

THE ILLUSTRATED
AUSTRALIAN NEWS
MELBOURNE • THE COLONY OF AUSTRALIA • 1873

**COLONIAL MUTUAL LTD
BEGINS TRADE ON COLLINS ST.**



THE COLONIAL MUTUAL ASSURANCE SOCIETY OPENED ITS DOORS FOR TRADE TODAY AT 419 COLLINS STREET, MELBOURNE. INSET: MR. JACQUES MARTIN, THE FOUNDER AND CHIEF EXECUTIVE OF COLONIAL MUTUAL

1873

WAR IN EUROPE!

**AIN AND FRANCE
ARE WAR ON GERMANY**

Germany, under Kaiser Wilhelm II, decided to oppose Russia, instead choosing to form an alliance with Austria-Hungary (referred to as the 'Central Powers'). In response to this aggressive stance, Russia, France and Britain formed their own alliance (the 'Entente Powers').

On 28 July 1914, Austria-Hungary retaliated for the assassination of the

**THE LATEST 1914 MODEL
FOR ALL AUSTRALIANS
50 STANDARD MODEL**

Australia waged into the fight when Britain declared war on Germany on 4 August 1914, pledging its full support. NZAC forces were



JONES & SONS

MAY 1929 • EVENING EDITION •

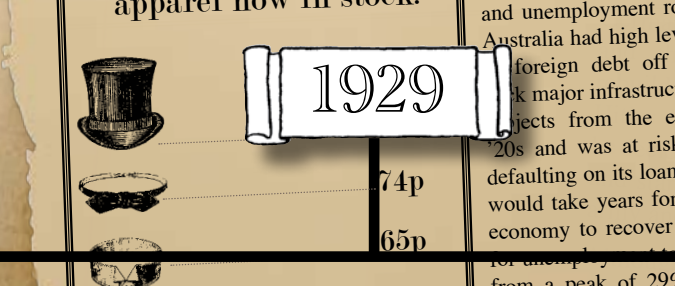
**WALL STREET
IN MELTDOWN**

**WAVE OF PANIC SELLING
OVERWHELMS MARKET**

The Wall Street Crash of 1929 was the most devastating stock market crash in history. It started on 24 October (Black Thursday). But it was the catastrophic falls on Black Monday and Tuesday (October 28 and 29) that lead to the sudden widespread panic and total collapse of the New York stock market.

A precursor to the crash was the

**New season evening
apparel now in stock!**



Green Bros. Suppliers of fine apparel

September 4 1939 • MORNING EDITION •

**WORLD AT
WAR!**

ed forces declare war on Germany

conclusion of World War I, the Treaty of Versailles was signed by the victors. Its purpose was to punish Germany for its role in the war and to prevent a similar conflict from occurring. The treaty required Germany to accept full responsibility for the war and to pay reparations to the Allied powers.

Back in Australia, the economy was hit hard. Commodity prices fell and unemployment rose.

1929

1939

Monday 19 October 1987, the Dow Jones Industrial Average fell 22.6%.

The Daily Times
**THE RECESSION
WE HAD TO HAVE**

and while billions were wiped of share markets, they quickly recovered. The after shock, however, was still to hit. The world economies were about to slide into a sharp recession that would, in some cases, last for years.

1987

2008

Financial fallout as climate worsens

News in Review - page 5
Money and you - page 25
PM tours Afghanistan - page 35
World weather eco report - page 82

The Daily Times

**WALL ST
IMPLOSION?**

The Dow Jones industrial average plunged 777 points (6.98%) at close of trading yesterday, the largest single point drop in history.

After failing to secure the loans it needed to sustain business, Lehman Brothers Holdings, Inc. filed for bankruptcy on 15 September 2008. On the same day, Bank of America bought out Merrill Lynch. These two major announcements sent shockwaves through world stock markets.

