

**BT LIFETIME SUPER – PERSONAL PLAN (LSPP)  
FREQUENTLY ASKED QUESTIONS  
INDIVIDUAL INSURANCE CONSOLIDATION**

**What is the offer?**

Members can apply to move their non-BT super and non-super insurance cover into BT Personal Super plan as a consolidation of insurance and top-up of their existing BT cover.

The cover that can be consolidated is Death Only or Death and TPD cover.

Salary Continuance Insurance (SCI)/Income Protection (IP) cannot be consolidated.

Members can consolidate their non-BT super into LSPP by requesting to rollover their account balance in the Individual Insurance Consolidation Application form and will be contacted by BT Customer Relations.

**What are the maximum sum(s) insured that can be accepted?**

The maximum sum(s) insured to be transferred prior to consolidation with the LSPP sum insured is:

Death Only \$1,000,000  
Death and TPD \$1,000,000

***The following example would be accepted:***

Current BT cover \$400k for Death & TPD + \$350k plus Death & TPD from another super fund + \$400k Death & TPD from a non-super policy = \$1,150,000 million sum insured. The total sum insured for transfer is \$750,000k.

***The following example would not be accepted:***

Current BT cover \$400k for Death & TPD + \$650k plus Death & TPD from another super fund + \$600k from a retail policy Death & TPD = \$1,650,000 million sum insured. The total sum insured for transfer is \$1,250,000, exceeding the \$1,000,000 limit.

The member would need to apply, after consolidation of the maximum allowed, to the Insurer to arrange for the additional \$250,000 to be added to their total sum insured subject to underwriting and acceptance by the insurer; or the member could reduce their sum insured by \$250,000 with their current fund/insurer prior to applying for consolidation with BT.

**Which members will be eligible?**

All members who have a Personal Super plan.

In addition, members:

- Must be under the age of 65 at the date of application;
- Must not be terminally ill with a life expectancy of less than 12 months;
- Who are 'Not at Work' will be limited to Death Only cover.

### **How does the member apply?**

The member will need to complete the Individual Insurance Consolidation Application and return to BT. The questionnaire can be found at [www.bt.com.au](http://www.bt.com.au) – Investors / Advisers.

### **Are there any underwriting questions?**

Yes there is one question. Refer to page 1 of the Consolidation Application.

### **What is the 'At Work' definition?**

'At Work' means you are engaged in the normal duties of your usual occupation with your employer or on approved leave for reasons other than Sickness or Injury. You are also capable of performing your full and normal duties on a full-time basis (for at least 30 hours per week) even though your actual employment may be on a full-time, part-time, contract or casual basis, on the day of signing this application form; and

You are not in receipt of and/or entitled to claim income support benefits from any source including workers' compensation benefits, statutory transport accident benefits and disability income benefits.

### **What exclusions apply to this offer?**

Members excluded from this offer include:

- Any member who has submitted a claim with BTFG irrespective of decision (accept or decline);
- Any member who has previously applied for Death and/or TPD cover and been declined;
- Any member who has been restricted to a group life cover amount below \$250,000 as a result of medical underwriting.

Members who wish to increase previously underwritten cover will have existing loadings or exclusions (if any) continued.

Any member who has more than two (2) exclusions, or has a loading of more than +100% on their current insurance arrangement(s) is ineligible to consolidate their insurance.

Exclusions for suicide and self-harm apply for 13 months from effective date of cover commencing, as per the current BT Lifetime Super – Personal Plan PDS.

### **What documentation is required for the consolidation?**

Members need to provide a legible and complete application form with a confirmation of currency for each policy that is to be transferred.

### **How long will it take for a successful application to be processed and the insurance cover to become effective?**

The application will take approximately 10 working days to be processed.

**When will the consolidated cover commence?**

Cover will not commence until the later of:

- The insurer accepting the member's application; and
- The existing insurance cover with the former fund/insurance policy being cancelled.

**What happens if the application is not successful?**

Members will receive a letter from BT advising of their unsuccessful application. The adviser, if the plan has one, will receive a cc: of the member letter.

**How long will it take to process an application if the member is referred for full underwriting?**

Underwriting requiring further information from member, but no medical assessment: 16 days.

For underwriting requiring a medical assessment the time will depend on the individual member's medical history. After assessment the member could be accepted and processed or asked to undergo a series of medical tests that could extend the period.

**Does the offer have an expiry date if the member wants to think about the offer and apply at a later date?**

No. the member can submit an application at any time as long as they remain a member of a plan that is insured by AIA Australia.

**Can a member apply for SCI as part of this offer?**

No.

