

FINANCIAL ADVISER GUIDE

MLC Insurance

MLC Insurance (Super)

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Insurer
MLC Limited
ABN 90 000 000 402 AFSL 230694



THIS IS YOUR GUIDE TO MLC INSURANCE
AND UNDERWRITING. IT IS DESIGNED TO ASSIST YOU
IN WRITING MLC INSURANCE BY EXPLAINING
OUR UNDERWRITING PHILOSOPHY, REQUIREMENTS
AND PRACTICES, AS WELL AS OUR CLAIMS PROCEDURES
AND PRODUCT INFORMATION.

*The guide is comprehensive, but you may
need to discuss particular issues or aspects of
applications with one of our Business Development
Managers (BDMs) or experienced underwriters.*

*The MLC Service teams are also there to help
you and we encourage you to call us
about any underwriting, new business,
maintenance or product enquiry
you may have.*

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This guide is for adviser use only and is not intended for general distribution.

It has been prepared by MLC Limited and is intended as a reference and training guide for advisers. The product information contained in this guide should be read in conjunction with the MLC Insurance and MLC Insurance (Super) Product Disclosure Statement (**Insurance PDS**) issued by the insurer, MLC Limited, and for MLC Insurance (Super), please also read the MLC Super Fund - Retail Insurance in Super: for MLC Insurance Super Product Disclosure Statement (**Super PDS**) issued by the trustee, NULIS Nominees (Australia) Limited and the applicable Policy Documents.

CONTACT SUMMARY

Contact us

Adviser Service Centre Available (Melbourne/Sydney time): 8 am – 7 pm Monday to Friday	133 652	For insurance queries and progress updates for applications and changes, call the Adviser Service Centre from anywhere in Australia.
Business Development Managers	1800 707 593	NSW
	1800 707 846	VIC
	1800 707 862	QLD
Underwriting Hotline Available (Melbourne/Sydney time): 8 am – 5.30 pm Monday to Friday	1800 811 861	For underwriting queries and pre-assessments.
Claims	1300 125 246	(1300 1 CLAIM)
Email	insurance_mlc@mlc.com.au	Please include policy number in subject field.
Website	mlcinsurance.com.au	
Postal address	MLC Limited PO Box 200 North Sydney NSW 2059	
Zedmed	1300 933 833	
Lifescreeen	1800 686 000	

UNDERWRITING PHILOSOPHY AND SERVICE

Underwriting philosophy statement

Our underwriting philosophy is clear.

We ensure that our underwriting standards and controls are strong, and that the underwriting practices in place protect our clients and continue to keep our premium rates sustainable.

We understand the importance of the relationship you have with your clients. Our underwriters pride themselves on putting our customers' needs at the centre of everything they do.

Our Financial Adviser Guide reflects our internal guidelines and has been designed to give you the information you need to manage your clients' expectations around the underwriting process.

One of our underwriters is only a phone call away. We're happy to speak with you to assist you through the application process and understanding potential outcomes for your clients.

UNDERWRITING PHILOSOPHY AND SERVICE

Underwriting service

Your underwriting team

We are dedicated to delivering a superior underwriting service. As part of our service commitment, our state-based teams (NSW, Victoria, QLD and WA) will support you and your clients and each team is headed up by a passionate and driven State Underwriting Manager, with over 10 years experience.

How do we help you?

We will provide:

- expert technical knowledge and advice
- Associate Underwriters who will telephone your clients to obtain missing information and clarify information given, with your permission.
- a robust pre-assessment service
- the reasons for our decisions, and the rationale behind them—in plain English.

We will contact you regularly when an application presents:

- multiple risk factors—pre-positioning the final decision
- unusual delays in assessment
- additional requirements
- sufficient challenges or risk to require modified terms or decline of cover.

How you can help your client

The more information we have, the faster we can assess and approve your client's application. You can help by:

- utilising *Riskfirst*
- authorising us to arrange your client's medical requirements—your client can do this in the application form
- authorising telephone contact with your client so we may call your client directly to resolve any missing details or clarify information provided
- providing medical notes and/or additional financial notes and expanding on the medical conditions
- explaining occupational duties and any risky pastime pursuits fully
- utilising our pre-assessment services to facilitate a satisfactory outcome
- creating a complete picture of your client and their application
- checking the evidence requirements and arranging them as soon as possible—refer to the Illustrator quote or the requirement tables in this guide.

Did you know?

Telephone underwriting enables the completion of 15% of all new business.

MLC Limited Riskfirst applications

MLC Limited Riskfirst is a web-based service that allows you to submit applications online. The benefits of applying online include:

- availability – you can lodge an online application 24 hours a day, 7 days a week
- time saving – you are prompted for the required information, so you only enter what is needed to complete your client's application
- improved accuracy – whatever you type into the online application is automatically entered into our systems, avoiding handwriting interpretation and transposition errors
- completeness – you will be alerted to incomplete questions or information that is required before submitting the application, resulting in less follow-up
- no postage delay – we receive the application straight into its workflow, removing up to three day's postage and sorting time
- secure delivery – the secure website removes the worry of paper applications being lost or opened before arriving here.

Did you know?

If Income Protection Agreed Value has been applied for online via Riskfirst, and financials are not a mandatory requirement, we can issue the policy without holding up the application. You can provide the financials after the policy is issued, and upon receipt, we will review, update the endorsement and notify you of the change.

Did you know?

When applying online via Riskfirst, you may be able to enjoy the benefits of Riskfirst Rapid.

Riskfirst Rapid is a feature which splits the assessment of the insurance application into two stages. Stage 1 can allow for the amount of insurance cover which is below our mandatory medical and financial limits to be fast-tracked, and in some cases completed whilst awaiting the mandatory evidence for the remainder of the application. This can help your customers get some cover sooner.

LEGISLATION, FSC STANDARDS AND GUIDELINES

As a member of the FSC (Financial Services Council), we are obliged to comply with certain FSC Standards, the FSC Life Insurance Code of Practice and follow FSC Guidelines. Members' compliance with FSC Standards and Guidance Notes ensures the promotion of industry best practice.

Documents that specifically relate to Family History, Genetics and Mental Health underwriting are described in the 'Medical Underwriting' section on page 106.

There are a number of legislative requirements with which we operate in accordance, including the Disability Discrimination Act 1992 (Cth) and the Insurance Contracts Act 1984 (Cth).

PRIVACY

The Privacy Act 1988 (Cth) governs how we handle an individual's personal information.

We collect personal information about our clients for the purpose of providing, managing and administering the products and services they have with us.

We consider the privacy of our clients' personal information to be extremely important and are committed to protecting our clients' privacy.

In December 2001, the Privacy Act changed to introduce new rights in relation to how personal information is handled by many private sector organisations. This includes a set of National Privacy Principles designed to protect the public from unauthorised disclosure and inappropriate use of personal information.

The legislation also includes provision for people to access personal information held on them. This means that we could be required to provide an applicant / Life Insured / policy owner access to information on our files and systems.

In some instances, we may release medical information provided by third parties via the client's medical practitioner rather than to the applicant or financial adviser. This approach is taken where we deem there is a risk of misunderstanding or misinterpretation of medical information that may lead to unnecessary concern on the part of the client or interference with their medical management. Medical reports may also contain information that has not been disclosed to the applicant by their doctor in the best interest of the management of their condition; serious damage could be caused by direct disclosure of this information.

ALTERNATIVE TERMS AND POLICY AMENDMENTS

We aim to offer insurance to as many people as possible. Sometimes a person's health, occupation or pastimes may present additional risk. An extra premium may be applied to cover the extra risk or an exclusion applied to exclude the risk from the cover.

Sometimes the additional risk cannot be adequately dealt with by applying an extra premium or exclusion alone. In these cases, we will consider other ways of altering the cover offered. In the case of Critical Illness, we may offer cover for a reduced number of critical conditions with premium adjustment; and for Income Protection, we may alter the waiting period and benefit period. A combination of these alternative terms may also be used.

We suggest that exclusions or other amendments are discussed at the time of application.

Exclusions

Why do we offer exclusions?

Sometimes the only way a person can be insured is with an exclusion.

Exclusion wordings may vary according to information provided and the circumstances of each case but, due to the wide range of disorders, their complexity and their potential to interact, it is not always possible to devise a special clause to fit each individual case. It is therefore often necessary to phrase the exclusion wording in very broad terms.

The scope of the exclusion where possible will be limited to the specific condition, joint, etc. For instance, a back exclusion is perhaps the most common exclusion and the wording is necessarily lengthy due to the complexity of the spine itself. Whenever possible, we will limit the exclusion to a localised spinal area (eg the cervical spine (the top part of the spine) only).

We may offer limited Critical Illness cover to clients who would otherwise be declined insurance due to a high cardiovascular or cancer risk. Please see 'Critical Illness – alternative terms for special cardiovascular and cancer risks' in 'Medical Underwriting' on page 98 for details of these exclusions.

Can exclusions be reviewed?

An exclusion may be applied because a condition is recent or full recovery has not yet been achieved. The exclusion may not be required in the future. Exclusions can be reviewed by request at any time should there be a change in the condition or circumstances.

If your client is in an accident, will their claim be considered?

Cover applies for a multitude of injuries and sickness other than the excluded condition and it may even apply to the excluded condition. Each claim is assessed on its merits and on the evidence available at the time. If, in our opinion, the claimed condition was in no way associated with, nor aggravated nor complicated by, the pre-existing condition then consideration would be given to payment of a claim.

For instance, if an individual has a back exclusion limited to the lumbar region and was subsequently paralysed as a result of serious spinal injuries in an unrelated accident, then if all other claim conditions are met, the claim would be paid. Similarly, if a disease unrelated to the reasons for the exclusion, such as cancer or osteomyelitis, suddenly afflicted the spine and if all other requirements for the claim are met, the claim would be paid.

In other words, if the individual would unquestionably have been disabled and the recovery not complicated or prolonged because of a pre-existing condition, then we will favourably consider the payment of the claim.

The primary decision as to interpretation of an exclusion wording lies with us, but at all times such interpretation must be reasonable.

UNDERWRITING REQUIREMENTS TABLES

Medical requirements

The usual medical requirements for a new business application are set out in the following pages.

The medical evidence required depends on age and the total combined sum insured payable by us on death, disability or a critical illness event, across all insurance cover with us.

These are our minimum requirements, in addition to the personal statement. We reserve the right to request additional medical examinations, additional tests or reports if required to complete the underwriting assessment.

What is the combined sum insured?

The combined sum insured is used to determine the usual medical requirements where a combination of different types of insurance are being applied for and / or will remain in force with us.

Where any combination of Life Cover, Accidental Death, Critical Illness stand-alone, Double Critical Illness, TPD stand-alone, Double TPD are being applied for:

1. First determine the total sum insured for each insurance type being applied for and remaining in force:
 - all Life Cover
 - all Accidental Death
 - TPD stand-alone + Double TPD
 - Critical Illness stand-alone + Double Critical Illness

(do not include other extension covers)

2. highest total sum insured + half of the total sums insured under the remaining insurance types = combined sum insured.

Note: Child Critical Illness, Premium Waiver and Occupationally Acquired HIV, Hepatitis B or C insurance are not included to determine standard medical requirements.

Example:

If applying for Life Cover \$2,000,000 + Double Critical Illness \$500,000 + TPD stand-alone \$600,000; then add the full Life Cover \$2,000,000 + half the Double Critical Illness \$250,000 + half the TPD stand-alone \$300,000 and apply the requirements for \$2,550,000.

UNDERWRITING REQUIREMENTS TABLES

Medical requirements

Life Cover, Accidental Death, TPD and Critical Illness

To determine the medical requirements for Life Cover, Accidental Death, TPD and Critical Illness:

1. Look up the requirements for your client's age next birthday and the combined sum insured in Table A.
2. If applying for Critical Illness insurance, check Table B for any additional requirements applicable to Critical Illness.

Requirements may differ where your client has insurance in force with us and is applying to increase the amount of insurance. See 'Increases' in 'Medical Underwriting' on page 93.

Table A: Life Cover, Accidental Death, TPD and Critical Illness combined sum insured

Sum insured	Age next birthday					
	Up to 40	41–45	46–50	51–55	56–60	61+
\$0 – \$250,000						
\$250,001 – \$350,000						
\$350,001 – \$500,000						
\$500,001 – \$750,000						A
\$750,001 – \$1,000,000					B	B
\$1,000,001 – \$1,500,000				B	B	B
\$1,500,001 – \$2,500,000			B	B	B	B
\$2,500,001 – \$3,000,000	B	B	B	B	B	B
\$3,000,001 – \$5,000,000	C	C	C	C	C	C
\$5,000,001 – \$10,000,000	D	D	D	D	D	D
\$10,000,001 – \$15,000,000	E	E	E	E	E	E
Over \$15,000,000	Life Cover risks exceeding \$15,000,000 require the support of reinsurers. Please call the Underwriting team in advance for advice on requirements.					

Refer to page 14 for the key to requirement codes shown in the table.

Table B: Additional requirements for Critical Illness over \$500,000

Where Critical Illness over \$500,000 is applied for in combination with Life Cover, Accidental Death or TPD, these requirements will apply in addition to those for the total combined sum insured:

Sum insured	Age next birthday				
	Up to 40	41–45	46–50	51–55	56–60
\$500,001 – \$750,000					A
\$750,001 – \$1,000,000					B
\$1,000,001 – \$1,500,000	B	B	B	G	G
\$1,500,001 – \$2,000,000	F	F	F	H	H

Refer to page 14 for the key to requirement codes shown in the table.

Income Protection

Table C: Income Protection

Sum insured Monthly benefit	Age next birthday				
	Up to 40	41–45	46–50	51–55	56–60
Up to \$10,000					
\$10,001 – \$15,000	J	J	J	J	J
\$15,001 – \$30,000	K	K	K	K	K
\$30,001 – \$60,000	L	L	L	M	M

Refer to page 14 for the key to requirement codes shown in the table.

Business Expenses

A blood test for HIV (AIDS) antibodies, Hepatitis B & C serology and Multiple Biochemical Analysis is required for monthly benefits over \$15,000.

Business Expenses with Income Protection

To determine requirements for Income Protection and Business Expenses combined:

1. Look up the requirements for Income Protection using Table C above.
2. A blood test for HIV (AIDS) antibodies, Hepatitis B & C serology and Multiple Biochemical Analysis is required if the combined Income Protection and Business Expenses sum insured is over \$15,000. This is required in addition to any other medical requirements for the Income Protection sum insured as shown in Table C above.

UNDERWRITING REQUIREMENTS TABLES

Medical requirements

Key to type of medical evidence required in addition to the personal statement

Where requirements overlap, the most comprehensive requirements will apply (E.g. where a Rapid Check and Medical Exam are indicated, arrange only the Medical Exam).

A	Blood test for MBA, Hepatitis B & C serology, RapidCheck
B +	Blood test for MBA, Hepatitis B & C serology AND Medical or Paramedical Examination
C +	Blood test for MBA, Hepatitis B & C serology AND Medical or Paramedical Examination + PMAR
D +	Blood test for MBA, Hepatitis B & C serology AND Medical or Paramedical Examination + MSU + Exercise ECG + PMAR
E +	Blood test for HIV antibodies, MBA, Hepatitis B & C serology, FBC AND Medical or Paramedical Examination + MSU + Stress Echocardiogram + PMAR
F +	Blood test for HIV antibodies, MBA, Hepatitis B & C serology, FBC AND Medical or Paramedical Examination + Exercise ECG + PMAR
G +	Blood test for HIV antibodies, MBA, Hepatitis B & C serology, FBC + PSA or Mammogram AND Medical or Paramedical Examination + Exercise ECG + PMAR
H +	Blood test for HIV antibodies, MBA, Hepatitis B & C serology, FBC + PSA or Mammogram AND Medical or Paramedical Examination + MSU + Exercise ECG + PMAR
I	PMAR
J	Blood test for MBA, Hepatitis B & C serology
K	Blood test for MBA, Hepatitis B & C serology + PMAR
L +	Blood test for HIV antibodies, MBA, Hepatitis B & C serology, FBC, ESR AND Medical or Paramedical Examination + MSU + PMAR
M +	Blood test for HIV antibodies, MBA, Hepatitis B & C serology, FBC, ESR + PSA or Mammogram AND Medical or Paramedical Examination + MSU + PMAR
N +	Blood tests for HIV antibodies, MBA Hepatitis B&C Serology, FBC, ESR AND Specialist Medical Exam, MSU, Stress Echocardiogram, PMAR
O +	Blood tests for HIV antibodies, MBA, Hepatitis B&C, FBC, ESR + PSA or Mammogram AND Specialist Medical Examination, MSU, Stress Echocardiogram

Glossary of requirements

MBA	Multiple Biochemical Analysis – Blood test
HIV antibodies	HIV (AIDS) antibodies – Blood test
Hepatitis B & C	Hepatitis B and C serology – Blood test
FBC	Full Blood Count – Blood test
ESR	Erythrocyte Sedimentation Rate – Blood test
MSU	Microurinalysis – Urine test
Exercise ECG	Exercise or Stress Electrocardiogram
Medical exam or paramedical exam	Medical examination performed by the client's usual doctor or a Paramedical examination arranged with a paramedical service provider such as Lifescreen.
RapidCheck	Short examination including height, weight, abdomen measurement, blood pressure reading and urine dipstick test for glucose, albumin and blood—to be performed by the client's usual doctor or paramedical service provider.
PMAR	Personal Medical Attendant's Report – arranged by us
PSA	Prostate Specific Antigen test (males only)
Stress Echocardiogram	Stress Echocardiogram—refer to your Underwriting team for assistance arranging this.
Mammogram	Mammogram (females only)

UNDERWRITING REQUIREMENTS TABLES

Financial requirements

Personal insurance: Life Cover, Accidental Death, TPD and Critical Illness

The table below shows the maximum insured amounts available, the amounts at which financial evidence is mandatory and the type of evidence required.