Industrial Average fell 504 points (4.4%). The Australian, European and Asian markets recorded similar falls. Realising the enormity of the crisis, the American government moved swiftly to devise a billion dollar bailout package that would increase the liquidity in the US mortgage market and reduce the losses of financial institutions exposed to the crisis. Congress rejected the bailout package and the

market again reacted negatively. Sharp falls were recorded across global markets and many nations cut interest rates in an attempt to stimulate their economies. On 30 September, Congress finally passed a \$700 billion bailout plan. The crisis is yet to be averted and there are fears that a global recession will soon hit most major world economies.

From our beginnings 135 years ago, CommInsure has witnessed events that have shaped our world and influenced our financial markets.



THROUGH UNCERTAIN TIMES, COMMINSURE REMAINS STRONG AND CONFIDENT.

Since 1873, we've been securing the future of Australians. Today we build on these deep foundations with further product enhancements and premium reductions.

THE BIG DEAL

With a rise in interest rates, petrol prices and general living expenses, it's nice to be able to reduce the cost of something.

Thanks to CommInsure's financial strength, we are applying a premium reduction of up to 10% on certain sums insured under our Life Care product.

This premium reduction will benefit clients with either stepped or level premiums, across most ages in the \$125,000 – \$299,999 sum insured band. (Level premium reductions will only apply to new policies.)

To top this, we've also removed the smoker rates on our Essential Cover product and eliminated the maximum payment amount on Terminal Illness benefits.

More information can be found in the product enhancements table.

DEFINITION CHANGES

Each week, we receive informed and invaluable feedback from financial advisers. In the last six months we've received some excellent suggestions on how to improve the quality of our products and we've acted upon them.

Take a look at our definition changes in the following table to see how we are delivering improved benefits to you and your clients.

WORDING CHANGES

Insurance is complicated enough without having to worry about confusing language in product disclosure statements and brochures. So we have simplified the language in all of our documents. That should make it easier for you to explain products to your clients. You can read about these in the following table.

Important information:

This information is provided by CommInsure, a registered business name of The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (CMLA), a wholly owned but non-guaranteed subsidiary of Commonwealth Bank of Australia ABN 48 123 123 124.

This information is issued for financial advisers only. It is not to be issued or made available to clients or the public.

WANT TO KNOW MORE?

Information on these product enhancements can be found in the Supplementary Product Disclosure Statement enclosed in PDSs from 10 November, 2008.

For more information call your local Business Development Manager or visit <https://adviser.cominsure.com.au>

PRODUCT ENHANCEMENTS

LIFE CARE			
PRODUCT ENHANCEMENT	SUMMARY	HOW DO YOUR CLIENTS BENEFIT?	HOW DO YOU BENEFIT?
Up to 10% price reduction on life cover	We are reducing the price of life cover across most age groups within the sum insured band of \$125,000 – \$299,999.	Your clients could benefit from a reduction of up to \$285 in their life cover premiums.	Life cover is now more attractive for clients, helping you make the sell.
Plan Protection Option – extension of the maximum age from 60 to 65.	Plan Protection is an extra cost option that currently offers a premium waiver on Life Care if the insured is totally disabled for a period of three months or more. We are increasing the maximum age that you can exercise this option from age 60 to the expiry of the benefit at the policy anniversary prior to the life insured's 65th birthday.	Your older clients get peace of mind knowing that if they are totally disabled for three months or more, we'll waive their Life Care premiums.	This extension in maximum age is now in line with other such benefits; so providing advice is much simpler.
ESSENTIAL COVER			
Removal of smoking rates on Essential Cover	We will no longer be charging smoking rates on our accident only income protection product, Essential Cover Option under Income Care.	Smokers can now take out Essential Cover Option at the non-smoker rate, making it even more affordable.	The removal of smoking rates for Essential Cover Option is now reflected in CaIQ so you can be sure no client is charged for their smoking status.
TERMINAL ILLNESS			
Removal of maximum payment amount for Terminal Illness	CommInsure has removed the \$2 million maximum amount paid on terminal illness benefits.	Clients will no longer be restricted by a maximum amount payable on the terminal illness benefit (up to their life cover sum insured).	Clients with larger life cover can access a higher amount of benefits if terminally ill ensuring you're offering a better product
TPD COVER			
Removal of inactive employment provision for 'own' occupation	We are extending the 'own' occupation definition so that it no longer reverts to an 'any' occupation after a period of unemployment.	Even if your client becomes unemployed for more than twelve months, they will still be covered for their 'own' occupation TPD Cover, rather than being subjected to the 'any' occupation.	When clients are covered under their 'own' occupation TPD, the same definition applies irrespective of any period of unemployment, making it easier to explain when providing advice.
Removal of the requirement on the total inability to engage in suitable occupations under 'any' occupation	The TPD 'any' occupation definition will be referring to the inability to engage in suitable occupations that pays more than 25% of previous earnings.	All clients with total and permanent disabilities who are only able to work in occupations earning no more than 25% of previous income can claim for TPD.	This improved TPD definition is more client-friendly, so you can be sure that more clients can qualify for TPD benefits.

