ one hand and the sight of one eye, or ▶ one foot and the sight of one eye <p>and</p> <p>in the opinion of the Insurer (after consideration of medical and other evidence satisfactory to it), you're unlikely ever to be able to follow your usual occupation and any other occupation for which you're reasonably suited by education, training or experience.</p> <p>OR</p> <p>Definition 2</p> <p>(a) If you're an Insured Member under age 65 and are working 15 or more hours per week (including Casual employees, Contractors and spouse members):</p> <ul style="list-style-type: none"> ▶ you are unable to follow your usual occupation by reason of an illness, accident or injury for a period of six consecutive months after the occurrence of the illness, accident or injury, and ▶ in the opinion of the Insurer (after consideration of medical and other evidence satisfactory to it), you're unlikely ever to be able to follow your usual occupation and any other occupation for which you're reasonably suited by education, training or experience. <p>(b) If you are:</p> <ul style="list-style-type: none"> ▶ an Insured Member aged 65 or above ▶ an Insured Member who has been on employer approved leave for a period greater than 24 months ▶ an Insured Member under age 65 and are working less than 15 hours per week (including as a Casual employee, Contractor or spouse member)

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<p>Total and Permanent Disablement (TPD)</p>	<p>and</p> <p>you're continuously and totally unable to perform at least two of the following Activities of Daily Living, as certified by a Medical Practitioner appointed by the Insurer.</p> <ul style="list-style-type: none"> ▶ Bathing: the ability to wash oneself either in the bath or shower or by sponge bath, without the standby assistance of another person. ▶ Dressing: the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them, without the standby assistance of another person. ▶ Eating: the ability to feed oneself once food has been prepared and made available, without the standby assistance of another person. ▶ Toileting: the ability to get to and from and on and off the toilet, without the standby assistance of another person and ability to manage bowel and bladder functions through the use of protective undergarments or surgical appliances, if appropriate. ▶ Transferring: the ability to move in and out of a chair, without the standby assistance of another person. <p>(c) If you're an Insured Member under age 65 and are a non-working spouse member or non-working personal member and you're continuously and totally unable to perform at least two of the following 'home duties' as certified by a qualified Medical Practitioner appointed by the Insurer.</p> <ul style="list-style-type: none"> ▶ Dressing and undressing: the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them, without the standby assistance of another person. ▶ Washing and bathing: the ability to wash oneself either in the bath or shower or by sponge bath, without the standby assistance of another person. ▶ Eating: the ability to feed oneself once food has been prepared and made available, without the standby assistance of another person. ▶ General household duties: the ability to perform day to day household duties, without the standby assistance of another person. ▶ Climbing stairs: the ability to climb stairs, without the standby assistance of another person, without holding a banister and without taking a rest; all within a reasonable period of time. ▶ Shopping: the ability to leave the home, by any means, and to undertake day to day shopping, without the standby assistance of another person. <p>(d) As a result of illness or injury an Insured Member suffers Cognitive loss.</p> <p>'Cognitive loss' means the Insurer has determined a total and permanent deterioration or loss of intellectual capacity that requires you to be under continuous care and supervision by another adult person for at least six consecutive months, and at the end of that six month period, you're likely to require permanent ongoing continuous care and supervision by another adult person.</p> <p>The payment of any claim is also subject to the Insurer having received the insurance premiums due in respect of your insurance up to the event giving rise to the claim occurring. We cannot pay outstanding premiums to the Insurer unless sufficient contributions have been made to your account.</p> <p>Where your TPD benefit is less than your Death benefit and you receive a TPD benefit, any Death benefit paid to your beneficiaries will be reduced by the amount paid to you as a TPD benefit.</p>	<ul style="list-style-type: none"> ▶ a non-working Insured Member (excluding non-working spouse members and non-working personal members), or ▶ an Insured Member working in a 'Special Risk Occupation' <p>and</p> <p>you're continuously and totally unable to perform at least two of the following Activities of Daily Living, as certified by a Medical Practitioner appointed by the Insurer.</p> <ul style="list-style-type: none"> ▶ Bathing: the ability to wash oneself either in the bath or shower or by sponge bath, without the standby assistance of another person. ▶ Dressing: the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them, without the standby assistance of another person. ▶ Eating: the ability to feed oneself once food has been prepared and made available, without the standby assistance of another person. ▶ Toileting: the ability to get to and from and on and off the toilet, without the standby assistance of another person and ability to manage bowel and bladder functions through the use of protective undergarments or surgical appliances, if appropriate. ▶ Transferring: the ability to move in and out of a chair, without the standby assistance of another person <p>and</p> <p>in the opinion of the Insurer (after consideration of medical and other evidence satisfactory to it), you're unlikely ever to be able to follow your usual occupation and any other occupation for which you're reasonably suited by education, training or experience.</p> <p>(c) If you're an Insured Member under age 65 and are a non-working spouse member or non-working personal member and you're continuously and totally unable to perform at least two of the following 'home duties' as certified by a qualified Medical Practitioner appointed by the Insurer.</p> <ul style="list-style-type: none"> ▶ Dressing and undressing: the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them, without the standby assistance of another person. ▶ Washing and bathing: the ability to wash oneself either in the bath or shower or by sponge bath, without the standby assistance of another person. ▶ Eating: the ability to feed oneself once food has been prepared and made available, without the standby assistance of another person. ▶ General household duties: the ability to perform day to day household duties, without the standby assistance of another person. ▶ Climbing stairs: the ability to climb stairs, without the standby assistance of another person, without holding a banister and without taking a rest; all within a reasonable period of time. ▶ Shopping: the ability to leave the home, by any means, and to undertake day to day shopping, without the standby assistance of another person <p>and</p> <p>in the opinion of the Insurer (after consideration of medical and other evidence satisfactory to it), you're unlikely ever to be able to follow your usual occupation and any other occupation for which you're reasonably suited by education, training or experience.</p>