The maximum sum insured applies across all insurers and can not be exceeded.

Financial evidence requirements for combined Life Cover, Accidental Death TPD stand-alone and Critical Illness stand-alone are based on the benefit that requires the most comprehensive financial evidence.

Cover type	Maximum sum insured	Requested sum insured	Financial evidence requirements
Life Cover and Accidental Death	Amount that can be financially justified	Up to \$3,000,000	Nil if multiple of earnings requirement met – see table on page 17
		\$3,000,001 to \$5,000,000	Statement of Advice (SOA) ¹
		Over > \$5,000,000	Statement of Advice (SOA) ¹ or our Financial Questionnaire – the underwriter may request further information to support the cover. (eg tax returns, loan documents)
Critical Illness	\$2,000,000	Up to \$1,500,000	Nil if multiple of earnings requirements met – see table on page 17
		\$1,500,001 to \$2,000,000	Statement of Advice (SOA) ¹
TPD	Professional occupations \$5,000,000	Up to \$3,000,000	Nil if multiple of earnings requirements met – see table on page 17
	Other occupations \$3,000,000	\$3,000,001 to \$5,000,00	Statement of Advice (SOA) ¹

¹ Statement of Advice (SOA) must include:

- details of the Life to be Insured's financial position, including earnings, dependants, assets, debts
- needs analysis
- how the sum insured was calculated.

If the SOA doesn't include this information, our Financial Questionnaire will be required.

Multiple of earnings

If the sum insured exceeds the multiple of earnings shown in the table below, the underwriter may request financial information to support the cover.

Age	Multiple of earnings	
	Life and TPD	Critical Illness
Up to 40	Up to 25x	Up to 15x
41–50	Up to 20x	Up to 10x
51–55	Up to 15x	Up to 8x
56–60	Up to 10x	Up to 5x
61 and over	Up to 5x	Up to 2x

For further details about how to determine the correct financial requirements, refer to the 'Financial Underwriting' section on page 80.

UNDERWRITING REQUIREMENTS TABLES

Financial requirements

Business insurance: Life Cover, Accidental Death, TPD and Critical Illness

The table below shows the maximum insured amounts available, the amounts at which financial evidence is mandatory and the type of evidence required.

The maximum sum insured applies across all insurers and can not be exceeded.

Cover type	Maximum sum insured	Requested sum insured	Financial evidence requirements		
			Asset (Debt) Protection / Loan guarantee insurance	Revenue Protection (Keyperson) insurance	Ownership Protection (Buy/Sell) insurance
Life Cover and Accidental Death	Amount that can be financially justified	Up to \$3,000,000	Nil	Nil	Nil
		Over \$3,000,000	<ul style="list-style-type: none"> • SOA² or our Financial Questionnaire • Full business accounts for all associated entities for last 2 years • Business and individual tax returns for last 2 years • Copy of loan agreement 	<ul style="list-style-type: none"> • SOA² or our Financial Questionnaire • Full business accounts for all associated entities for last 2 years • Business and individual tax returns for last 2 years 	<ul style="list-style-type: none"> • SOA² or our Financial Questionnaire • Full business accounts for all associated entities for last 2 years • Business and individual tax returns for last 2 years
Critical Illness	\$2,000,000	Up to \$1,000,000	Nil	Nil	Nil
		Over \$1,000,000	<ul style="list-style-type: none"> • SOA¹ or our Financial Questionnaire • Full business accounts for all associated entities for last 2 years 	<ul style="list-style-type: none"> • SOA¹ or our Financial Questionnaire • Full business accounts for all associated entities for last 2 years 	<ul style="list-style-type: none"> • SOA¹ or our Financial Questionnaire • Full business accounts for all associated entities for last 2 years
TPD	Professional occupations \$5,000,000	Up to \$3,000,000	Nil	Nil	Nil
	Other occupations \$3,000,000	Over \$3,000,000	Financial evidence as for Life Cover		

Where the last 2 years of financial accounts are required but are not available, the following financial information should be provided:

- established business – the most recent accounts available
- new business – interim accounts, financial projections and business plan

¹ Statement of Advice (SOA) must include:

- details of the Life to be Insured's financial position, including earnings, dependants, assets, debts
- needs analysis
- how the sum insured was calculated.

If the SOA doesn't include this information, our Financial Questionnaire will be required.

² Refer to the 'Financial Underwriting' section for more information on Business Insurance underwriting including how requirements are affected by Business Safeguard Option and joint and several liability.

Income Protection

Mandatory financial evidence for Income Protection depends on proposed monthly benefit, age, occupation group and employment status.

What is the maximum monthly benefit?

A monthly benefit up to \$30,000 is available for all occupations. A monthly benefit up to \$60,000 is available for some professional occupations such as surgeons, accountants and solicitors.

Benefits are also limited as follows:

Earned income	Maximum benefit available
Up to \$320,000	75% of earnings
Over \$320,000	75% of the first \$320,000 of earnings, plus 50% of the next \$240,000 of earnings, plus 20% of the remainder of Earnings up to \$60,000 monthly benefit.

A maximum benefit period of 2 years is available for insurance above \$30,000 monthly benefit.

Refer to the 'Financial Underwriting' section for detailed information on what may be included as earnings and how the monthly benefit available may be affected by commission and bonuses, unearned income, assets and employer-provided benefits.

Did you know?

If your client is applying for Income Protection–Agreed Value and provides satisfactory evidence of Earnings at the time of underwriting, we will endorse the policy to confirm that financial information has been accepted to support the Benefit amount insured.

When is financial evidence required?

Evidence of Earnings is required when the monthly benefit exceeds the amount shown in the table below.

Income Protection – Agreed Value (no Indemnity Option)

Occupation group	Monthly benefit
AAA, M, L, ACT	\$15,000
AA	\$12,500
A, BBB, BB, B	\$7,500
SR	\$4,000

Income Protection – Indemnity

Occupation group	Monthly benefit
AAA, M, L, ACT, AA, A, BBB, BB, B	\$30,000 ¹
SR	\$7,500

Which type of evidence is required?

The type of financial evidence required will depend upon the monthly Income Protection benefit requested relative to employment status, as set out in the table below.

Refer to the key on page 20 for explanation of the evidence codes.

Monthly benefit	Employment status			
	Employee with no ownership	Sole trader	Partnership	Owner of a company
Up to \$15,000	A or B	A	A, C	A, D
\$15,001 to \$20,000	A or B plus E	A, E	A, C, E	A, D, E
\$20,001 to \$60,000	A or B plus F	A, F	A, C, F	A, D, F

Additional financial evidence may be requested by Underwriting, such as accounts for associated business entities (eg trust accounts).

¹ Where the monthly benefit exceeds \$15,000, a statement of investment or unearned income for the last 2 years is required. Where the monthly benefit exceeds \$20,000, a statement of net assets and liabilities (excluding the family home) is also required.

UNDERWRITING REQUIREMENTS TABLES

Financial requirements

Key to type of financial evidence required for Income Protection

- A.** Individual tax returns and assessment notices for the last 2 years.
- B.** Letter from employer confirming current remuneration package and breakdown of packaged items, or 2 most recent consecutive payslips.
- C.** Partnership accounts, including profit and loss and balance sheets, tax returns and assessment notices for the last 2 years.
- D.** Full company accounts, including notes to the accounts, profit and loss accounts, balance sheets, tax returns and assessment notices, for main trading accounts and any associated entities (trust accounts, service accounts etc) for the last 2 years.
- E.** Investment or unearned income received for the last 2 years. The monthly benefit available may be reduced or the benefit period limited where the Life to be Insured has high levels of investment.
- F.** Our Financial Questionnaire including details of investment and unearned income and a statement of assets and liabilities. The monthly benefit available may be reduced or the benefit period limited where the Life to be Insured has high levels of investment or unearned income and/or net assets.

Business Expenses

The maximum monthly benefit available under Business Expenses insurance is \$60,000.

A profit and loss account is required as proof of expenses to support a monthly benefit in excess of \$30,000.

OCCUPATION GROUPS GUIDE

How occupations are grouped

The occupation group is determined not by title but by duties. For example, the managing director of a small construction company who is a licensed plumber by trade and performs manual work on building sites is not a group AA risk because of his title as managing director, but is a group BB risk due to his manual duties as a plumber.

A description of each occupation group is given in the 'Key to occupation groups' on page 22.

This guide covers a wide variety of occupations, but not all occupations can be listed.

If your client's occupation is not listed, look at the group for similar occupations. Select the corresponding occupation group to proceed with the premium quotation and application. The underwriter will review the classification. If a lower risk group can apply, the premium will be adjusted accordingly.

We can help you

If you need help with an occupation group, contact our underwriting team. A reference number can be provided to confirm the underwriting advice provided. This reference number should be noted in the Adviser Notes.

OCCUPATION GROUPS GUIDE

Key to occupation groups

Product codes

Code	Product
IP	Income Protection
BE	Business Expenses
LC	Life Cover (including Accidental Death Benefit)
CI	Critical Illness
TPD	Total and Permanent Disability

Life Cover and Critical Illness

Group	Life Cover and Critical Illness
OR	Ordinary Rates (standard premium rates apply)
\$1.00 etc	An extra premium of \$1.00, \$2.00, \$5.00 etc per \$1,000 sum insured applies for this risk
I/C	Individual consideration. Refer this risk to our underwriting team
D	Decline

Income Protection, Business Expenses and Total and Permanent Disability

Group	Income Protection, Business Expenses and TPD
AAA	This group is restricted to 'professional white collar occupations' as listed in the Occupation group table. AAA class may also apply to degree-qualified business executives who are well established and earning a net minimum of \$100,000 per annum.
ACT	This group is restricted to accountants who have the relevant accounting degree and/or CPA or chartered accountant qualification.
M	This group is for certain medical professionals such as doctors and dentists as listed in the Occupation group table.
L	This group is for certain legal professionals such as solicitors as listed in the Occupation group table.
AA	<p>This group applies to 'professional' applicants as listed in the Occupation group table.</p> <p>It may also apply to those working in a strictly clerical and business environment with no manual duties or exposure to unusual occupational hazards.</p> <p>For consideration as AA, both the following criteria must be met:</p> <ul style="list-style-type: none"> • earning a net minimum of \$75,000 per annum, and • tertiary or professional qualification such as a degree, or in current occupation for at least 3 years.
A	<p>This group includes those engaged in clerical or business occupations with either no manual duties or very light-skilled duties (eg bank teller, lab technician or office staff and salespeople not engaged in heavy lifting or deliveries). They should meet both of the following requirements:</p> <ul style="list-style-type: none"> • no exposure to unusual occupational hazards • an emphasis on mental rather than physical work.
BBB	This group includes those who engage in jobs involving less than 20% light manual work or direct supervision of manual workers. A site foreman who spends the majority of time in a site office and site supervision may be considered for BBB.
BB	This group consists mainly of certified or licensed tradesmen doing skilled or specialised manual work (eg mechanic, electrician).
B	This group consists of applicants who do manual, but not hazardous, work (eg glazier, panel beater).
SR	This group consists of applicants in hazardous occupations or in occupations which present special underwriting difficulties (eg bartender, security guard). These occupations are eligible for TPD and Income Protection Special Risk only. Under Income Protection Special Risk, this cover is limited to a 2 or 5 year benefit period. TPD is only available as 'Any Occupation' definition.
I/C	Individual consideration – Refer this risk to our underwriting team.
D	Decline – this insurance is not available for these occupations.
†	Non-occupational cover with 2 or 5 year benefit period, minimum 30 day waiting period, allowable to a maximum of \$15,000 per month.
*	'Own occupation' TPD definition not available for these BB occupations.

Eligibility for 'Own Occupation' definition TPD

'Own Occupation' definition TPD is available to group AAA, ACT, M, L, AA, A, BBB and most BB occupations. 'Own Occupation' definition TPD is not available for new insurance held inside super that first commenced after 30 June 2014. This includes policies owned by self managed super funds.

OCCUPATION GROUPS GUIDE

Occupation group tables

A

Occupation	IP	BE	LC	CI	TPD
Abalone diver – professional	D	D	\$2.00	\$2.00	D
Accountant					
degree qualified	ACT	ACT	OR	OR	ACT
other	A	A	OR	OR	A
Accounts clerk	A	A	OR	OR	A
Actor/Actress	D	D	OR	OR	D
Actuary	AAA	AAA	OR	OR	AAA
Acupuncturist – qualified and registered in Australia	AAA	AAA	OR	OR	AAA
Administrator – office	A	D	OR	OR	A
Adult books / Adult goods retailer	BB	D	OR	OR	BB
Advertising					
executive – degree qualified, earning minimum \$100,000 pa	AAA	AAA	OR	OR	AAA
executive – degree qualified or in occupation 3 years, earning minimum \$75,000 pa	AA	AA	OR	OR	AA
agent	A	A	OR	OR	A
other – office only	A	A	OR	OR	A
Aerial, Antenna erector	SR	D	OR	OR	SR
Aged care worker	B	D	OR	OR	B
Agronomist	AAA	AAA	OR	OR	AAA
Air traffic controller	see Aviation				
Air-conditioning engineer / technician / installer					
manual duties	BB	BB	OR	OR	BB
no manual duties	A	A	OR	OR	A
Aircraft – pilot/crew/worker	see Aviation				
Alarm installer	BB	BB	OR	OR	BB
Ambulance officer / Paramedic / MICA / Driver	B	D	OR	OR	B
Amusement parlour centre					
proprietor	BB	D	OR	OR	BB
employee	SR	D	OR	OR	SR
Amway salesperson					
full time	A	A	OR	OR	A
part time	D	D	OR	OR	D
Anaesthetic technician	A	A	OR	OR	A
Anaesthetist	AAA	AAA	OR	OR	AAA
Animal					
breeder	D	D	OR	OR	D
groomer, washer	B	B	OR	OR	B
trainer	D	D	OR	OR	D

A (continued)

Occupation	IP	BE	LC	CI	TPD
shooter	D	D	OR	OR	D
Antenna erector	SR	D	OR	OR	SR
Antique dealer					
sales and office only	A	D	OR	OR	A
including restoration, no deliveries	BB	BB	OR	OR	BB
including deliveries	B	D	OR	OR	B
Antique furniture					
restorer	BB	BB	OR	OR	BB
retailer – sales only	A	D	OR	OR	A
retailer including deliveries	B	D	OR	OR	B
Apiarist	BB	BB	OR	OR	BB
Apprentice					
first year only (not including plasterer or bricklayer)	SR	D	OR	OR	SR
first year plasterer or bricklayer	D	D	OR	OR	D
After first year	rate for trade				
Aquarium shop	BB	D	OR	OR	BB
Arborist	SR	D	OR	OR	D
Archaeologist					
no field work	AAA	AAA	OR	OR	AAA
up to 10% field work	A	A	OR	OR	A
more than 10% field work	BB	BB	OR	OR	BB
Architect – qualified	AAA	AAA	OR	OR	AAA
Architectural draftsman, Draftsperson	AA	AA	OR	OR	AA
Archivist	AA	AA	OR	OR	AA
Armed services, Army, Navy, Air Force (permanent and reservist members)	I/C	I/C	I/C	I/C	I/C
Armoured car driver	SR	D	OR	OR	D
Art dealer – shopkeeper	A	D	OR	OR	A
Art gallery curator	AA	D	OR	OR	AA
Artist – painter, sculptor, other	D	D	OR	OR	D
Artist supplies	A	D	OR	OR	A
Asbestos worker	D	D	I/C	I/C	D
Asphalt layer	SR	D	OR	OR	D
Assembly line worker					
motor vehicle manufacture only	SR	D	OR	OR	D
other	D	D	OR	OR	D
Astronomer	AAA	AAA	OR	OR	AAA
Auctioneer					

OCCUPATION GROUPS GUIDE

Occupation group tables

A (continued)

Occupation	IP	BE	LC	CI	TPD
real estate	A	A	OR	OR	A
other	A	A	OR	OR	A
Audiologist, Audiometrist	AAA	AAA	OR	OR	AAA
Auditor					
tertiary qualified	AAA	AAA	OR	OR	AAA
other	A	A	OR	OR	A
Author	D	D	OR	OR	D
Auto electrician	BB	BB	OR	OR	BB
Aviation					
pilot					
agriculture, cattle mustering					
0–250 hours pa	D	D	\$5.00	\$5.00	D
over 250 hours pa	D	D	\$10.00	\$10.00	D
charter					
0–250 hours pa	D	D	OR	OR	D
over 250 hours pa	D	D	\$3.00	\$3.00	D
flight crew – regular commercial flights					
flight attendant	D	D	OR	OR	D
other crew	D	D	OR	OR	D
flying instructor	D	D	\$3.00	\$3.00	D
ground staff					
air traffic controller	D	D	OR	OR	D
aircraft					
maintenance					
qualified, skilled worker	BB	BB	OR	OR	BB
unskilled worker	SR	D	OR	OR	D
mechanic	BB	BB	OR	OR	BB
refueller	SR	D	OR	OR	SR
baggage handlers, porters	SR	D	OR	OR	SR
check-in staff, ticket sales	A	D	OR	OR	A
office worker	A	D	OR	OR	A
truck driver	B	D	OR	OR	B