**Will the member's sum insured be affected?**

Yes. The member's sum insured will be increased to include the existing sums insured and the transferred sums insured.

**Will the member receive an annual increase of sum insured in line with the member's annual review each year?**

If the member has elected automatic indexation then this will apply to the new sum insured from the next review date, otherwise the sum insured will not change.

**Will existing exclusions and loadings still apply?**

Yes. If the external insurer insurance cover includes up to two loadings or exclusions these will be carried over to the new BT provided cover. The previous BT cover that does not have loadings and or exclusions will not be affected.

**How will the member know what level of insurance is appropriate for their situation?**

The appropriate level of insurance is different for each member so we recommend that the members speak with their Personal Financial Adviser or use an online sum insured calculator to estimate the levels of insurance suitable for their individual circumstances.

**What premium rates will be used to calculate cover?**

The standard rates as detailed in the BT Lifetime Super – Personal Plan PDS rate tables.

**How does the member pay for their insurance cover?**

The premiums are automatically deducted from the member's superannuation fund balance on a monthly basis.

**Why do insurance premiums increase?**

Each year in line with the insurance anniversary the member's premium may increase. The following factors affect the cost of a premium:

- Age – premiums generally increase as the member gets older;
- Occupation – if a member's occupation changes the risk may be reassessed and the premium(s) aligned accordingly;
- CPI – as members sum insured increases in line with Indexation, the premium will also increase to match the new sum insured;
- Pricing reviews – the insurer reserves the right to review premiums to ensure alignment with market forces;
- Government fees and charges – if the State or Federal governments make any changes to a fee, duty or charge we are required to pass on any increases or decreases.

**Can the member get a higher sum insured than the maximum in their specific transfer?**

Yes. The member can obtain a higher sum insured by completing a full personal statement and being underwritten by the insurer.

**What happens if a member changes their mind and wants to cancel the insurance?**

There is a 14 day cooling off period. The member needs to advise BT within 14 days of the date on their confirmation of cover letter that they do not wish to proceed. The cover will be cancelled and any premiums paid will be credited back to the member's superannuation account. If the member has had previous cover with BT, this will be reinstated at no additional cost.

**Will advisers be paid commission for the transfer, up-sell and new products?**

Yes, adviser commission will be calculated according to standard adviser commission rates.

**What are the possible tax implications of moving from non-super insurance to super insurance?**

This will need to be determined on a case by case basis with the member needing to contact a tax professional or a suitably accredited financial planner.

**How will the member show their existing insurance cover has been cancelled?**

The member will receive an exit statement if they close their fund (ie consolidate their insurance and rollover their super); an annual or half yearly statement if they have cancelled their insurance and maintained their super account. BT/AIA will not be tracking cancellations; however, in the event of a claim, if the member has not cancelled their cover, AIA can refuse to pay the additional sum insured that was consolidated.

**Will an exit statement from a previous super fund be sufficient proof of cancelled insurance?**

Yes. BT will not require confirmation of cancellation of insurance, however the onus is on the member to prove cancellation at claim time or risk their additional cover becoming void.

**When consolidating insurance, can the member consolidate their super in the same process?**

Yes, the member can consolidate at the same time subject to receipt of the appropriate information and the forms being completed accurately.

**Who do I call if I have any questions?**

BT Customer Relations

Phone: 132 135

Fax: (02) 9274 5402

Email: [customer.relations@btfinancialgroup.com](mailto:customer.relations@btfinancialgroup.com)

**Where do I get more Consolidation Application forms?**

Available in [www.bt.com.au](http://www.bt.com.au) – Investors / Advisers

**Who is AIA?**

AIA Australia is a specialist provider of financial products designed to offer comprehensive, affordable solutions to life insurance and financial planners, their clients and corporate Australia.

AIA offers risk protection life insurance products to help members protect the things that matter most – family, health, mortgage or business.

AIA is a locally registered, stand-alone company and life insurer which provides group insurance to a number of Australian superannuation providers, including BT Financial Group.

As a separate legal entity AIA is required to meet the strict capital and solvency requirements that are regulated by APRA under Australian laws.

## **BT Lifetime Super – Personal Plan Individual Insurance Consolidation Terms and Conditions**

### **How can I apply?**

To apply to consolidate your existing insurance cover held with another fund and/or insurer into BT Lifetime Super – Personal Plan you need to:

- > complete all sections of the attached application form,
- > acknowledge the Duty of Disclosure section of the application and attach a confirmation of currency.

### **What happens if my application is accepted?**

If AIA Australia (the Insurer) accepts your application you will be allocated the amount of cover into BT Super (up to the maximum of \$1 million each for Death Only or Death and TPD) on top of your existing Death and TPD cover which will become fixed.