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Total and Permanent Disablement (TPD)		<p>(d) As a result of illness or injury an Insured Member suffers Cognitive loss.</p> <p>'Cognitive loss' means the Insurer has determined a total and permanent deterioration or loss of intellectual capacity that requires you to be under continuous care and supervision by another adult person for at least six consecutive months, and at the end of that six month period, you're likely to require permanent ongoing continuous care and supervision by another adult person and</p> <p>in the opinion of the Insurer (after consideration of medical and other evidence satisfactory to it), you're unlikely ever to be able to follow your usual occupation and any other occupation for which you're reasonably suited by education, training or experience.</p> <p>The payment of any claim is also subject to the Insurer having received the insurance premiums due in respect of your insurance up to the event giving rise to the claim occurring. We cannot pay outstanding premiums to the Insurer unless sufficient contributions have been made to your account.</p> <p>Where your TPD benefit is less than your Death benefit and you receive a TPD benefit, any Death benefit paid to your beneficiaries will be reduced by the amount paid to you as a TPD benefit.</p>
Salary Continuance Insurance (SCI)	<p>'Total Disability' (for SCI purposes only) – means disablement resulting from injury or sickness as a result of which the Insured Member, working 15 hours or more per week on average over the three months prior to disability, is:</p> <ul style="list-style-type: none"> ▶ unable to perform at least one important duty of his or her usual occupation necessary to produce Income ▶ under the regular care, in attendance or following the advice of a Medical Practitioner in relation to the injury or sickness, and ▶ not engaged in any occupation, whether paid or unpaid. <p>An important duty is defined as involving 20% or more of the Insured Member's overall tasks responsible for generating at least 20% or more of the Insured Member's Pre-disability Income.</p> <p>Disablement resulting solely from injury or sickness which occurs while the Policy is in-force and as a result of which the Insured Member, working less than 15 hours per week on average over the three months prior to disability:</p> <ul style="list-style-type: none"> ▶ remains under the regular care and attendance or is following the advice of a Medical Practitioner in relation to that injury or sickness ▶ is not engaged in any occupation, whether paid or unpaid, and ▶ is continuously and totally unable to perform at least two of the following activities of daily living as certified by a Medical Practitioner. <ul style="list-style-type: none"> – Bathing: the ability to wash themselves either in the bath or shower or by sponge bath, without the standby assistance of another person. – Dressing: the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them, without the standby assistance of another person. 	<p>'Total Disability' (for SCI purposes only) – means disablement resulting from injury or sickness as a result of which the Insured Member, working 15 hours or more per week on average over the three months prior to disability, is:</p> <ul style="list-style-type: none"> ▶ unable to perform at least one important duty of his or her usual occupation necessary to produce Income ▶ under the regular care, in attendance or following the advice of a Medical Practitioner in relation to the injury or sickness, and ▶ not engaged in any occupation, whether paid or unpaid. <p>An important duty is defined as involving 20% or more of the Insured Member's overall tasks responsible for generating at least 20% or more of the Insured Member's Pre-disability Income.</p> <p>In addition, the Injury or Sickness must have caused you to temporarily cease to be gainfully employed or to temporarily cease receiving gain or reward under a continuing arrangement to be gainfully employed.</p> <p>Disablement resulting solely from injury or sickness which occurs while the Policy is in-force and as a result of which the Insured Member, working less than 15 hours per week on average over the three months prior to disability:</p> <ul style="list-style-type: none"> ▶ remains under the regular care and attendance or is following the advice of a Medical Practitioner in relation to that injury or sickness ▶ is not engaged in any occupation, whether paid or unpaid, and ▶ is continuously and totally unable to perform at least two of the following activities of daily living as certified by a Medical Practitioner. <ul style="list-style-type: none"> – Bathing: the ability to wash themselves either in the bath or shower or by sponge bath, without the standby assistance of another person. – Dressing: the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them, without the standby assistance of another person.