B

Occupation	IP	BE	LC	CI	TPD
Baby shop	A	D	OR	OR	A
Bacteriologist	AAA	AAA	OR	OR	AAA
Bailiff	BB	D	OR	OR	BB
Bakery					
sales only	A	D	OR	OR	A
supervisor	BBB	D	OR	OR	BBB
baker	BB	D	OR	OR	BB
deliveries	B	B	OR	OR	B
Balloonist – professional	D	D	\$2.00	\$2.00	D
Bank, Building Society, Credit Union					
qualified senior manager	AA	AA	OR	OR	AA
clerk, cashier, teller, manager	A	A	OR	OR	A
security staff	SR	D	OR	OR	D
Bar person, Barman, Barwoman – restaurant, casino, club	SR	D	OR	OR	SR
Barber	BBB	D	OR	OR	BBB
Bargeman	D	D	OR	OR	D
Barrister	L	L	OR	OR	L
Battery manufacture					
supervisor	BB	D	OR	OR	BB
other	D	D	OR	OR	D
Beautician					
salon only, not working from home	BB	D	OR	OR	BB
working from home, qualified, minimum 2 years experience	B	D	OR	OR	B
mobile	D	D	OR	OR	D
Bedding					
sales only	A	D	OR	OR	A
deliveries	SR	D	OR	OR	D
Beekeeper	BB	BB	OR	OR	BB
Bicycle sales and repairs	BB	D	OR	OR	BB
Bill poster	D	D	OR	OR	D
Biochemist	AAA	AAA	OR	OR	AAA
Biologist					
no field work	AAA	AAA	OR	OR	AAA
marine/field work, no diving	BBB	BBB	OR	OR	BBB
marine/field work, diving	I/C	I/C	I/C	I/C	I/C
Blacksmith	SR	D	OR	OR	SR
Blaster	D	D	\$2.00	\$2.00	D

OCCUPATION GROUPS GUIDE

Occupation group tables

B (continued)

Occupation	IP	BE	LC	CI	TPD
Blind, Awning, Screen					
supervising/quoting, no manual duties	BBB	BBB	OR	OR	BBB
installer	BB	BB	OR	OR	BB
Boarding house owner	D	D	OR	OR	D
Boat builder	B	B	OR	OR	B
Boat sales	A	D	OR	OR	A
Boat equipment supply/chandler					
sales/administration only	A	D	OR	OR	A
other	BB	D	OR	OR	BB
Bobcat, Backhoe, Bulldozer operator					
owner operator, established 3 years	SR	D	OR	OR	SR
owner operator, established less than 3 years	SR	D	OR	OR	D
employee	SR	D	OR	OR	D
Boilermaker					
qualified	BB	BB	OR	OR	BB
not qualified	SR	D	OR	OR	SR
Book shop	A	D	OR	OR	A
Bookkeeper	A	A	OR	OR	A
Bookmaker (licensed)	SR	D	OR	OR	D
Boot maker/repairer	BB	BB	OR	OR	BB
Botanist	AAA	AAA	OR	OR	AAA
Bottle dealer	SR	D	OR	OR	D
Bottle shop sales, Driveway attendant	BB	D	OR	OR	BB
Bouncer, Crowd controller	D	D	OR	OR	D
Brassware retailer sales	A	D	OR	OR	A
Bread, Cake shop (sales only)	BB	D	OR	OR	BB
Brewing industry					
chemist	AAA	AAA	OR	OR	AAA
supervisor (no manual)	BB	BB	OR	OR	BB
other worker	SR	D	OR	OR	D
Bricklayer	SR	D	OR	OR	SR

B (continued)

Occupation	IP	BE	LC	CI	TPD
Bricklayer's labourer/employee	D	D	OR	OR	D
Brickworks employee – unskilled	D	D	OR	OR	D
Builder					
licensed and qualified	BB	BB	OR	OR	BB
not qualified	SR	D	OR	OR	SR
Builder's labourer, Trade assistant	D	D	OR	OR	D
Building					
foreman/supervisor (up to 20% light manual duties)	BBB	D	OR	OR	BBB
foreman/supervisor (incl manual duties)	BB	D	OR	OR	BB
Building supplies					
shop sales only	BB	D	OR	OR	BB
yard work	B	D	OR	OR	B
Bus/Coach driver/conductor					
local/metro	B	D	OR	OR	B
long distance / interstate	SR	D	OR	OR	D
Business consultant/analyst					
qualified	AA	AA	OR	OR	AA
not qualified, office only	A	A	OR	OR	A
Business executive					
degree qualified, earning minimum \$150,000 pa	AAA	AAA	OR	OR	AAA
degree qualified or in occupation 3 years, earning minimum \$75,000 pa	AA	AA	OR	OR	AA
other	A	A	OR	OR	A
Butcher, retail					
qualified (no slaughtering)	BB	D	OR	OR	BB
slaughtering	SR	D	OR	OR	D
Butler	BB	D	OR	OR	BB
Buyer – retail store					
office only	A	A	OR	OR	A
other	BBB	BBB	OR	OR	BBB

OCCUPATION GROUPS GUIDE

Occupation group tables

C

Occupation	IP	BE	LC	CI	TPD
Cabinet maker					
qualified	BB	BB	OR	OR	BB
not qualified, established 5 years or more	BB	BB	OR	OR	BB
not qualified, established less than 5 years	B	B	OR	OR	B
Cable maker	B	B	OR	OR	B
Café proprietor/employee (permanent full-time)	B	D	OR	OR	B
Camera person, Cameraman					
studio	A	A	OR	OR	A
on location, no special hazards, no aviation, Australia only	BB	BB	OR	OR	BB
aerial	I/C	I/C	I/C	I/C	I/C
Canoeing/Kayaking – professional	D	D	OR	OR	D
Captain – ferry, passenger boat (harbour or local waters only)	B	D	OR	OR	B
Caravan park owner/manager	SR	D	OR	OR	SR
Caravan, Camper van sales	A	D	OR	OR	A
Card shop	A	D	OR	OR	A
Cardiologist	AAA	AAA	OR	OR	AAA
Caretaker handyman					
not residing on premises	SR	D	OR	OR	SR
residing on premises	D	D	OR	OR	D
Carnival owner/employee	D	D	OR	OR	D
Carpenter					
qualified	BB	BB	OR	OR	BB
not qualified, established 5 years or more	BB	BB	OR	OR	BB
not qualified, established less than 5 years	B	B	OR	OR	B
Carpet, floor covering (sales only)	A	D	OR	OR	A
Carpet layer	SR	D	OR	OR	SR
Cartographer	AA	AA	OR	OR	AA
Casino – government licensed					
bar staff	SR	D	OR	OR	SR
cashier	A	D	OR	OR	A
clerical	A	D	OR	OR	A
croupier	BB	D	OR	OR	BB
security staff	SR	D	OR	OR	D
senior management	AA	D	OR	OR	AA
Caterer	BB	BB	OR	OR	BB
Cattery / Cat kennel operator	B	B	OR	OR	B
Ceiling fixer	D	D	OR	OR	D

C (continued)

Occupation	IP	BE	LC	CI	TPD
Cellarman – restaurant, casino, club	SR	D	OR	OR	SR
Cement renderer	D	D	OR	OR	D
Cement manufacturer	SR	D	OR	OR	SR
Cement, Concrete truck driver	SR	D	OR	OR	SR
Chauffeur	BB	BB	OR	OR	BB
Chef					
qualified	BB	D	OR	OR	BB
not qualified	B	D	OR	OR	B
Chemist					
industrial, non-hazardous	AAA	AAA	OR	OR	AAA
pharmacy, retail	AA	AA	OR	OR	AA
other	I/C	I/C	OR	OR	I/C
Chemist shop					
pharmacist	AA	AA	OR	OR	AA
shop assistant	A	D	OR	OR	A
Child care worker					
qualified, registered, not working from home	A	A	OR	OR	A
not registered	D	D	OR	OR	D
working from home	D	D	OR	OR	D
China and glassware sales	A	D	OR	OR	A
Chiropodist	AA	AA	OR	OR	AA
Chiropractor – degree qualified	AA	AA	OR	OR	AA
Circus					
proprietor, manager	D	D	OR	OR	D
hand, worker, performer	D	D	I/C	I/C	D
Cleaner					
brick	SR	D	OR	OR	D
carpet	B	B	OR	OR	B
office, factory, school, store – contract only, – minimum 2 years experience	B	B	OR	OR	B
office, factory, school, store – contract only, – less than 2 years experience	SR	D	OR	OR	SR
office, factory, school, store – employee - less than 2 years experience	SR	D	OR	OR	SR
office, factory, school, store - employee - minimum 2 years experience	B	D	OR	OR	B
suburban home – minimum 2 years experience	B	D	OR	OR	B
suburban home – less than 2 years experience	SR	D	OR	OR	SR
window – up to 5 metres	B	D	OR	OR	B
window – over 5 metres	SR	D	OR	OR	D

OCCUPATION GROUPS GUIDE

Occupation group tables

C (continued)

Occupation	IP	BE	LC	CI	TPD
Clerk, clerical worker	A	D	OR	OR	A
Clothing/Fashion industry					
management – no manual, not retail store	A	A	OR	OR	A
fashion designer – not working at home	A	A	OR	OR	A
pattern maker	BB	BB	OR	OR	BB
dressmaker, tailor – shop or department store only	BB	BB	OR	OR	BB
dressmaker, tailor – working at home	D	D	OR	OR	D
model	D	D	OR	OR	D
machinist	D	D	OR	OR	D
process worker	D	D	OR	OR	D
Clothing store – sales	A	D	OR	OR	A
Clown	D	D	OR	OR	D
Coach instructor – qualified and minimum 2 years experience, not involved in professional sports	B	D	OR	OR	B
Coffee lounge/shop – proprietor/employee (permanent full-time)	B	D	OR	OR	B
Commercial artist	A	A	OR	OR	A
Commodity broker/agent	AA	AA	OR	OR	AA
Company secretary					
degree qualified	AA	D	OR	OR	AA
other	A	D	OR	OR	A
Composer	D	D	OR	OR	D
Computer					
consultant, programmer, analyst					
degree qualified	AAA	AAA	OR	OR	AAA
not degree qualified	AA	AA	OR	OR	AA
keyboard/data entry operator	A	D	OR	OR	A
sales	A	D	OR	OR	A
supplies sales	A	D	OR	OR	A
systems operator/administrator	A	D	OR	OR	A
technician	A	A	OR	OR	A
Concierge – hotel	BB	D	OR	OR	BB
Concrete contractor, concreter	D	D	OR	OR	D
Concrete cutter	D	D	OR	OR	D

C (continued)

Occupation	IP	BE	LC	CI	TPD
Confectionery – sales only	A	D	OR	OR	A
Consultant physician	AAA	AAA	OR	OR	AAA
Contract harvester	D	D	OR	OR	D
Conveyancer					
degree qualified	AAA	AAA	OR	OR	AAA
not degree qualified	AA	AA	OR	OR	AA
Cook					
qualified	BB	D	OR	OR	BB
not qualified	B	D	OR	OR	B
Coroner	AAA	AAA	OR	OR	AAA
Corrections officer	SR	D	OR	OR	D
Courier					
car/van only					
owner and established 2 years	B	D	OR	OR	B
not owner or established less than 2 years	SR	D	OR	OR	SR
bicycle	D	D	OR	OR	D
motorcycle	D	D	OR	OR	D
Crane operator/driver	SR	D	OR	OR	SR
Cray fisherman	D	D	OR	OR	D
Curator – art gallery, library, museum	AA	D	OR	OR	AA
Curator – groundsman, green keeper	B	D	OR	OR	B
Curtain installer	BB	D	OR	OR	BB
Curtain/Blinds – sales only	A	D	OR	OR	A
Customer service officer (CSO)	A	D	OR	OR	A
Customs					
agent					
clerical only	A	A	OR	OR	A
other	BBB	BBB	OR	OR	BBB
officer					
no field work	A	D	OR	OR	A
field work	BBB	D	OR	OR	BBB

OCCUPATION GROUPS GUIDE

Occupation group tables

D

Occupation	IP	BE	LC	CI	TPD
Dairy industry – process worker	D	D	OR	OR	D
Dance instructor – qualified and established at least 2 years	B	B	OR	OR	B
Dancer	D	D	OR	OR	D
Debt collector					
office only, not repossessions	A	A	OR	OR	A
repossessions	SR	D	OR	OR	D
Defence force					
Army, Navy, Air Force (permanent and reservist members)	I/C	I/C	I/C	I/C	I/C
contractors	rate for occupation				
Delicatessen					
manager, proprietor	BB	D	OR	OR	BB
employee	B	D	OR	OR	B
Demolition worker					
explosives	D	D	\$2.00	\$2.00	D
no explosives	SR	D	OR	OR	D
Dental technician	AA	AA	OR	OR	AA
Dental hygienist/therapist	A	A	OR	OR	A
Dental nurse	A	D	OR	OR	A
Dentist, Dental surgeon	M	M	OR	OR	M
Department store					
senior management	AA	D	OR	OR	AA
clerical and sales only (no lifting)	A	D	OR	OR	A
warehouse, store person, storeman	B	D	OR	OR	B
deliveries	SR	D	OR	OR	SR
Dermatologist	AAA	AAA	OR	OR	AAA
Die maker	BB	BB	OR	OR	BB
Diesel mechanic	BB	BB	OR	OR	BB
Dietician – qualified and registered	AAA	AAA	OR	OR	AAA
Disability support worker	SR	D	OR	OR	SR
Disc jockey	D	D	OR	OR	D
Disposal store – sales	A	D	OR	OR	A
Diver					
abalone	D	D	\$2.00	\$2.00	D
emergency, police, search and rescue	D	D	\$2.00	\$2.00	D
professional, commercial	D	D	I/C	I/C	D
Diving instructor – professional	D	D	I/C	I/C	D
Dock worker	D	D	OR	OR	D

D (continued)

Occupation	IP	BE	LC	CI	TPD
Doctor – medical					
general physician	M	M	OR	OR	M
specialist physician	AAA	AAA	OR	OR	AAA
Dog kennel operator	B	B	OR	OR	B
Dog man	D	D	OR	OR	D
Drainer, Drainage contractor					
qualified, domestic	B	B	OR	OR	B
not qualified	SR	D	OR	OR	D
Draper	BB	D	OR	OR	BB
Draftsperson, Draftsman	AA	AA	OR	OR	AA
Dredger	D	D	OR	OR	D
Dressmaker					
shop or department store only	BB	BB	OR	OR	BB
working at home	D	D	OR	OR	D
Driller – water and mineral sample, not offshore	SR	D	OR	OR	D
Driver					
armoured car	SR	D	OR	OR	D
bus/coach					
local/metro	B	D	OR	OR	B
long distance / interstate	SR	D	OR	OR	D
cement/concrete truck	SR	D	OR	OR	SR
courier					
car/van only					
owner, established 2 years or more	B	D	OR	OR	B
owner, established less than 2 years	SR	D	OR	OR	SR
not owner	SR	D	OR	OR	SR
motorcycle/bicycle	D	D	OR	OR	D
hire car – owner	B	B	OR	OR	B
logging truck	SR	D	OR	OR	D
tow truck	SR	D	OR	OR	D
other truck or van					
delivery, local – milk / dairy / bread / soft drink	B	B	OR	OR	B
juice vendor	B	B	OR	OR	B
explosive / dangerous goods / petrol / petroleum products	D	D	OR	OR	D
non-hazardous goods					
local – 200 km radius, returning home daily, in occupation 2 years	B	B	OR	OR	B

OCCUPATION GROUPS GUIDE

Occupation group tables

D (continued)

Occupation	IP	BE	LC	CI	TPD
local – 200 km radius, returning home daily, in occupation less than 2 years	SR	D	OR	OR	SR
mid-distance – under 800 km and same day return	SR	D	OR	OR	SR
long distance – over 800 km or overnight	D	D	OR	OR	D
Driving instructor – established 2 years	BB	BB	OR	OR	BB
Dry cleaning industry					
manager, owner, supervisor (up to 10% manual)	BB	D	OR	OR	BB
other	B	D	OR	OR	B
Duty free – sales	A	D	OR	OR	A

E

Occupation	IP	BE	LC	CI	TPD
Earth mover					
owner operator, established 3 years	SR	D	OR	OR	SR
owner operator, established less than 3 years	SR	D	OR	OR	D
employee	SR	D	OR	OR	D
Ear nose and throat (ENT) surgeon	AAA	AAA	OR	OR	AAA
Economist	AAA	AAA	OR	OR	AAA
Editor – printing and publishing	AA	AA	OR	OR	AA
Education inspector	A	D	OR	OR	A
Electric gate installer	B	B	OR	OR	B
Electrical goods					
sales only	A	D	OR	OR	A
light manual	BB	BB	OR	OR	BB
delivery	SR	D	OR	OR	SR
Electrical linesman	SR	D	OR	OR	SR
Electrician					
domestic	BB	BB	OR	OR	BB
industrial, high voltage	B	B	OR	OR	B
Electricity meter reader/tester	A	A	OR	OR	A
Electronic supplies – sales only	A	A	OR	OR	A
Electronics technician	A	A	OR	OR	A
Electroplater	BB	BB	OR	OR	BB
Elevator mechanic, installer, erector	B	B	OR	OR	B
Emergency services, Medivac, Air retrieval Helicopters, Flying doctor	D	D	I/C	I/C	D
Employment agent	AA	AA	OR	OR	AA