DEFINITION CHANGES

DEFINITION CHANGES	BENEFIT	OLD DEFINITION	NEW DEFINITION
Cancer definition	The new definition of Cancer is easier to understand and interpret in relation to when a benefit will and will not be payable.	Any malignant tumour characterised by the uncontrolled growth and spread of malignant cells that requires treatment by surgery, radiotherapy, chemotherapy, biological response modifiers, or any other major interventionist treatment and includes cancers that are completely untreatable. The following are included: • Leukaemia • Hodgkin's disease • Malignant lymphoma • Malignant bone marrow disorders • Melanomas which have a depth of invasion of Clark Level 3 or 1.5mm or more in Breslow thickness • Carcinoma in situ of the breast, which results directly in the removal of the entire breast (with or without removal of lymph nodes). The procedure must be performed specifically to arrest the spread of malignancy and be considered the appropriate and necessary treatment.	Cancer means any one of the following seven conditions, provided the condition is not AIDS-related: 1. Any malignant (severe and progressively worsening) neoplastic disease characterised by the uncontrolled growth in number and spread of malignant cells that has progressed to a stage that either: • requires major interventionist treatment such as surgery, radiotherapy, chemotherapy or biological response modifiers, or • cannot be treated with curative intent; but excluding: • conditions classified by their clinical features, cytopathology and/or histopathology as tumours showing the malignant changes of 'carcinoma in situ' or which are histopathologically described as premalignant. Uterine cervical intraepithelial lesions, cervical dysplasias and cervical intraepithelial neoplasias, including those classified as CIN1, CIN2 and CIN3 are examples of tumours categorised as either being carcinoma in situ and/or premalignant and are excluded.