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	<ul style="list-style-type: none"> – Eating: the ability to feed themselves once food has been prepared and made available, without the standby assistance of another person. – Toileting: the ability to get to and from and on and off the toilet, without the standby assistance of another person and the ability to manage bowel and bladder functions through the use of protective undergarments or surgical appliances, if appropriate. – Transferring: the ability to move in and out of a chair, without the standby assistance of another person. 	<ul style="list-style-type: none"> – Eating: the ability to feed themselves once food has been prepared and made available, without the standby assistance of another person. – Toileting: the ability to get to and from and on and off the toilet, without the standby assistance of another person and the ability to manage bowel and bladder functions through the use of protective undergarments or surgical appliances, if appropriate. – Transferring: the ability to move in and out of a chair, without the standby assistance of another person. <p>In addition, the Injury or Sickness must have caused you to temporarily cease to be gainfully employed or to temporarily cease receiving gain or reward under a continuing arrangement to be gainfully employed.</p>

What does this mean?

If you wish to apply for **new** insurance cover that will be issued on or after 1 July 2014, please ensure you have carefully read the 'Insurance in your super' section of the Product Disclosure Statement (PDS) issued on or after 1 July 2014 and any relevant disclosure documents to understand the impact of these changes to you before applying.

You can obtain a copy of the updated PDS and any other relevant disclosure documents by visiting bt.com.au or calling BT Customer Relations on 132 135.

Need more information?

Should you require any further information or clarification, please speak to your financial planner or contact BT Customer Relations on 132 135 between 8.00am–6.30pm (Monday to Friday, Sydney time).

IMPORTANT INFORMATION

The information provided in this notification is current at the date of preparation and is general information only; it is not exhaustive and does not constitute advice. It does not take into account your investment objectives, financial position or needs. Before acting on the information, you should consider the appropriateness of the information having regards to these factors and, where appropriate, obtain other independent professional advice. Westpac Securities Administration Limited ABN 77 000 049 472 AFSL 233731 ('WSAL') is the trustee of and the issuer of interests in BT Business Super (BT Super), which forms part of the Westpac MasterTrust – Superannuation Division ABN 81 236 903 448. A Product Disclosure Statement (PDS) and other relevant disclosure documents are available for BT Super and can be obtained by calling BT Customer Relations on 132 135, or visiting bt.com.au. You should obtain and carefully consider the PDS and any other relevant disclosure documents before deciding whether to acquire, continue to hold or dispose of interests in BT Super. An investment in BT Super is not an investment in, deposit with or any other liability of Westpac Banking Corporation ABN 33 007 457 141 (the Bank) or any other company in the Westpac Group. It is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested. The Bank and its related entities do not stand behind or otherwise guarantees the capital value or investment performance of BT Super.

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