E (continued)

Occupation	IP	BE	LC	CI	TPD
Enameller	BB	BB	OR	OR	BB
Endocrinologist	AAA	AAA	OR	OR	AAA
Engineer					
mining or gas industry	I/C	I/C	OR	OR	I/C
not mining or gas industry					
degree qualified					
consulting/office duties, minimal site work	AAA	AAA	OR	OR	AAA
aeronautical/aviation	BB	BB	OR	OR	BB
other, no manual	AA	AA	OR	OR	AA
up to 10% manual work	A	A	OR	OR	A
over 10% manual work	BB	BB	OR	OR	BB
tech. qualified – administration only	A	A	OR	OR	A
Engraver	BB	BB	OR	OR	BB
Enquiry agent – unarmed	B	B	OR	OR	B
Entertainer, Singer	D	D	OR	OR	D
Equine					
dentist	BB	BB	OR	OR	BB
masseur	B	B	OR	OR	B
therapist	B	B	OR	OR	B
Explosives handler	D	D	\$2.00	\$2.00	D
Exporter, Importer – clerical only	A	A	OR	OR	A

F

Occupation	IP	BE	LC	CI	TPD
Factory worker	D	D	OR	OR	D
Farm					
manager (not owner) – permanent, full-time, qualified	SR	D	OR	OR	SR
worker (not owner)					
permanent, full-time, qualified	SR	D	OR	OR	SR
contract harvester	D	D	OR	OR	D
other – farm hand / station hand / labourer / stockman / drover / contractor / jackeroo / jilleroo	D	D	OR	OR	D
Farmer – owner manager only, established 2 years					
beef cattle	B	D	OR	OR	B
cotton	B	D	OR	OR	B
dairy	B	D	OR	OR	B

OCCUPATION GROUPS GUIDE

Occupation group tables

F (continued)

Occupation	IP	BE	LC	CI	TPD
grain	B	D	OR	OR	B
mixed farming	B	D	OR	OR	B
oyster	B	D	OR	OR	B
poultry	B	D	OR	OR	B
sheep	B	D	OR	OR	B
sugar cane	B	D	OR	OR	B
wheat	B	D	OR	OR	B
Farrier	SR	D	OR	OR	SR
Fashion designer – not working at home	A	A	OR	OR	A
Fast food shop – owner/operator, employee	B	D	OR	OR	B
Fencing contractor					
self-employed	SR	D	OR	OR	SR
employee	D	D	OR	OR	D
Ferry (harbour or local waters only)					
captain/master	B	D	OR	OR	B
other crew	SR	D	OR	OR	SR
Fibre glass moulder, Surfboard shaper	B	B	OR	OR	B
Financial planner/adviser/agent					
tertiary qualified, minimum earnings \$100,000 pa	AAA	AAA	OR	OR	AAA
other	AA	AA	OR	OR	AA
Firefighter					
fire chief, senior officer (no manual)	A	D	OR	OR	A
firefighter					
full-time					
airport	SR	D	OR	OR	D
country	SR	D	OR	OR	D
forestry	SR	D	OR	OR	D
metropolitan / city	SR	D	OR	OR	D
oil and natural gas	D	D	\$7.00	\$7.00	D
volunteer	rate for occupation				
Fish and chip shop – owner/operator, employee	B	D	OR	OR	B
Fisherman					
owner/operator					
returning home daily	SR	D	OR	OR	SR
not returning home daily	D	D	OR	OR	D
deckhand or other duties	D	D	OR	OR	D
Fishmonger	B	D	OR	OR	B

F (continued)

Occupation	IP	BE	LC	CI	TPD
Fitness centre, Gymnasium					
owner/operator	BB	D	OR	OR	BB
instructor – minimum 2 years experience	B	D	OR	OR	B
Fitter and turner					
qualified	BB	BB	OR	OR	BB
not qualified, 5 years or more in occupation	BB	BB	OR	OR	BB
not qualified, less than 5 years in occupation	SR	D	OR	OR	SR
Flight attendant – regular commercial flights	D	D	OR	OR	D
Floor sander/surfacers	SR	D	OR	OR	SR
Florist					
sales only	A	D	OR	OR	A
deliveries	B	D	OR	OR	B
Flying doctor	D	D	I/C	I/C	D
Flying/Aviation instructor	D	D	\$3.00	\$3.00	D
Food technologist	A	A	OR	OR	A
Forest/Park ranger					
qualified	B	B	OR	OR	B
not qualified	D	D	OR	OR	D
Forklift driver					
on docks	D	D	OR	OR	D
not on docks	B	D	OR	OR	B
Foundry worker	SR	D	OR	OR	D
French polisher	BB	BB	OR	OR	BB
Fruit					
grower	B	D	OR	OR	B
wholesaler	B	D	OR	OR	B
packer	D	D	OR	OR	D
picker	D	D	OR	OR	D
Funeral					
director, undertaker	A	A	OR	OR	A
embalmer	BB	BB	OR	OR	BB
driver	B	D	OR	OR	B
pallbearer	B	D	OR	OR	B
Furnishings retailer – cushions, fabrics (not furniture)	A	D	OR	OR	A
Furniture/Antique restorer	BB	BB	OR	OR	BB
Furniture retailer					
new/antique – sales only	A	D	OR	OR	A

OCCUPATION GROUPS GUIDE

Occupation group tables

F (continued)

Occupation	IP	BE	LC	CI	TPD
new only – light manual, no deliveries	BB	BB	OR	OR	BB
new only – deliveries	SR	D	OR	OR	D
antique – deliveries	B	D	OR	OR	B
used	SR	D	OR	OR	D
Furrier	BB	BB	OR	OR	BB

G

Occupation	IP	BE	LC	CI	TPD
Garage/Roller door installer	B	B	OR	OR	B
Garbage collector					
driver only	SR	D	OR	OR	SR
manual duties	SR	D	OR	OR	D
Gardener – landscape, domestic – qualified, minimum 2 years experience	SR	D	OR	OR	SR
Gas pipe layer	SR	D	OR	OR	D
Gastroenterologist	AAA	AAA	OR	OR	AAA
General physician/practitioner	M	M	OR	OR	M
General store	BB	D	OR	OR	BB
General surgeon	AAA	AAA	OR	OR	AAA
Geologist					
mining or oil/gas industry	see Mining				
not mining or oil/gas industry					
consultant and office only	AAA	AAA	OR	OR	AAA
occasional field work less than 10%, no explosives	A	A	OR	OR	A
mainly field work, no explosives	BB	BB	OR	OR	BB
Gift shop	A	D	OR	OR	A
Glassblower	BB	BB	OR	OR	BB
Glassware sales	A	D	OR	OR	A
Glazier	B	B	OR	OR	B
Goldsmith	BB	BB	OR	OR	BB
Golf professional					
instructor, coach – not professional player, not touring, qualified and minimum 2 years experience	BB	D	OR	OR	BB
other	D	D	OR	OR	D
Grape grower	B	D	OR	OR	B
Graphic artist, Designer	AA	AA	OR	OR	AA
Greengrocer, Grocer	B	D	OR	OR	B

G (continued)

Occupation	IP	BE	LC	CI	TPD
Groundsman, Green keeper	B	D	OR	OR	B
Gunsmith	BB	BB	OR	OR	BB
Gymnasium, Fitness centre					
owner/operator	BB	D	OR	OR	BB
instructor – minimum 2 years experience	B	D	OR	OR	B
Gynaecologist	AAA	AAA	OR	OR	AAA
Gyprock fixer	D	D	OR	OR	D

H

Occupation	IP	BE	LC	CI	TPD
Haberdasher	A	D	OR	OR	A
Hairdresser	BBB	BBB	OR	OR	BBB
Handyman, Home maintenance	SR	D	OR	OR	D
Harbour pilot (harbour or local waters only)	B	D	OR	OR	B
Hardware, Building supplies					
shop sales only	BB	D	OR	OR	BB
yard work	B	D	OR	OR	B
Health food retailer, Sales	A	D	OR	OR	A
Health inspector	A	D	OR	OR	A
Hire car owner/driver	B	B	OR	OR	B
Hobby farmer – small holding (less than 30 acres)	rate for occupation				
Homemaker, Home duties*	D	D	OR	OR	A
Homeopath – qualified	AA	AA	OR	OR	AA
Horse					
breaker	D	D	OR	OR	D
breeder	B	D	OR	OR	B
chiropractor	B	B	OR	OR	B
dentist	BB	BB	OR	OR	BB
masseur	B	B	OR	OR	B
therapist	B	B	OR	OR	B
trainer – racing industry only, no track work, qualified and minimum 2 years experience	B	D	OR	OR	B
riding instructor	SR	D	OR	OR	SR
jockey					
flat racing only	D	D	OR	OR	D
harness, trotting	D	D	OR	OR	D

* TPD 'own occupation' definition not available.

OCCUPATION GROUPS GUIDE

Occupation group tables

H (continued)

Occupation	IP	BE	LC	CI	TPD
steeplechase	D	D	\$2.00	\$2.00	D
strapper	D	D	OR	OR	D
Horticulturist	BB	BB	OR	OR	BB
Hospital wardman, Orderly, Porter	B	D	OR	OR	B
Hotel/Motel					
manager/proprietor					
admin only, more than 20 employees	AA	D	OR	OR	AA
admin only, up to 20 employees	A	D	OR	OR	A
other	BB	D	OR	OR	BB
concierge	BB	D	OR	OR	BB
head waiter	BB	BB	OR	OR	BB
housekeeper, chambermaid	B	D	OR	OR	B
bartender, bar person	SR	D	OR	OR	SR
kitchen hand	D	D	OR	OR	D
waiter, waitress	B	D	OR	OR	B
House restumper	SR	D	OR	OR	SR
Household appliances service and repairs	BB	D	OR	OR	BB
Human resources consultant	AA	AA	OR	OR	AA
Hypnotherapist					
qualified, well established	AA	AA	OR	OR	AA
not qualified	D	D	OR	OR	D

I

Occupation	IP	BE	LC	CI	TPD
Ice-cream parlour	BB	D	OR	OR	BB
Importer/Exporter					
clerical	A	A	OR	OR	A
other	I/C	I/C	OR	OR	I/C
Indoor cricket facility proprietor	A	D	OR	OR	A
Instrument maker	BB	BB	OR	OR	BB
Insulation installer	SR	D	OR	OR	D
Insurance					
broker, agent, consultant	AA	AA	OR	OR	AA
underwriter	AA	AA	OR	OR	AA
office/admin only	A	D	OR	OR	A
assessor / loss adjustor					

I (continued)

Occupation	IP	BE	LC	CI	TPD
no surveillance	A	A	OR	OR	A
with surveillance	B	B	OR	OR	B
Interior designer/decorator					
design and consulting only	A	A	OR	OR	A
other	B	B	OR	OR	B
Interpreter – full-time	A	A	OR	OR	A
Investment adviser	AA	AA	OR	OR	AA
Investor	D	D	OR	OR	D
Iridologist – qualified	AA	AA	OR	OR	AA
Ironmonger	SR	D	OR	OR	D

J

Occupation	IP	BE	LC	CI	TPD
Jackeroo	D	D	OR	OR	D
Janitor					
office, factory, school, store – contract only, minimum 2 years experience	B	B	OR	OR	B
office, factory, school, store – contract only, less than 2 years experience	SR	D	OR	OR	SR
office, factory, school, store – employee	SR	D	OR	OR	SR
Jewellery industry					
retail store	A	D	OR	OR	A
watchmaker	A	A	OR	OR	A
cutter, polisher, setter, lapidary – gems, diamonds	BB	BB	OR	OR	BB
engraver	BB	BB	OR	OR	BB
maker	BB	BB	OR	OR	BB
repairer	BB	BB	OR	OR	BB
Jilleroo	D	D	OR	OR	D
Jockey					
flat racing only	D	D	OR	OR	D
harness, trotting	D	D	OR	OR	D
steeplechase	D	D	\$2.00	\$2.00	D
Joiner					
qualified	BB	BB	OR	OR	BB
not qualified	B	B	OR	OR	B
Journalist					
salaried					

OCCUPATION GROUPS GUIDE

Occupation group tables

J (continued)

Occupation	IP	BE	LC	CI	TPD
not on air, no overseas assignments, no unusual hazards	A	D	OR	OR	A
on air, no overseas assignments	I/C	D	OR	OR	I/C
overseas assignments	D	D	I/C	I/C	I/C
freelance					
no overseas assignments	I/C	D	OR	OR	I/C
overseas assignments	D	D	I/C	I/C	I/C
Judge	AAA	AAA	OR	OR	AAA

K

Occupation	IP	BE	LC	CI	TPD
Kayaking/Canoeing – professional	D	D	OR	OR	D
Kitchen hand – hotel, motel, restaurant	D	D	OR	OR	D

L

Occupation	IP	BE	LC	CI	TPD
Laboratory technician – non-hazardous	A	A	OR	OR	A
Labourer – no special hazards	D	D	OR	OR	D
Landscape architect					
degree qualified, no manual	AAA	AAA	OR	OR	AAA
not degree qualified, no manual	A	A	OR	OR	A
Lathe operator					
qualified	BB	BB	OR	OR	BB
not qualified, 5 years or more in occupation	BB	BB	OR	OR	BB
not qualified, less than 5 years in occupation	SR	D	OR	OR	SR
Laundromat owner	D	D	OR	OR	D
Laundry staff	B	D	OR	OR	B
Lawn mower retailer					
sales only	BB	D	OR	OR	BB
service, repairs	B	D	OR	OR	B
Lawn mowing contractor – minimum 2 years experience	SR	D	OR	OR	SR
Lawyer	L	L	OR	OR	L
Lecturer – full-time in university	AAA	D	OR	OR	AAA
Legal/Article clerk	AA	AA	OR	OR	AA
Legal practitioner – barrister, lawyer, solicitor	L	L	OR	OR	L

L (continued)

Occupation	IP	BE	LC	CI	TPD
Librarian	AA	AA	OR	OR	AA
Library curator	AA	D	OR	OR	AA
Lifesaver, Lifeguard					
professional	D	D	OR	OR	D
volunteer			rate for occupation		
Lift mechanic, Installer, Erector	B	B	OR	OR	B
Light fittings – sales only	A	D	OR	OR	A
Linesman			see Electrical		
Lino/Linoleum layer	SR	D	OR	OR	SR
Liquor store – sales only	BB	D	OR	OR	BB
Livestock broker, buyer, dealer, auctioneer	BB	D	OR	OR	BB
Locksmith	BB	BB	OR	OR	BB

M

Occupation	IP	BE	LC	CI	TPD
Machinery agent	BBB	BBB	OR	OR	BBB
Machinery, Equipment hire and service					
sales only	BB	D	OR	OR	BB
other	B	D	OR	OR	B
Machinist					
supervisor (up to 20% light manual duties)	BBB	BBB	OR	OR	BBB
metal or wood – qualified	BB	BB	OR	OR	BB
clothing	D	D	OR	OR	D
Magistrate	AAA	AAA	OR	OR	AAA
Maid – full-time	D	D	OR	OR	D
Mail delivery, Mailman, Mailperson	B	B	OR	OR	B
Maintenance			see Handyman		
Maitre'D	BB	D	OR	OR	BB
Make up artist	BB	BB	OR	OR	BB
Management consultant	AA	AA	OR	OR	AA
Manager administration	AA	AA	OR	OR	AA
Managing director			rate for duties		
Manicurist					
salon only, not working from home	BB	D	OR	OR	BB
working from home, qualified, minimum 2 years experience	B	D	OR	OR	B

OCCUPATION GROUPS GUIDE

Occupation group tables

M (continued)

Occupation	IP	BE	LC	CI	TPD
mobile	D	D	OR	OR	D
Map maker	AA	AA	OR	OR	AA
Marina owner	BB	D	OR	OR	BB
Marine surveyor/engineer					
qualified, no underwater, less than 10% duties at sea	AA	AA	OR	OR	AA
seaman (qualified, no underwater)	D	D	OR	OR	D
underwater	I/C	D	I/C	I/C	I/C
Market gardener – owner manager	SR	D	OR	OR	SR
Marketing – sales manager	AA	AA	OR	OR	AA
Martial arts instructor – qualified, minimum 2 years experience	B	D	OR	OR	B
Masseur, Masseuse					
salon only, established at least 2 years	B	D	OR	OR	B
other	D	D	OR	OR	D
Maxilla facial surgeon	AAA	AAA	OR	OR	AAA
Meat industry					
abattoir					
supervisor only	B	B	OR	OR	B
slaughterer	D	D	OR	OR	D
butcher, retail					
qualified, no slaughtering	BB	D	OR	OR	BB
slaughtering	SR	D	OR	OR	D
cold store worker	D	D	OR	OR	D
inspector	BBB	BBB	OR	OR	BBB
packer	D	D	OR	OR	D
processor	D	D	OR	OR	D
Mechanic – motor vehicle, motor cycle	BB	BB	OR	OR	BB
Medical practitioner	M	M	OR	OR	M
Medivac	D	D	I/C	I/C	D
Member of Parliament	D	D	OR	OR	D
Merchant banker					
degree qualified	AAA	D	OR	OR	AAA
other	AA	D	OR	OR	AA
Merchant seaman	D	D	OR	OR	D
Metal fabricator	B	B	OR	OR	B
Metal industry supervisor					
up to 10% manual duties	BBB	D	OR	OR	BBB
more than 10% manual duties	B	D	OR	OR	B