1\_ You may lose related covers by consolidating your insurance or premiums may be affected. Before consolidating, check with your other insurance provider or your financial adviser.

2\_ If the Insurer accepts your application, the terms and conditions as outlined in the Insurer's policy document will apply, and the terms and conditions of your other fund and/or other insurer will cease to apply.

### **Important information**

The insurer for BT Super is AIA Australia Limited (the Insurer). The Insurer agrees to provide individual consolidation terms for Death Only or Death and TPD cover on the following basis:

> cover will commence on the date the Insurer accepts the member's application – The member must cancel their existing insurance cover with the other fund(s) ('other' fund refers to the super fund through which the member holds the insurance cover being consolidated) or other policy (ies) (other policy (ies) refers to any non-super insurance arrangement the member intends consolidating) once they have received a letter from BT Super confirming acceptance. Failure to cancel the existing cover under the other fund(s)/policy (ies) will result in the additional cover being void.

> the member has not been paid, is not eligible to be paid and has not lodged a claim for a TPD benefit with BT Super, another superannuation fund or life insurance policy;

> the member is not terminally ill with a life expectancy of less than 12 months from the date of application;

> the member is gainfully employed and physically capable of undertaking gainful employment for at least 30 hours per week;

> the member must be under the age of 65 at the date of application; and

> the member must meet the eligibility criteria for insurance cover as set out in the relevant Product Disclosure Statement.

> the member provides a copy of an up-to-date statement or letter produced by the other fund/insurer dated within the last 30 days, as evidence of cover currently held with the other fund/insurance policy

> the member completes the Individual Insurance Consolidation Application to the Insurer's satisfaction

> if any of the member's benefits from the other fund or insurer had more than two exclusions, or had a loading of more than +100% ie standard premium rates have been increased by more than 100%, then cover for that benefit cannot be consolidated to BT Super

> the maximum amount of cover that can be consolidated via the Individual Insurance Consolidation Application is: – \$1 million each for Death Only or Death and TPD

> the waiting period (WP) and benefit period (BP) will be matched to BT Super's insurance offer. If the WP under the other fund/insurance policy is not available in BT Super, the WP will be increased to nearest WP offered by BT Super, ie a 45 day WP will be increased to a 60 day WP in BT Super. If the BP under the other fund/insurance policy is not available in BT Super, the BP will be reduced to the nearest BP offered in BT Super, ie a 10 year BP will be reduced to a 5 year BP.

> occupational classifications will be based on the classifications used by BT Super

> ratings and premiums may change to adapt to BT Super's ratings and premiums.

### **Privacy**

We respect your privacy. If it is reasonable and practicable to do so, we will collect personal information directly from you.

However, there are occasions where we may need to collect personal information from other parties with or without your direct involvement. By completing the attached form, you agree to allow BT and/or the Insurer access to collect the required information to assess your application, including information that may be of a sensitive nature. A copy of BT's privacy statement can be obtained from [www.bt.com.au](http://www.bt.com.au). A copy of the Insurer's privacy statement can be obtained from [www.aia.com.au](http://www.aia.com.au)

### **Need more cover?**

Should you wish to increase your insurance with BT Super, please obtain a Life Insurance Application Form from [www.bt.com.au/forms-and-calculators/forms/forms-lifetime-personal-super.asp](http://www.bt.com.au/forms-and-calculators/forms/forms-lifetime-personal-super.asp)

### **Multiple funds or policies?**

Should you wish to consolidate cover held in more than one fund and/or policy, please photocopy the application form to provide all details relevant for each fund and/or policy being consolidated.

Please ensure you have attached the required documentary evidence of your other funds or policies.

### **Maximum limits apply**

The maximum amount of cover that can be consolidated is:

> \$1 million each for Death Only or Death and Total and Permanent Disablement cover.

**Need advice?**

We recommend you speak to your financial adviser before completing this application form to determine if this offer is appropriate for you.

**What you need to provide**

You must obtain and attach an up-to-date statement (such as an acceptance certificate or letter) from your other fund/insurer confirming the type and level of cover, including any loadings or exclusions currently held with the other fund/insurance policy. The up-to-date confirmation of cover must be received by the BT Financial Group within 30 days of it being issued by your other fund/insurer.

**Things to know**

This information has been prepared without taking account of your objectives, financial situation or needs. Because of this you should, before acting on this information, consider its appropriateness, having regard to your objectives, financial situation and needs.

BT Funds Management Limited ABN 63 002 916 458 AFSL 233724 RSE L0001090 is the trustee of BT Lifetime Super – Personal Plan.