TERMINAL ILLNESS			
DEFINITION CHANGES	BENEFIT	OLD DEFINITION	NEW DEFINITION
Cancer definition (cont.)		The following are excluded: • Tumours showing the malignant changes of 'carcinoma in situ' or which are histologically described as premalignant. The following are examples of tumours categorised as either being carcinoma in situ or premalignant and are excluded: i) Cervical dysplasia, CIN1, CIN2 and CIN3 ii) All non-melanoma skin tumours and cancers unless there has been evidence of metastatic spread • Any colorectal cancer classified as TNM (Tumour, Nodes, Metastases) Stage 0 (Tis, NO, MO) • Prostatic cancers which remain histologically described as TNM Classification T1a or T1b or are of another equivalent or lower classification • Prostatic cancers which remain histologically described as TNM Classification T1c unless curative intent therapy has been administered in connection with such cancer • All AIDS-related malignancies • Tumours treated by endoscopic procedures alone • Chronic Lymphocytic Leukaemia • Removal of Carcinoma in situ of the breast • Melanoma • Hydatidiform Mole • Carcinoma in situ of the Cervix Uteri • Carcinoma in situ of the Vagina • Carcinoma in situ of the Vulva or Perineum of limited extent The last seven exclusions do not apply to Income Care Plus.	• all non-melanoma skin tumours and cancers originating in skin, unless there has been evidence of metastatic spread • prostatic cancers which remain histopathologically classified as TNM (Tumour, Nodes, Metastases) Stage T1a or T1b or are of another equivalent or lower classification • prostatic cancers which remain histopathologically classified as TNM Stage T1c unless curative intent therapy has been administered in connection with such cancer • tumours treated by endoscopic procedures alone • melanomas which have a depth of invasion of less than Clark Level 3 or less than 1.5mm in Breslow thickness • Chronic Lymphocytic Leukaemia diagnosed as RAI Stage 0 or 1, which is defined to be in the blood and bone marrow and/or lymph nodes only 2. Leukaemia that is not Chronic Lymphocytic Leukaemia diagnosed as RAI Stage 0 or 1, which is defined to be in the blood and bone marrow and/or lymph nodes only 3. Malignant bone marrow disorder that is not Chronic Lymphocytic Leukaemia diagnosed as RAI Stage 0 or 1, which is defined to be in the blood and bone marrow and/or lymph nodes only 4. Hodgkin's disease 5. Malignant lymphoma except where treated by endoscopic procedures alone 6. Melanomas which have a depth of invasion of Clark Level 3 or 1.5mm or more in Breslow thickness 7. Carcinoma in situ of the breast requiring removal of all breast tissue from the breast.
Child Cover – clarity around exclusions	We have clarified the exclusions on child cover benefits so that the cover excludes malicious acts but does cover genuine accidents.	No Child Cover Benefit is payable when: • the Child Trauma Cover condition is caused directly or indirectly by any intentional self-inflicted injury or any attempt at suicide, or • the child life insured's death or Child Trauma Cover condition is caused directly or indirectly by an injury or infection inflicted on the child life insured by a policy owner or life insured or by the child life insured's parent or legal guardian or by any other person who has responsibility for the care of the child life insured or who resides with the child life insured.	No Child Cover Benefit is payable when: • the Child Trauma Cover condition is caused directly or indirectly by any intentional self-inflicted injury or any attempt at suicide, or • the child life insured's death or Child Trauma Cover condition is caused by a malicious act of the Child Life Insured's parent or guardian or by a malicious act of someone who lives with or supervises the Child Life Insured and who is acting in collusion with the Child Life Insured's parent or guardian.

WORDING CHANGES

CHANGES	SUMMARY	OLD WORDING	NEW WORDING
Conditions for Guaranteed Insurability Option and Business Safe Cover Option	The increase in cover by exercising these options will take effect sooner, to within a month of the relevant requirements being satisfied, instead of commencing from the next premium due date.	The increase in cover will take effect from your next premium due date after we accept the increase in cover.	The increase in cover will take effect from the date we notify you of in writing, which date will be no later than 30 days from the date <you satisfied our requirements/ we agree to the financial basis for the revised sum insured>.
Replacement of existing trauma cover	The new wording assures clients who are replacing an existing trauma policy with us or another company that we will waive the 90-day qualifying period that applies to certain medical conditions, if they have already satisfied this with their existing policy, rather than just consider the waiver.	• If you already have a trauma insurance policy, either with us or with another company, provided we agree to issue you with a new policy, we will consider waiving the qualifying period. • If the amount of cover has not increased, and you have already been through the qualifying period under your existing policy, you will not have to go through another qualifying period for the same medical conditions. • If you have not already satisfied the qualifying period under your existing policy, you will still need to wait the unexpired qualifying period of that policy or satisfy the qualifying period under your new Trauma Cover (whichever is shorter). • Where the benefit amount of your new Trauma Cover exceeds that of the policy being replaced, the full qualifying period will apply to the increased amount.	If you already have a trauma insurance policy with us or another company and we agree to issue you with a new policy, you will not have to go through another qualifying period for the same medical conditions. This is subject to the following: • If you have not already satisfied the qualifying period under your existing policy, you will still need to wait the unexpired qualifying period of that policy or satisfy the qualifying period under your new Trauma Cover (whichever is shorter). • Where the benefit amount of your new Trauma Cover exceeds that of the policy being replaced, the full qualifying period under your new cover will apply to the increased amount.