M (continued)

Occupation	IP	BE	LC	CI	TPD
Metallurgist					
office duties only	AAA	AAA	OR	OR	AAA
other	A	A	OR	OR	A
Meteorologist	AAA	AAA	OR	OR	AAA
Meter reader, Tester – electricity, gas	A	A	OR	OR	A
Midwife	BBB	D	OR	OR	BBB
Milk bar owner operator / employee	B	D	OR	OR	B
Mining					
engineer – degree qualified, no manual work					
up to 10% site	AAA	AAA	OR	OR	AAA
more than 10% site	A	A	OR	OR	A
underground	BBB	BBB	OR	OR	BBB
geologist, other tertiary qualified professionals					
office only	AAA	AAA	OR	OR	AAA
up to 10% site, field work	AA	AA	OR	OR	AA
more than 10% site, field work	A	A	OR	OR	A
underground	BBB	BBB	OR	OR	BBB
mine manager					
degree qualified, admin only	AAA	D	OR	OR	AAA
up to 10% site	AA	D	OR	OR	AA
more than 10% site	A	D	OR	OR	A
underground	BBB	D	OR	OR	BBB
occupational health & safety, health & safety environment					
manager, tertiary qualified	AA	AA	OR	OR	AA
inspector, admin only	A	A	OR	OR	A
inspector, site/field including underground	BBB	BBB	OR	OR	BBB
mine surveyor					
office/admin only	A	A	OR	OR	A
site/field including underground	BBB	BBB	OR	OR	BBB
administration, clerical staff	A	D	OR	OR	A
workplace trainer/assessor – accredited					
classroom only	A	A	OR	OR	A
other (demonstration)	BBB	BBB	OR	OR	BBB
supervisor, work team foreman					
office/admin only	A	A	OR	OR	A
up to 20% light manual	BBB	D	OR	OR	BBB
more than 20% light manual	BB	D	OR	OR	BB

OCCUPATION GROUPS GUIDE

Occupation group tables

M (continued)

Occupation	IP	BE	LC	CI	TPD
underground	B	D	OR	OR	B
mechanic, fitter – trade qualified					
above ground	BB	BB	OR	OR	BB
underground	B	B	OR	OR	B
welder, boilermaker – trade qualified					
above ground	BB	BB	OR	OR	BB
underground	B	B	OR	OR	B
electrician – trade qualified					
above ground	BB	BB	OR	OR	BB
underground	B	B	OR	OR	B
train driver	B	D	OR	OR	B
plant/heavy equipment operator (eg haulpak driver, crusher, conveyor, loader)					
above ground	SR	D	OR	OR	SR
underground	SR [†]	D	OR	OR	D
faceworker – underground	D	D	OR	OR	D
explosive handling	D	D	OR	OR	D
labourer, trades assistant	SR [†]	D	OR	OR	D
emergency response team	D	D	OR	OR	D
Minister of religion, Vicar, Priest, Clergy	A	D	OR	OR	A
Model	D	D	OR	OR	D
Mortgage broker	A	A	OR	OR	A
Motel/Hotel proprietor					
manager (admin only)					
more than 20 employees	AA	D	OR	OR	AA
up to 20 employees	A	D	OR	OR	A
other (cleaning, cooking, etc)	BB	D	OR	OR	BB
Motor cycle					
sales	BB	D	OR	OR	BB
mechanic	BB	BB	OR	OR	BB
Motor vehicle					
accessories and spare parts retail	BB	D	OR	OR	BB
assembly production line	SR	D	OR	OR	D
detailer	B	D	OR	OR	B
mechanic	BB	BB	OR	OR	BB
sales – car, truck, van	A	D	OR	OR	A
trimmer, upholsterer	BB	BB	OR	OR	BB

[†] Non-occupational cover with 2 or 5 year benefit period, minimum 30 day waiting period, allowable to a maximum of \$15,000 per month.

M (continued)

Occupation	IP	BE	LC	CI	TPD
tyre and battery					
sales only	A	D	OR	OR	A
repairs, fitting	SR	D	OR	OR	SR
washer	D	D	OR	OR	D
windscreen fitter, installer	BB	BB	OR	OR	BB
wrecker	SR	D	OR	OR	D
Moulder (not fibreglass)	SR	D	OR	OR	D
Museum curator	AA	D	OR	OR	AA
Music teacher					
full time in school, university/college	A	D	OR	OR	A
working at home	D	D	OR	OR	D
Musical instrument					
sales – shop only	A	D	OR	OR	A
lifting or deliveries	B	D	OR	OR	B
Musician					
symphony orchestra	B	D	OR	OR	B
employee of club or restaurant band	D	D	OR	OR	D
other	D	D	OR	OR	D

N

Occupation	IP	BE	LC	CI	TPD
Nail technician					
salon only, not working from home	BB	D	OR	OR	BB
working from home, qualified, minimum two years experience	B	D	OR	OR	B
mobile	D	D	OR	OR	D
Nanny	D	D	OR	OR	D
Naturopath – qualified	AA	AA	OR	OR	AA
Neurologist	AAA	AAA	OR	OR	AAA
Neurosurgeon	AAA	AAA	OR	OR	AAA
Newsagent					
sales only	A	D	OR	OR	A
deliveries	BB	D	OR	OR	BB
Newspaper/Magazine					
editor	AA	D	OR	OR	AA

* TPD 'own occupation' definition not available.

OCCUPATION GROUPS GUIDE

Occupation group tables

N (continued)

Occupation	IP	BE	LC	CI	TPD
printer	BB	D	OR	OR	BB
Nuclear medicine specialist	AAA	AAA	OR	OR	AAA
Nurse					
enrolled nurse, nurse's aide	B	D	OR	OR	B
director of nursing/unit manager – up to 10% manual	A	D	OR	OR	A
director of nursing/unit manager – more than 10% manual	BB	D	OR	OR	BB*
intellectual disability	B	B	OR	OR	B
midwife	BBB	D	OR	OR	BB*
mothercraft	B	B	OR	OR	B
nursing sister	BB	D	OR	OR	BB*
registered	BB	D	OR	OR	BB*
psychiatric	B	B	OR	OR	B
Nursery					
sales only – no manual	A	D	OR	OR	A
light manual duties – qualified or more than 5 years in occupation	BB	D	OR	OR	BB
other	SR	D	OR	OR	SR

O

Occupation	IP	BE	LC	CI	TPD
Obstetrician	AAA	AAA	OR	OR	AAA
Occupational health and safety inspector	A	A	OR	OR	A
Occupational therapist	AAA	AAA	OR	OR	AAA
Office equipment and photocopier					
sales only	A	D	OR	OR	A
service, repairs	BB	D	OR	OR	BB
Office supply, Stationer					
sales only	A	D	OR	OR	A
deliveries	B	D	OR	OR	B
Office worker	A	D	OR	OR	A
Oil and gas					
engineer – degree qualified, no manual					
up to 10% site (onshore)	AAA	AAA	OR	OR	AAA
up to 10% site (offshore)	AA	AA	OR	OR	AA
more than 10% site (onshore)	A	A	OR	OR	A
more than 10% site (offshore)	BBB	BBB	OR	OR	B

O (continued)

Occupation	IP	BE	LC	CI	TPD
geoscientist/physicist, other tertiary qualified professionals, no manual					
office only	AAA	AAA	OR	OR	AAA
up to 10% site (onshore)	AA	AA	OR	OR	AA
up to 10% site (offshore)	A	A	OR	OR	A
more than 10% site (onshore)	A	A	OR	OR	A
more than 10% site (offshore)	BBB	BBB	OR	OR	BBB
ROV (Remotely Operated Vehicle) operator					
tertiary qualified, no manual	AA	AA	OR	OR	AA
not tertiary qualified, no manual	A	A	OR	OR	A
up to 30% manual	BB	BB	OR	OR	BB
more than 30% manual	B	B	OR	OR	B
tool pusher					
admin only	BBB	BBB	OR	OR	BBB
any manual work	SR [†]	SR [†]	OR	OR	D
mechanic – trade qualified					
onshore	BB	BB	OR	OR	BB
offshore	B	B	OR	OR	B
electrician – trade qualified					
onshore	BB	BB	OR	OR	BB
offshore	B	B	OR	OR	B
welder – trade qualified					
onshore	BB	BB	OR	OR	BB
offshore	B	B	OR	OR	B
service vessels					
skipper	SR	D	OR	OR	SR
crew	SR [†]	D	OR	OR	D
control room/console operator					
onshore	B	D	OR	OR	B
offshore	SR	D	OR	OR	D
crane driver	SR [†]	D	OR	OR	D
driller, derrickman, rigger	SR [†]	D	OR	OR	D
labourer, roustabout	SR [†]	D	OR	OR	D
chef – qualified	B	D	OR	OR	D
cook, cleaner, ancillary services	SR	D	OR	OR	D
rig diver	D	D	\$2.00	\$2.00	D

[†] Non-occupational cover with a 5 year benefit allowable to a maximum of \$15,000 per month.

OCCUPATION GROUPS GUIDE

Occupation group tables

O (continued)

Occupation	IP	BE	LC	CI	TPD
emergency response team	D	D	\$2.00	\$2.00	DD
Oncologist	AAA	AAA	OR	OR	AAA
Ophthalmic surgeon	AAA	AAA	OR	OR	AAA
Ophthalmologist	AAA	AAA	OR	OR	AAA
Optical dispenser, mechanic, technician	A	A	OR	OR	A
Optician	AAA	AAA	OR	OR	AAA
Optometrist	AAA	AAA	OR	OR	AAA
Orchardist	B	D	OR	OR	B
Orthodontic technician	AA	AA	OR	OR	AA
Orthodontist	AAA	AAA	OR	OR	AAA
Orthopedic surgeon	AAA	AAA	OR	OR	AAA
Osteopath – well-established	AA	AA	OR	OR	AA
Outdoor supplies (tents, BBQ)	A	D	OR	OR	A

P

Occupation	IP	BE	LC	CI	TPD
Packer	D	D	OR	OR	D
Paediatric surgeon	AAA	AAA	OR	OR	AAA
Paediatrician	AAA	AAA	OR	OR	AAA
Paint and wallpaper sales	BB	D	OR	OR	BB
Painter	SR	D	OR	OR	SR
Painter – artist, sculptor, other	D	D	OR	OR	D
Panel beater	B	B	OR	OR	B
Parachuting, Sky diving – instructor	D	D	\$2.00	\$2.00	D
Paramedic	B	D	OR	OR	B
Park ranger					
qualified	B	B	OR	OR	B
not qualified	D	D	OR	OR	D
Parking station attendant	B	D	OR	OR	B
Parking warden/officer	B	D	OR	OR	B
Pastry cook – qualified	BB	D	OR	OR	BB
Pathologist	AAA	AAA	OR	OR	AAA
Pattern maker – Industrial, Foundry	BB	D	OR	OR	BB
Paver	SR	D	OR	OR	D
Pawnbroker, Secondhand dealer	SR	D	OR	OR	SR

P (continued)

Occupation	IP	BE	LC	CI	TPD
Payroll guard	SR	D	OR	OR	D
Periodontist	AAA	AAA	OR	OR	AAA
Personal care assistants	B	D	OR	OR	B
Personal trainer – qualified and established minimum 2 years	B	D	OR	OR	B
Personnel consultant	AA	AA	OR	OR	AA
Pest controller, Exterminator, Fumigator – certified and licensed only	BB	BB	OR	OR	BB
Pet shop	BB	D	OR	OR	BB
Photoengraver	BB	BB	OR	OR	BB
Photographer					
mainly studio	A	A	OR	OR	A
employee – on location, Australia only	BB	BB	OR	OR	BB
freelance – no hazards, minimum 2 years experience in occupation	BB	BB	OR	OR	BB
aerial, aviation	I/C	I/C	I/C	I/C	I/C
Photographic store	A	A	OR	OR	A
Physicist	AAA	AAA	OR	OR	AAA
Physiotherapist	A	A	OR	OR	A
Piano tuner	BB	BB	OR	OR	BB
Picture framer	BB	BB	OR	OR	BB
Pilot	see Aviation				
Pizza shop – owner/operator, employee	B	D	OR	OR	B
Plasterer	D	D	OR	OR	D
Plumber and gas fitter					
less than 10% roof plumbing	BB	BB	OR	OR	BB
more than 10% roof plumbing	D	D	OR	OR	D
Podiatrist	AA	AA	OR	OR	AA
Police					
superintendent	A	D	OR	OR	A
officer, detective – not motor cycle, air wing, bomb disposal, search and rescue	SR	D	OR	OR	SR
motorcycle	D	D	OR	OR	D
dog squad	SR	D	OR	OR	D
special operations	D	D	OR	OR	D
airwing, helicopter, aeroplane					
less than 200 hours pa	D	D	OR	OR	D
201–500 hours pa	D	D	\$2.00	\$2.00	D
more than 500 hours pa	D	D	\$5.00	\$5.00	D
bomb disposal	D	D	\$2.00	\$2.00	D

OCCUPATION GROUPS GUIDE

Occupation group tables

P (continued)

Occupation	IP	BE	LC	CI	TPD
search and rescue – including diving	D	D	\$2.00	\$2.00	D
Post office					
agent, manager, counter clerk – desk work only	A	D	OR	OR	A
sorter	B	D	OR	OR	B
Postal courier – car/van – minimum 2 years experience	B	D	OR	OR	B
Postman, Post person, Delivery	B	B	OR	OR	B
Potter – pottery, ceramics	D	D	OR	OR	D
Printing and publishing					
administration, clerical	A	A	OR	OR	A
bookbinder	A	A	OR	OR	A
compositor	A	A	OR	OR	A
computer operator	A	A	OR	OR	A
editor	AA	AA	OR	OR	AA
proofreader	AA	AA	OR	OR	AA
publisher	AA	AA	OR	OR	AA
printer	BB	BB	OR	OR	BB
typesetter	A	A	OR	OR	A
Prison warder	SR	D	OR	OR	D
Private investigator/detective					
unarmed	B	B	OR	OR	B
armed	SR	D	OR	OR	D
Process worker	D	D	OR	OR	D
Produce merchant	B	D	OR	OR	B
Professional sportsperson					
football – league/union/aussie rules/soccer	D	D	OR	OR	D
hockey – grass/ice	D	D	OR	OR	D
horse riding – rodeo	D	D	\$2.00	\$2.00	D
other					
non-hazardous sports	D	D	OR	OR	D
hazardous sports (additional terms will apply at underwriting)	D	D	I/C	I/C	D
Property developer – consultant	D	D	OR	OR	D
Psychiatrist	M	M	OR	OR	M
Psychologist	AA	AA	OR	OR	AA
Public relations officer	A	A	OR	OR	A
Pulp and paper mill employee – in mill or yard only	SR	D	OR	OR	D
Purchasing officer	A	D	OR	OR	A

Q

Occupation	IP	BE	LC	CI	TPD
Quantity surveyor	AA	AA	OR	OR	AA
Quarry worker					
no blasting	SR	D	OR	OR	D
blasting	D	D	\$2.00	\$2.00	D

R

Occupation	IP	BE	LC	CI	TPD
Radio announcer	I/C	D	OR	OR	I/C
Radiographer	AA	AA	OR	OR	AA
Radiotherapist	AA	AA	OR	OR	AA
Radiologist	AAA	AAA	OR	OR	AAA
Railway/Tram/Train					
driver	B	D	OR	OR	B
inspector, foreman	BB	D	OR	OR	BB
guard	B	D	OR	OR	B
office worker	A	D	OR	OR	A
police	SR	D	OR	OR	SR
shunter	SR	D	OR	OR	D
signalman	B	D	OR	OR	B
station assistant	B	D	OR	OR	B
station master	B	D	OR	OR	B
surveyor	BB	D	OR	OR	BB
track laying/maintenance	SR	D	OR	OR	D
other	D	D	OR	OR	D
Real estate					
agent – licensed	AA	AA	OR	OR	AA
land broker – licensed	AA	AA	OR	OR	AA
auctioneer	A	A	OR	OR	A
other	A	A	OR	OR	A
Receptionist	A	D	OR	OR	A
Record, Music shop	A	D	OR	OR	A
Reflexologist – qualified	A	A	OR	OR	A
Refrigeration, Refrigerator mechanic	BB	BB	OR	OR	BB
Rehabilitation consultant					
medically qualified	AAA	AAA	OR	OR	AAA
other	A	A	OR	OR	A

OCCUPATION GROUPS GUIDE

Occupation group tables

R (continued)

Occupation	IP	BE	LC	CI	TPD
Religion – minister, vicar, priest, clergy	A	D	OR	OR	A
Removalist – driver / manual duties	SR	D	OR	OR	D
Renal physician	AAA	AAA	OR	OR	AAA
Renderer, cement	D	D	OR	OR	D
Repossessions agent, Debt collector	SR	D	OR	OR	D
Restaurant					
manager					
administration only	AA	D	OR	OR	AA
other	BB	D	OR	OR	BB
head waiter, maitre'd	BB	D	OR	OR	BB
kitchen hand	D	D	OR	OR	D
Retired	D	D	OR	OR	D
Rigger	SR	D	OR	OR	D
Road maker	SR	D	OR	OR	D
Roller door installer	B	B	OR	OR	B
Roof plumber	D	D	OR	OR	D
Roofer, Roof tiler, Fixer, Repairer	D	D	OR	OR	D

S

Occupation	IP	BE	LC	CI	TPD
Saddle maker	B	B	OR	OR	B
Sail maker	B	B	OR	OR	B
Sales representative					
deliveries	BBB	BBB	OR	OR	BBB
no deliveries	A	A	OR	OR	A
Sales, Marketing manager	AA	AA	OR	OR	AA
Salvage vessel officer and crew	D	D	OR	OR	D
Sandblaster	SR	D	OR	OR	D
Scaffolder	SR	D	OR	OR	D
School					
headmaster, head teacher	AAA	D	OR	OR	AAA
inspector	A	D	OR	OR	A
office, administration	A	D	OR	OR	A
teacher					
preschool	A	D	OR	OR	A
primary, high school, tertiary	A	D	OR	OR	A

S (continued)

Occupation	IP	BE	LC	CI	TPD
Scrap metal dealer	SR	D	OR	OR	D
Screen, Blind, Awning					
supervising, quoting – up to 20% light manual only	BBB	BBB	OR	OR	BBB
installer	BB	BB	OR	OR	BB
Secondhand dealer	SR	D	OR	OR	SR
Secretary	A	D	OR	OR	A
Security guard					
armed – not bouncer or crowd controller	SR	D	OR	OR	D
unarmed					
bank, building society, credit union	SR	D	OR	OR	D
club, casino – not bouncer	SR	D	OR	OR	D
other – not bouncer, crowd control, club, casino	B	D	OR	OR	B
Service station					
proprietor, manager	BB	D	OR	OR	BB
cashier, console operator	BB	D	OR	OR	BB
driveway petrol attendant	B	D	OR	OR	B
Sewing machine mechanic	BB	BB	OR	OR	BB
Sex worker or exotic lap dancer	D	D	D	D	D
Shearer, Shearing contractor	D	D	OR	OR	D
Sheet metal worker	BB	BB	OR	OR	BB
Ship officer, crew – passenger, bulk, container	D	D	OR	OR	D
Shipwright	B	B	OR	OR	B
Shipyards worker	D	D	OR	OR	D
Shoe maker/repairer	BB	BB	OR	OR	BB
Shoe shop – sales only	A	D	OR	OR	A
Shop fitter	B	B	OR	OR	B
Shower screen installer	B	B	OR	OR	B
Signwriter	B	B	OR	OR	B
Silversmith	BB	BB	OR	OR	BB
Singer	D	D	OR	OR	D
Skin, Hide, Leather – sales only	A	D	OR	OR	A
Skylight fitter	SR	D	OR	OR	SR
Social worker					
tertiary qualified	AA	AA	OR	OR	AA
not tertiary qualified	A	A	OR	OR	A
Solicitor	L	L	OR	OR	L
Specialist physician	AAA	AAA	OR	OR	AAA

OCCUPATION GROUPS GUIDE

Occupation group tables

S (continued)

Occupation	IP	BE	LC	CI	TPD
Specialist surgeon	AAA	AAA	OR	OR	AAA
Speech pathologist/therapist	AAA	AAA	OR	OR	AAA
Sporting goods sales	A	D	OR	OR	A
Spray painter	B	B	OR	OR	B
Squash court owner – full-time management, no professional playing	A	D	OR	OR	A
Stable hand	D	D	OR	OR	D
Stationer					
sales only	A	D	OR	OR	A
deliveries	B	D	OR	OR	B
Statistician	AAA	AAA	OR	OR	AAA
Steel erector, Fixer, Rigger	SR	D	OR	OR	D
Steeplejack	D	D	\$2.00	\$2.00	D
Stenographer	A	A	OR	OR	A
Stevedore	D	D	OR	OR	D
Stock and station agent	A	A	OR	OR	A
Stockbroker					
degree qualified	AAA	AAA	OR	OR	AAA
not degree qualified	AA	AA	OR	OR	AA
Stonemason, Mason	B	B	OR	OR	B
Storeman	B	D	OR	OR	B
Street cleaner					
driver only	SR	D	OR	OR	SR
manual duties	SR	D	OR	OR	D
Student	D	D	OR	OR	D
Stuntman	D	D	I/C	I/C	D
Sugar cane farmer – owner, established 2 years	B	D	OR	OR	B
Supermarket					
manager					
administration only	A	D	OR	OR	A
manual duties	BBB	D	OR	OR	BBB
administration only	A	D	OR	OR	A
supervisor	BB	D	OR	OR	BB
cashier only	BB	D	OR	OR	BB
deliveries	B	D	OR	OR	B
nightfiller	D	D	OR	OR	D
other	B	D	OR	OR	B
Surfboard shaper	B	B	OR	OR	B
Surgeon specialist	AAA	AAA	OR	OR	AAA

S (continued)

Occupation	IP	BE	LC	CI	TPD
Surveyor					
qualified – office only	AA	AA	OR	OR	AA
qualified – field work, not underground mine	A	A	OR	OR	A
Swimming pool					
proprietor, manager	A	D	OR	OR	A
instructor – qualified and minimum 2 years experience	BB	D	OR	OR	BB
attendant	D	D	OR	OR	D
supplies – sales	BB	D	OR	OR	BB
builder	B	B	OR	OR	B
Switchboard operator	A	D	OR	OR	A
Systems analyst	AA	AA	OR	OR	AA

T

Occupation	IP	BE	LC	CI	TPD
TAB agent	A	D	OR	OR	A
Tailor					
shop or department store only	BB	BB	OR	OR	BB
working at home	D	D	OR	OR	D
Takeaway food shop – owner/operator, employee	B	D	OR	OR	B
Tanner	B	B	OR	OR	B
Tattooist	D	D	OR	OR	D
Tax consultant, agent					
tertiary qualified	AAA	AAA	OR	OR	AAA
not tertiary qualified	A	A	OR	OR	A
Taxi driver					
owner driver					
established 2 years or more	B	D	OR	OR	B
established less than 2 years	SR	D	OR	OR	SR
employee	SR	D	OR	OR	D
other	SR	D	OR	OR	D
Taxidermist	BB	BB	OR	OR	BB
Teacher					
preschool, primary, high school, tertiary	A	D	OR	OR	A
trades, technical – school, university, college	A	D	OR	OR	A
Teacher's aide	A	D	OR	OR	A
Telephone					

OCCUPATION GROUPS GUIDE

Occupation group tables

T (continued)

Occupation	IP	BE	LC	CI	TPD
engineer – degree qualified					
up to 10% manual work	A	A	OR	OR	A
over 10% manual work	BB	BB	OR	OR	BB
technician					
no underground and no heights over 5 m	BB	BB	OR	OR	BB
underground or heights over 5 m	SR	D	OR	OR	SR
linesman	SR	D	OR	OR	SR
Telephonist	A	D	OR	OR	A
Tennis coach – qualified, minimum 2 years experience, not professional player	B	B	OR	OR	B
Test pilot	D	D	D	D	D
Theatre/Cinema					
confectionery seller	A	D	OR	OR	A
manager	A	A	OR	OR	A
ticket seller	A	A	OR	OR	A
usher	A	A	OR	OR	A
Tiler – floor, walls	SR	D	OR	OR	SR
Timber merchant					
shop sales only	BB	D	OR	OR	BB
yard work	B	D	OR	OR	B
Timber industry					
logging truck driver, log hauler, logging contractor	SR	D	OR	OR	D
sawmill					
mobile mill	D	D	OR	OR	D
permanently located mill	SR	D	OR	OR	D
tree feller, lopper	D	D	OR	OR	D
Tobacconist	A	D	OR	OR	A
Tool maker – qualified	BB	BB	OR	OR	BB
Tour guide – not overseas	B	D	OR	OR	B
Tow truck driver	SR	D	OR	OR	D
Town planner	AA	AA	OR	OR	AA
Toy shop	A	D	OR	OR	A
Travel agent, Consultant	A	D	OR	OR	A
Tree surgeon	SR	D	OR	OR	D
Truck or van driver					
explosive/dangerous goods/petrol/petroleum products	D	D	OR	OR	D
non-hazardous goods					
local – 200 km radius, returning home daily, in occupation 2 years	B	B	OR	OR	B

T (continued)

Occupation	IP	BE	LC	CI	TPD
local – 200 km radius, returning home daily, in occupation less than 2 years	SR	D	OR	OR	SR
mid-distance – under 800 km and same day return	SR	D	OR	OR	SR
long distance – over 800 km or overnight	D	D	OR	OR	D
Truck or van – juice vendor	B	B	OR	OR	B
Truck or van – milk / dairy / bread / soft drink delivery	B	B	OR	OR	B
Tugboat captain, Crew – harbour only	SR	D	OR	OR	D
Tupperware sales person	D	D	OR	OR	D
Tutor					
full-time in university	AAA	D	OR	OR	AAA
working from home/student's home	D	D	OR	OR	D
TV, Theatre, Cinema, Film					
administration – office only	A	D	OR	OR	A
agent	A	A	OR	OR	A
announcer, news reader	I/C	D	OR	OR	I/C
choreographer, dancer	D	D	OR	OR	D
director, producer	A	D	OR	OR	A
distributor	A	D	OR	OR	A
editor	A	D	OR	OR	A
electrician, technician, sound recorder, engineer	BB	D	OR	OR	BB
management – no manual	A	D	OR	OR	A
projectionist	A	D	OR	OR	A
editor	A	D	OR	OR	A
electrician, technician, sound recorder, engineer	BB	D	OR	OR	BB
management – no manual	A	D	OR	OR	A
projectionist	A	D	OR	OR	A
repair person	BB	D	OR	OR	BB
script writer	D	D	OR	OR	D
stage hand / roadie – music	D	D	OR	OR	D
stage manager – manual	BB	D	OR	OR	BB
stage manager – no manual	A	D	OR	OR	A
wardrobe person	BB	D	OR	OR	BB
TV, Television technician	BB	BB	OR	OR	BB
Typist	A	D	OR	OR	A
Tyre and battery					
sales only	A	D	OR	OR	A
repairs, fitting	SR	D	OR	OR	SR

OCCUPATION GROUPS GUIDE

Occupation group tables

U

Occupation	IP	BE	LC	CI	TPD
Undertaker	A	A	OR	OR	A
Underwriter – insurance	AA	AA	OR	OR	AA
Unemployed	D	D	OR	OR	D
University, College					
office, administration	A	D	OR	OR	A
lecturer professor, tutor – full-time	AAA	D	OR	OR	AAA
Unskilled manual worker – no special risk/hazards	D	D	OR	OR	D
Upholsterer	BB	BB	OR	OR	BB
Urologist	AAA	AAA	OR	OR	AAA

V

Occupation	IP	BE	LC	CI	TPD
Valuer – registered	AA	AA	OR	OR	AA
Vending machine – mechanic/service only	BB	D	OR	OR	BB
Veterinarian					
large animal	A	A	OR	OR	A
small animal	AA	AA	OR	OR	AA
Veterinary nurse	BB	BB	OR	OR	BB
Video shop					
proprietor – established 2 years or more	A	D	OR	OR	A
other	SR	D	OR	OR	SR
Vigneron					
no manual duties	AA	D	OR	OR	AA
manual duties	B	D	OR	OR	B

W

Occupation	IP	BE	LC	CI	TPD
Waiter, Waitress – hotel, club, restaurant, casino	B	D	OR	OR	B
Wallpaper hanger	B	B	OR	OR	B
Wardsman, Orderly, Porter – hospital	B	D	OR	OR	B
Warehouse person	B	D	OR	OR	B
Washing machine mechanic, repairer	B	B	OR	OR	B
Watchmaker	A	A	OR	OR	A
Waterproofers	SR	D	OR	OR	SR

W (continued)

Occupation	IP	BE	LC	CI	TPD
Welder					
qualified	BB	BB	OR	OR	BB
not qualified	SR	D	OR	OR	SR
Welfare officer, Youth worker	A	A	OR	OR	A
Wharf labourer	D	D	OR	OR	D
Wildlife keeper, attendant – no overseas	B	D	OR	OR	B
Window dresser	A	A	OR	OR	A
Window tinter					
up to 5 metres	B	D	OR	OR	B
over 5 metres	SR	D	OR	OR	D
Wine maker					
qualified – no manual labour	A	A	OR	OR	A
not qualified – no manual labour	BB	BB	OR	OR	BB
manual duties	B	B	OR	OR	B
Wine, Spirit merchant – wholesale, retail	BB	D	OR	OR	BB
Wire maker	B	B	OR	OR	B
Wool broker, buyer	A	A	OR	OR	A
Wool classer	BB	BB	OR	OR	BB
Wrecker (no explosives)	SR	D	OR	OR	D

X

Occupation	IP	BE	LC	CI	TPD
X-ray technician	AA	AA	OR	OR	AA

Z

Occupation	IP	BE	LC	CI	TPD
Zoo worker – no overseas	B	D	OR	OR	B
Zoologist	AAA	AAA	OR	OR	AAA

OCCUPATION UNDERWRITING GUIDE

This section of the guide provides information on the underwriting of some occupation circumstances that may affect the insurance available to your client.

Hard-to-classify occupations

Change of occupation

Where a client has changed occupation to one with an improved occupation group, but has been in that occupation for no more than one year, the occupation group for their previous occupation may apply. Please contact our underwriting team for advice.

More than one occupation

Where a client has more than one occupation, the classification for the occupation which represents the higher risk will generally be applied.

We will consider a more favourable classification where the client spends less than 20% of the total work time in the higher risk occupation.

When preparing the quote, enter the primary occupation. We'll advise if a different occupation group is to apply.

Earnings from both jobs and time spent in each occupation must be stated separately on the Application Form.

Generally, only the income from the primary occupation is insurable.

Special occupation eligibility categories

Apprentices

First year apprentices will usually be considered for Income Protection Special Risk and TPD group SR (not including plasterer or bricklayer). Other apprentices who have passed the first year of their apprenticeship may be considered for Income Protection and TPD insurance with the occupation rating applicable to their trade. Refer to our underwriting team for advice.

Armed services

Armed services personnel are not eligible for TPD, Income Protection, Business Expenses or Premium Waiver.

Members of the Australian Reserve Forces may be offered cover, without restriction, unless they are about to undertake active duty.

Bankruptcy, insolvency or liquidation

We will consider TPD and Income Protection insurance one year after discharge for an employee (with no ownership interest in the business which employs him or her) and two years after discharge for a self-employed applicant.

- Where a client answers 'yes' to the bankruptcy, insolvency or liquidation question in the paper application, please have the client complete a Bankruptcy Questionnaire.
- Where the client has returned to a self-employed situation, we'll generally require evidence of earnings for the past two years (eg tax returns, business accounts) and a supporting statement demonstrating that the business is and has been operating profitably.
- Availability and terms of insurance will depend on the individual circumstances of each client.

Financial advisers

Financial advisers are eligible for Income Protection and TPD with AAA occupation group if they meet all of the following criteria:

- hold a relevant tertiary degree (eg finance, accounting, business, Masters in Financial Planning)
- have earned at least \$100,000 per annum for the past two years.

Income Protection and TPD occupation group AA applies for financial advisers who do not meet all of these criteria.

Homemakers – Total and Permanent Disability

TPD insurance up to \$1,000,000 is generally allowable for homemakers. A higher sum insured up to a maximum of \$2,000,000 may be considered – see Section 7 – Financial Underwriting.

OCCUPATION UNDERWRITING GUIDE

Special occupation eligibility categories

Leave from employment

Income Protection is not available to any applicant not currently working or with an intention to cease work for an extended period (three months or more), for any reason, within three months of the date of the application.

Where the leave is stated not to exceed 12 months, cover may be considered with a minimum waiting period at least equal to the duration of leave.

Newly self-employed

Income Protection with an Agreed Value benefit is not usually available to clients who have been self-employed for less than 12 months. In such circumstances, Income Protection with Indemnity Option may be available.

Individual consideration will be given where the client has relevant training or experience or has purchased an existing well-established and profitable business, or where income is guaranteed under a contract.

Please contact your underwriting team prior to submitting the application to discuss the circumstances and whether insurance can be considered.

Part-time workers

Total and Permanent Disability

Part-time workers will be considered for TPD insurance if they regularly work over 25 hours per week. Clients working 20 to 25 hours per week may be considered if they are working a minimum of three days per week on a permanent part-time basis, with a minimum of two years in their current role. TPD insurance is available at the TPD rating appropriate for this occupation.

If your client works less than 20 hours per week, insurance is available only where the balance of time is occupied with homemaker duties. TPD insurance is available at the TPD rating appropriate for the primary occupation.

Income Protection

Clients who regularly work at least 25 hours per week are eligible to apply for Income Protection.

Insurance for part-time workers who regularly work 20 to 25 hours per week may be considered subject to them working:

- for a minimum of three days and 20 hours per week for a minimum of two years, and intending to continue working on at least this basis
- in only one job for these hours.

Professionals, such as accountants, lawyers and doctors, working 18 hours per week, may also be considered for Income Protection, if they have been working on this basis for a minimum of two years and intend to continue working at least these hours.

Seasonal workers

Applicants such as fruit pickers, who work only during a particular time of the year, are not eligible for Income Protection.

Professionals Package

Many newly qualified professionals have significant earning capacity, however they are unlikely to have complete financial evidence to support their income.

Their earnings will also significantly increase over the early stages of their careers.

We can provide set levels of Life, TPD, Critical Illness and endorsed agreed value Income Protection cover for some newly qualified professionals without the need for the usual financial requirements.

Eligibility

This offer is available to newly qualified professionals who became registered or licensed within the last three years, are working full-time and generating an income in one of the following eligible professional occupations:

- Accounting Graduate, Accountant – CPA or CA
- Actuarial Graduate, Actuarial Fellow
- Architect
- Dentist, Dental Specialist
- Engineer
- Medical Intern, Doctor – GP or Specialist
- Pharmacist
- Physiotherapist, Chiropractor, Osteopath
- Psychologist
- Quantity Surveyor
- Solicitor, Barrister
- Veterinarian

OCCUPATION UNDERWRITING GUIDE

Special occupation eligibility categories

Levels of cover

The mandatory financial evidence requirements for the Professionals Package is waived for set maximum amounts for Income Protection, Critical Illness, TPD and Life insurance subject to underwriting and disclosures on the MLCI application. The table below shows the maximum levels of cover (held industry wide). Any amount below these maximum amounts will be accepted financially.

Profession	Max IP Benefit	Max Life Benefit	Max CIB Benefit	Max TPD Benefit
	Endorsed AV			
Accounting Graduate	\$5,000	\$4m	\$1m	\$2m
Accountant - CPA or CA	\$6,250	\$5m	\$1.5m	\$3m
Actuarial – graduate	\$5,000	\$3m	\$1m	\$2m
Actuarial – fellow	\$8,000	\$4m	\$1.5m	\$3m
Architect	\$5,000	\$3m	\$1m	\$2m
Barrister	\$8,000	\$4m	\$1.5m	\$3m
Chiropractor	\$5,000	\$3m	\$1m	\$2m
Dental Specialist	\$15,000	\$5m	\$2m	\$3m
Dentist	\$10,000	\$4m	\$1.5m	\$2.5m
Doctor – intern	\$10,000	\$3m	\$1.5m	\$2m
Doctor – GP only	\$10,000	\$4m	\$1.5m	\$2.5m
Doctor – specialist	\$15,000	\$5m	\$2m	\$3m
Engineer	\$6,250	\$3m	\$1.5m	\$2m
Optometrist	\$6,250	\$3m	\$1.5m	\$2m
Osteopath	\$5,000	\$2m	\$1.25m	\$2m
Pharmacist	\$6,250	\$3m	\$1.25m	\$2m
Physiotherapist	\$5,000	\$3m	\$1.25m	\$2m
Psychologist	\$6,250	\$2m	\$1.5m	\$2m
Quantity surveyor	\$5,000	\$3m	\$1.25m	\$2m
Solicitor – graduate	\$5,000	\$2m	\$1.25m	\$2m
Solicitor – qualified	\$8,000	\$3m	\$1.5m	\$2m
Vet	\$6,250	\$3m	\$1.5m	\$2m

Professional sportspeople

Professional sportspeople are not eligible for Income Protection.

Working at heights

Where an applicant's occupation duties include working at heights above 10 metres an additional premium may apply. Insurance may not be available for some occupations where the applicant works at heights.

Working at home

Where a client works primarily at home, rather than having a separate location where work is performed, this may present some difficulties in establishing disability in the event of a claim under Income Protection insurance.

Answer these questions to help your Underwriting team determine what insurance may be offered:

- Is the client in a professional occupation with a practice adjoining, or part of, their residence?
- Is there a separate office / work area / entrance?
- Does the client have to regularly leave the residence to operate their business?
- What percentage of weekly hours are spent in face-to-face contact with third parties—clients, customers, employer?
- What are the client's precise duties?
- How is the client's work sourced (eg client visits, email, courier)?
- Has this work situation been established at least 12 months?
- Has the client received regular work over the last 12 months?

Working more than 70 hours per week

In general, clients working up to 70 hours per week can be considered for Income Protection cover without restriction. Additional care needs to be taken where the client regularly works longer hours.

Additional clarification of the reason for, and anticipated duration of, these working hours will be required. We will consider each risk individually. Ask our underwriting team about the specific information required.

PASTIMES TABLE AND GUIDE

How pastimes are classified

Certain pastimes and activities carry an increased risk for insurance.

This section of the guide covers a wide variety of pastime pursuits that may attract a loading or an exclusion, such as motor racing and aviation, or that may carry a standard level of risk for some types of insurance.

If you need help, contact your underwriting team. A reference number can be provided to confirm the underwriting advice provided. This reference number should be noted in the Adviser notes.

Answer these questions to help your Underwriting team provide an assessment to fit your client's pastimes:

- What is the client's pastime?
- Does the client participate in the pastime at a professional or amateur level?
- What is the client's level of participation in competitions?
- How many hours does the client participate in the pastime?

Product codes

Code	Product
LC	Life Cover (including Accidental Death Benefit)
TPD	Total and Permanent Disability
CI	Critical Illness
IP	Income Protection
BE	Business Expenses
PW	Premium Waiver

Classification codes

Classification	Definition
IC	Individual consideration.
D	Decline.
OR	Ordinary rates (standard premium rates apply).
x	An exclusion must apply for this risk.
\$1.00 etc	An extra premium of \$1.00, \$2.00, \$5.00 etc per \$1,000 sum insured applies for this risk.
\$2.00(x) etc	As above but with an option to avoid the extra premium by excluding the risk.
25% (30x) etc	This option is only available for amateur football players of Rugby Union, Rugby League and Australian Rules. As an alternative to the 25% loading, the client may choose to have any claim relating to football excluded for the first 30 days (A groups only) or 90 days (B and SR groups) of any claim. Short waiting period for accidental injury option under Income Protection insurance is not available unless a full exclusion for football is applied.
90x	Any claim relating to the specified pastime is excluded for the first 90 days of any claim. Short waiting period for accidental injury option under Income Protection insurance is not available.

Pastime classification tables

A

Pastime	LC	TPD	CI	IP/BE/PW
Adventure sports				
bungee jumping	OR	OR	OR	OR
caving or potholing – no underwater diving	OR	OR	OR	X
caving or potholing – with underwater diving	See Underwater diving			
Archery				
amateur/recreational	OR	OR	OR	OR
Aviation				
airplane or helicopter				
private/student 0–75 hrs pa	OR	OR	OR	OR
private/student 76–150 hrs pa	\$2.00 or X	X	X	X
private/student 151–300 hrs pa	\$3.50 or X	X	X	X
private/student >300 hrs pa	X	X	X	X
instructor	OR	D	OR	D
agricultural	OR	D	OR	D
commercial	OR	D	OR	D
hang gliding/paragliding				
certified	\$2.00 or X	X	X	X
not certified	X	X	X	X
microlights/ultralights				
licensed and certified	OR	OR	OR	OR
licensed but not certified, or unlicensed	\$2.00 or X	X	X	X
parasailing	OR	OR	OR	OR
sailplaning				
certified	OR	OR	OR	OR
not certified	X	X	X	X
stunt flying or aerobatics (all forms)	X	X	X	X

PASTIMES TABLE AND GUIDE

Pastime classification tables

B

Pastime	LC	TPD	CI	IP/BE/PW
Basketball				
amateur	OR	OR	OR	OR
professional	OR	D	OR	D
Boxing				
amateur	OR	X	OR	X
professional	\$2.00 or X	D	D	D
instructor or coach	OR	OR	D	D
Bushwalking – recreational	OR	OR	OR	OR

C

Pastime	LC	TPD	CI	IP/BE/PW
Canyoning				
guide professional	\$2.00(x)	D	\$1.00(x)	D
pleasure only				
up to 5 times pa	OR	OR	OR	OR
more than 5 times pa	\$2.00(x)	X	\$1.00(x)	X
Caving	See Adventure sports			
Climbing and Abseiling				
abseiling	OR	OR	OR	OR
bouldering, hiking, scrambling, tramping or trekking	OR	OR	OR	OR
ice or glacier climbing	\$2.00 or X	X	X	X
indoor rock climbing	OR	OR	OR	OR
Cricket				
amateur	OR	OR	OR	OR
Curling				
amateur/recreational	OR	OR	OR	OR
professional	OR	D	OR	D
Cycling – BMX, road cycling, mountain bike, triathlon				
amateur	OR	OR	OR	OR
competition	OR	X	OR	X
professional	OR	D	OR	D

D

Pastime	LC	TPD	CI	IP/BE/PW
Dancing – amateur/recreational	OR	OR	OR	OR

E

Pastime	LC	TPD	CI	IP/BE/PW
Equestrian/horse sports				
Amateur or recreational				
rodeo	OR	X	OR	X
campdrafting	OR	OR	OR	OR
all other mounted activities	OR	OR	OR	X
non-mounted, such as carriage	OR	OR	OR	OR
Professional				
rodeo or campdrafting	OR	D	D	D
flat racing	OR	D	OR	D
steeplechase or jumping	\$2.00 or X	D	D	D

F

Pastime	LC	TPD	CI	IP/BE/PW
Football	Short waiting period for accidental injury is not available under Income Protection unless a full football exclusion applies.			
Australian rules, rugby union, rugby league, gridiron				
amateur 14 day wait (AAA, ACT, M, L, AA, A)	OR	OR	OR	25% (30x)
amateur 14 day wait (BBB, BB, B, SR)	OR	OR	OR	25% (90x)
amateur 30 day wait (AAA, ACT, M, L, AA, A)	OR	OR	OR	OR
amateur 30 day wait (BBB, BB, B, SR)	OR	OR	OR	25% (90x)
amateur 90 day wait	OR	OR	OR	OR
professional	OR	D	OR	D
touch football and super rules	OR	OR	OR	OR
Football soccer				
amateur	OR	OR	OR	OR
professional	OR	D	OR	D

PASTIMES TABLE AND GUIDE

Pastime classification tables

G

Pastime	LC	TPD	CI	IP/BE/PW
Golf				
amateur/recreational	OR	OR	OR	OR
professional	OR	D	OR	D
Gymnastics – amateur/recreational	OR	OR	OR	OR

H

Pastime	LC	TPD	CI	IP/BE/PW
Hang gliding/paragliding	See Aviation			
Hockey				
field				
amateur	OR	OR	OR	OR
professional	OR	D	OR	D
ice				
amateur only	OR	OR	OR	OR
professional	OR	D	OR	D
Hunting				
Australia and NZ only (No Aviation)				
amateur	OR	OR	OR	OR
professional	OR	D	OR	D
Hurling				
amateur/recreational	OR	OR	OR	OR
professional	OR	D	OR	D

K

Pastime	LC	TPD	CI	IP/BE/PW
Kayaking, Canoeing	See Water sports			

L

Pastime	LC	TPD	CI	IP/BE/PW
Lacrosse				
amateur	OR	OR	OR	OR
professional	OR	OR	OR	OR
Lawn bowls – amateur/recreational	OR	OR	OR	OR

M

Pastime	LC	TPD	CI	IP/BE/PW
Martial arts				
Kick boxing				
amateur	OR	X	OR	X
professional	OR	D	D	D
Martial arts –amateur				
mixed martial arts, no holds barred, cage fighting, ultimate fighting, vale tudo (supervised, sanctioned fights only)	OR	D	OR	D
non-contact, non-competitive, fitness only	OR	OR	OR	OR
contact or competitive	OR	OR	OR	X
Martial arts – professional	OR	D	OR	D
Motor boat racing				
drag boat racing	\$2.00 or X	X	X	X
hydroplane racing	\$2.00 or X	X	X	X
inboards	OR	OR	OR	OR
jet sprint boat racing	OR	OR	OR	OR
offshore powerboat racing	\$3.00 or X	X	X	X
outboard racing	OR	OR	OR	OR
fi powerboat racing	\$7.00 or X	X	X	X
Motor cycle racing				
international or professional	IC	IC	IC	IC
amateur				
acrobats	\$10.00 or X	X	X	X
cross country hare and hound scrambles				
<250cc	OR	X	OR	X
>250cc	\$2.50 or X	X	X	X
dirt track racing	\$2.50 or X	X	X	X
gas powered drag racing (pump grade gas with additive)				
<250cc	OR	X	OR	X
250–450cc	\$2.50 or X	X	X	X
>450cc	\$5.00 or X	X	X	X
fuel powered dragster (ie nitro methane methanol)				
<250cc	\$2.50 or X	X	X	X
250–450cc	\$5.00 or X	X	X	X
>450cc	\$7.50 or X	X	X	X
field meets, economy runs, enduro trials	OR	X	OR	X
road racers (scrambles)	\$2.50 or X	X	X	X
road racers (other)				

PASTIMES TABLE AND GUIDE

Pastime classification tables

M (continued)

Pastime	LC	TPD	CI	IP/BE/PW
<250cc	\$2.50 or X	X	X	X
250–450cc	\$5.00 or X	X	X	X
>450cc	\$7.50 or X	X	X	X
record attempts – engine propelled	IC	D	D	D
record attempts – jet propelled	\$15.00 or X	D	D	D
Motor racing				
international or professional	IC	IC	IC	IC
amateur				
rallycross or minicross	OR	OR	OR	OR
amateur road rallies	\$1.00 or X	X	X	X
hill climbs	\$2.00 or X	X	X	X
veteran, vintage or classic	IC	IC	IC	IC
track days or trials	OR	OR	OR	OR
sprints	\$1.00 or X	X	X	X
drag racing	\$2.00 or X	X	X	X
drifting	\$3.00 or X	X	X	X
karting – recreational, concession or indoor	OR	OR	OR	X
karting – competitive	\$1.00 or X	X	X	X
open wheel racing	IC	IC	IC	IC
stock cars	\$2.00 or X	X	X	X
sports car racing	\$1.00 or X	X	X	X
Midget (speedcar)	\$2.00 or X	X	X	X
Touring Cars	IC	IC	IC	IC
Mountain climbing and rock climbing				
<4,000m (13,000ft)	OR	X	OR	X
4,000–6,000m (13,000ft–19,700ft) – no solo climbing	\$2.00 or X	X	X	X
>6,000m (19,700ft) or solo climbing	D	D	D	D

N

Pastime	LC	TPD	CI	IP/BE/PW
Netball				
amateur/recreational	OR	OR	OR	OR
professional	OR	D	OR	D
other	IC	IC	IC	IC

P

Pastime	LC	TPD	CI	IP/BE/PW
Parachuting and sky diving				
instructor	\$2.00 or X	D	X	D
single jump – no future jumps planned	OR	OR	OR	OR
recurrent jumps, formation jumps, freefalling, competition	\$2.00 or X	X	X	X
canopy piloting, record attempts, wing suits, base jumping, sky surfing	IC	IC	IC	IC
hot air ballooning				
<1500m and no long distance	OR	OR	OR	OR
>1500m OR long distance	IC	IC	IC	IC
military (underwriter to assess use manual rating)	IC	IC	D	D

R

Pastime	LC	TPD	CI	IP/BE/PW
Rollerblading – amateur/recreational	OR	OR	OR	OR
Running – amateur/recreational	OR	OR	OR	OR

S

Pastime	LC	TPD	CI	IP/BE/PW
Sailing				
harbour or inshore	OR	OR	OR	OR
offshore with no ocean crossings	OR	OR	OR	OR
ocean crossings with 3 or more crew	OR	X	OR	X
ocean crossings with less than 3 crew	IC	D	IC	D
Skiing – snow				
amateur, recreational/pleasure only	OR	OR	OR	OR
amateur, competition	OR	X	OR	X
professional/competition	OR	D	OR	D
Skiing – water				
amateur, recreational/pleasure only	OR	OR	OR	OR
amateur, competition	OR	x	OR	x
professional/competition	OR	D	OR	D
Softball – amateur/recreational	OR	OR	OR	OR
Surfing	See Water sports			

PASTIMES TABLE AND GUIDE

Pastime classification tables

T

Pastime	LC	TPD	CI	IP/BE/PW
Table tennis – amateur/recreational	OR	OR	OR	OR
Ten pin bowling – amateur/recreational	OR	OR	OR	OR
Tennis				
amateur/recreational	OR	OR	OR	OR
professional	OR	D	OR	D

U

Pastime	LC	TPD	CI	IP/BE/PW
Underwater sports				
scuba diving – up to 45m, no caves, potholes or wrecks, no diving alone	OR	OR	OR	OR
scuba diving – up to 45m, with caves, potholes or wrecks, or diving alone	\$2.00 or X	X	X	X
scuba diving 45–100m	\$2.00 or X	X	X	X
scuba diving >100m	D	D	D	D
snorkelling	OR	OR	OR	OR
free diving – non-competitive	OR	OR	OR	OR
free diving – competitive	X	X	X	X
professional or commercial diving	IC	IC	D	D

V

Pastime	LC	TPD	CI	IP/BE/PW
Volley ball				
amateur/recreational	OR	OR	OR	OR
professional	OR	D	OR	D
Volunteer emergency and defence – SES, CFA, firefighter, lifesaving, lifeguard	OR	OR	OR	OR

W

Pastime	LC	TPD	CI	IP/BE/PW
Water sports				
canoeing/kayaking	OR	OR	OR	OR
high diving (springboard or platform)				
amateur or recreational	OR	OR	OR	OR
professional	IC	IC	D	D
waterskiing				
non-competitive or recreational	OR	OR	OR	OR
competitive	OR	X	OR	X
surfing				
amateur or recreational	OR	OR	OR	OR
professional	OR	D	OR	D
swimming				
amateur or recreational	OR	OR	OR	OR
professional	IC	D	IC	D
Wrestling				
amateur only	OR	OR	OR	OR
professional	OR	D	OR	D

Z

Pastime	LC	TPD	CI	IP/BE/PW
Zorbing				
less than 10 times pa	OR	X	OR	X
more than 10 times pa	\$1.00(x)	X	\$1.00(x)	X

FINANCIAL UNDERWRITING

Financial requirements: why financially underwrite?

A question often encountered when discussing financial underwriting with financial advisers is 'why don't we just allow the cover they want; they are willing to pay the premiums, so why limit the cover?'

There are many reasons for financially underwriting applications. Primarily, we perform financial underwriting to ensure the amount of cover requested is within the boundaries of the applicant's needs.

Financial underwriting also allows the underwriter to:

- prevent over-insurance situations which create the potential for moral risks and increased claims
- ensure the policy owner has an insurable interest in the Life Insured
- reduce the risk of anti-selection
- reduce the risk of fraud
- protect the interests of our policy holders and shareholders.

For the purpose of determining financial underwriting requirements, sums insured must include cover from all sources.

The financial documentation required to support an application for insurance will depend upon the:

- insurance type (eg Life Cover, Income Protection)
- age of the Life to be Insured
- cover amount
- purpose of the insurance (eg personal, business).

The main purposes of insurance cover are:

- personal insurance, including estate equalisation
- business insurance, including:
 - Asset (Debt) Protection (loan cover)
 - Revenue Protection (Keyperson insurance)
 - Ownership Protection (share purchase / Buy/Sell insurance).

Personal Insurance: Life Cover, Accidental Death, TPD and Critical Illness

For lump sum personal insurance, although we financially underwrite all cases irrespective of the sum insured, it is not practical (or necessary) to obtain full financial profiles for every application. Information beyond that provided in the insurance application may be requested where:

- the need or reason for the level of insurance requested is unclear
- the insurance amount seems excessive based on the information given in the application (perhaps based on income, occupation, age)
- the sum insured exceeds the levels set by us.

The financial requirements tables on page 82 show the maximum insurance amounts available, the amounts at which financial evidence is mandatory and the types of financial evidence required.

Financial evidence requirements for combined Life Cover, Accidental Death, TPD stand-alone and Critical Illness stand-alone are based on the benefit that requires the most comprehensive financial evidence.

Employed/Self-employed applicants

Most employed people are acceptable for up to \$1,000,000 of Life Cover, Accidental Death, Critical Illness and TPD insurance (from all sources) without the need to provide financial evidence beyond details of earnings in the application.

The applicant's earnings are one of the main criteria we consider for personal insurance. We use a multiple of earnings to determine a reasonable sum insured. The multiples used are shown on page 81. We also take existing insurance into account. If the proposed sum insured exceeds the amount calculated by applying the multiple of earnings, we will also consider family liabilities and dependants.

We understand that individual circumstances vary. Should your recommendations based on the Fact Find and Statement of Advice (SOA) exceed the multiples shown on page 126, please provide the Statement of Advice to support the level of cover proposed.

The SOA should include:

- details of the Life to be Insured's financial position, including earnings, dependants, assets and liabilities
- needs analysis, and
- how the sum insured was calculated.

Additional financial information to support the sum insured may be requested by the underwriter.

Age	Multiple of earnings	
	Life and TPD	Critical Illness
Up to 40	Up to 25x	Up to 15x
41–50	Up to 20x	Up to 10x
51–55	Up to 15x	Up to 8x
56–60	Up to 10x	Up to 5x
61 and over	Up to 5x	Up to 2x

Example:

If a 40-year-old applicant with annual earnings of \$75,000 requests Life Cover of \$1,875,000 (25 x earnings) no additional information will be required. If the same applicant requests \$2,500,000 the underwriter may request financial information to support the proposed sum insured.

FINANCIAL UNDERWRITING

Personal Insurance: Life Cover, Accidental Death, TPD and Critical Illness

Homemakers

Personal insurance up to \$1,500,000 of Life Cover and Accidental Death combined and \$1,000,000 of TPD and Critical Illness insurance is generally allowable for homemakers.

Consideration can be given for higher sums insured, taking into account such factors as the working spouse's earnings, mortgage on the family home, number and age of dependants.

The Statement of Advice (SOA) or a detailed report from the financial adviser must be provided with the application to support higher sums insured, including the specific need for insurance and how the sum insured was calculated.

The maximum sums insured that will be considered are shown in the table below.

Unemployed, student and retired applicants

Personal insurance up to \$500,000 Life Cover, Accidental Death and Critical Illness can generally be considered for unemployed, student and retired applicants.

If higher sums insured are requested, the Statement of Advice (SOA) or a detailed report from the financial adviser must be provided with the application. This should include the specific need for cover and how the sum insured was calculated.

Cover	Maximum sum insured
Life Cover and Accidental Death	\$2,000,000
TPD	\$2,000,000
Critical Illness	\$1,250,000

Business Insurance: Life Cover, Accidental Death, TPD, Critical Illness and Business Safeguard Option

The key to underwriting Business Insurance lies in understanding the purpose of the insurance, how the sum insured was calculated, and the type of business insurance requested.

A supporting statement from the financial adviser helps the underwriter to establish that the insurance requested is suitable for the purpose and supported by the applicant's circumstances. Ideally, this would include information about the type of business insurance requested, the business structure, the involvement and responsibilities of the Life to be Insured in the business, and how the sum insured was calculated.

Purpose of Business Insurance

Ownership Protection (Buy/Sell) insurance

Ownership protection or buy/sell insurance is intended to provide insurance for all partners or shareholders in a small business. In the event of a shareholder's death or disablement, the insurance provides capital to allow the remaining partners/shareholders to purchase the deceased/disabled person's share of the business.

The insurance on each of the partners/shareholders should be proportionate to their respective share in the business. The factors that the underwriter needs to take into account include whether:

- the level of insurance proposed reflects the value of the business as demonstrated by independent valuation, financial accounts and other supporting information available
- the level of insurance reflects the percentage ownership of the Life to be Insured
- there is sufficient personal insurance in place or proposed for the Life to be Insured
- there is a buy/sell agreement in place or being put in place
- all business partners are effecting insurance.

Revenue Protection (Keyperson) insurance

Revenue protection insurance is used to offset the expected loss experienced by a business if key people within the organisation die or become disabled.

A keyperson is someone who is critical to the financial health of a business. They may possess specific knowledge and experience and valuable personal contacts, and they may provide financial support to the business so that, in the event of their death or disability, the business may not be able to continue without a replacement or will suffer a significant financial loss. The form of the loss may be a reduction of profitability, or an interruption to business activities or to the ability of the business to service its commitments.

Recruitment costs may also be incurred in finding a replacement.

The factors that the underwriter needs to take into account include:

- whether the level of insurance proposed reflects the value of the keyperson
- that the method used to value the keyperson is reasonable
- the business structure, turnover, net profit
- the keyperson's financial interest / share in the business
- the keyperson's remuneration package
- any other insurance that is in force on the keyperson
- that for an arm's length employee (a keyperson who does not have a financial interest / share in the business) insurance will usually be restricted to 10 times the remuneration package.

FINANCIAL UNDERWRITING

Business Insurance: Life Cover, Accidental Death, TPD, Critical Illness and Business Safeguard Option

Asset (Debt) Protection or loan guarantee insurance

Asset (Debt) Protection insurance can be used to pay the business's debts if the insured person dies or is disabled. This prevents any short or medium-term financial difficulty that may come about if the person was key to the business and their loss affects the running of the business and ability to service debt.

The factors that the underwriter needs to take into account include:

- the loan amount
- the proportion of the loan the Life Insured is responsible for
- the reason for the loan
- the lending institution
- the term of the loan
- that all loan participants should be effecting insurance
- whether the insurance is a condition to the granting of the loan.

Joint and several liability

Where there is more than one business owner, liability for a business loan will often be shared. We have adopted a standard approach to determining the maximum amount insurable for each Life Insured sharing responsibility for the loan.

For debts up to \$10,000,000 per business, where business ownership is equal or close to equal, each business owner may be covered for a proportion of the debt as shown here:

Number of business owners	Percentage of debt covered
2 owner business	100% of the first \$2,000,000 debt, 75% of excess
3 owner business	100% of the first \$1,000,000 debt, 75% of next million, 50% of excess
4 owner business	100% of the first \$1,000,000 debt, 75% of next million, 25% of excess
5 or more owner business	% of debt equal to % business ownership

For business debts exceeding \$10,000,000 or if the percentage of business ownership is not equal or close to equal, each owner can only apply for the percentage of the business debt equal to their percentage of business ownership.

This applies to business owners working in the business only.

The standard maximum covers for TPD and Critical Illness apply.

Business Safeguard Option

Business Safeguard Option allows Life Cover, TPD and Critical Illness insurance to be increased without further medical evidence if the insurance is for one of the following business purposes:

- Ownership Protection (Buy/Sell)
- Asset (Debt) Protection (loan guarantee)
- Revenue Protection (Keyperson)

in line with increases in the value of the insured's financial interest in the business, loan guarantee or keyperson.

Where this option is applied for, our Financial Questionnaire must accompany the application along with any supporting information sufficient to show the value of the Life to be Insured's financial interest in or to the business (as applicable to the insurance purpose) and the method of valuation used.

The last two years financial accounts for all entities should also be provided where available. Depending on the purpose of the insurance, additional information as shown in the table on page 85 may also be required.

Purpose of insurance	Client to supply a copy of:
Ownership Protection (Buy/Sell) insurance	Buy/Sell agreement and current business valuation
Asset (Debt) Protection / loan guarantee insurance	Loan deed or equivalent
Revenue Protection (Keyperson) insurance	Current valuation of the keyperson's value/worth to the business

This financial information is required to support the amount of cover proposed and to provide a basis for comparison for future increases under the option. The valuation method used at the time of increase must be the same method used when this option was originally applied for.

To apply for an increase, write to us and provide evidence of the increase in value. (eg business valuation, loan agreement). We may ask for other contractual or financial evidence to satisfy us that the increase in value is at least equal to the increase in cover requested.

If you have any questions regarding the medical and/or financial underwriting requirements applying for this option, please call your underwriting team.

FINANCIAL UNDERWRITING

Income Protection

Calculating the monthly benefit

A monthly benefit up to \$30,000, including cover with other insurers, is available for all occupations eligible for Income Protection insurance.

A monthly benefit up to \$60,000 is available for some professional occupations such as surgeons, accountants and solicitors.

Benefits are also limited as follows:

Earnings (per annum)	Earnings (per month)	Percentage of your earnings	Maximum monthly benefit
first \$320,000	\$26,666	75%	\$20,000
from \$320,001 to \$560,000	\$26,667 to \$46,666	50%	\$20,001 to \$30,000
from \$560,001 to \$2,360,000	\$46,667 to \$196,666	20%	\$30,001 to \$60,000
over \$2,360,000	over \$196,666	Nil	\$60,000

For example if your client's Earnings are \$320,000 per annum, they can apply for a maximum income protection insurance benefit of \$20,000 per month, which is 75% of their monthly income.

After the policy is issued, if as a result of inflation Proofing the benefit shown on the policy schedule exceeds the maximum monthly benefit:

- for the Income Protection Platinum and Income Protection, the percentage of earnings for income in excess of \$2,360,000 will be based on 20%, and
- for Income Protection Special Risk, the percentage of earnings for income in excess of \$560,000 will be based on 50%.

Conditions for monthly benefits over \$30,000

Insurance above \$30,000 monthly benefit is only available if the insurance below that amount is with us.

The waiting periods available are 30 days, 90 days and 1 year and the maximum benefit period is 2 years.

Income Protection Agreed Value vs Indemnity benefit

Agreed Value cover

Under the Agreed Value cover, the monthly benefit won't be reduced because your Earnings are lower when you claim than they were when your insurance was issued.

After the Review Date following the client's 65th birthday the benefit will be assessed as an indemnity benefit (see below).

Agreed Value cover endorsed

If your client is applying for an Agreed Value benefit and provided satisfactory evidence of Earnings at the time of underwriting, we will endorse the policy to confirm that financial information has been accepted to support the benefit amount insured.

The endorsement will be applied where the financial information provided has been accepted by us to support the Total Disability benefit and on the understanding the information was accurate.

Where the endorsement is applied, we will not ask the client to provide this information again to justify the Total Disability benefit amount. Financial information may still be required in the future to assist with the assessment of their claim to determine eligibility for other benefits under the policy or to meet superannuation and legislative requirements.

Indemnity cover

Under Indemnity cover, the monthly benefit payable at claim time may be reduced if Earnings have reduced. The benefit payable will be lesser of the benefit shown on the policy scheduled and the maximum insurable amount calculated by the formula described in the table on page 131. Choosing this style of benefit may help lower the Income Protection premium for your client.

Earnings

The definition of Earnings varies according to whether the person is self-employed or an employee. Whether self-employed or employed, Earnings do not include investment income and are calculated before tax.

Self-employed

A self-employed person directly or indirectly owns part or all of a business or practice.

'Earnings' means the income of the business or practice generated by the personal effort of the Life Insured after the deduction of their appropriate share of business or practice expenses in generating that income.

This income may include:

- share of 'net operating profit' (a net loss will be deducted from earnings)
- salary/wage
- director's fees
- superannuation contributions for the Life to be Insured and a spouse not working in the business
- salary/wage to a spouse not working in the business (paid for tax purposes only)
- depreciation up to 10% of gross turnover
- donations.

Other expenses that represent personal benefits may also be considered subject to underwriting approval.

FINANCIAL UNDERWRITING

Income Protection

Employee

An employee does not directly or indirectly own part or all of a business or practice.

'Earnings' means the total remuneration paid by the employer to the Life Insured.

Remuneration components may include:

- salary/wage
- regular commissions
- fees
- regular bonuses
- regular overtime
- non-contributory superannuation
- motor vehicle leases
- motor vehicle parking
- fringe benefits paid in lieu of direct remuneration.

Other earnings

Bonuses

As part of an employee's remuneration, they may receive bonuses. We will consider the inclusion of bonuses in some situations when calculating the maximum monthly benefit.

The underwriter needs to consider:

- on what basis the bonus is paid
- what bonuses have been paid over the last three years
- the frequency of the bonuses.

Commissions

Commission income can fluctuate from year to year and can be considered in determining the monthly benefit available where it is shown to be at a consistent level over three years.

Generally, ongoing commissions that would continue to be paid after the Life Insured has ceased working are not included in the earnings calculation for the purposes of determining the benefit amount allowable.

Factors the underwriter would consider:

- what the trail commission is based on (eg persistency of business such as a loan with a lending institution)
- how long the trail commission is paid
- the effort required to maintain the payment (eg yearly review of client portfolio) whether there are others in the business who could maintain the income stream (eg employees of a real estate agency managing rental properties)
- percentage of time involved in maintaining this income stream (time on new business versus existing business).

Depreciation

Depreciation represents the writing down of goods and assets values over time, in line with wear and tear and the reduction in value over the life of the asset.

Depreciation is listed as a business expense on the profit and loss account although it does not represent a physical payment or expense incurred by the business.

We will consider allowing inclusion of reasonable levels of depreciation as part of the earnings calculation. We will generally allow depreciation of up to 10% of gross turnover to be included as earnings.

Where the value of depreciation exceeds 10% of gross turnover, consideration may be given to inclusion of a proportion of this. Please contact our underwriting team to discuss.

The client may request that depreciation be covered under concurrent Business Expenses cover. This is acceptable to us as long as the loss is not covered under both Business Expenses and Income Protection insurance.

Donations

Donations can be included as earnings where listed as an expense of a business on business accounts.

Income distribution to spouse / de facto / life partner

Spouses who work together can be considered for Income Protection if it is evident that both parties work full-time in the business and the working arrangement has not been structured simply for tax purposes. Full details of their separate responsibilities, duties and income will be required with the applications for insurance.

We will not consider people working from home doing accounts, bookkeeping or secretarial work for the business of their spouse or partner as being eligible for Income Protection.

Consideration can be given to an Income Protection benefit, based on the full earnings amount, where the Life Insured generates the business income, and their spouse or partner does not work in the business, but receives income from the business simply for tax purposes.

The financial adviser should provide additional information with the application on the income distribution arrangement.

Non-cash personal benefits as earnings

Earned income may include benefits not taken as cash. These benefits are often included in the salary packages of executives and higher-income employees. Salary packaging can include many benefits such as superannuation, parking, motor vehicles (and related running costs) and health insurance premiums.

Insurance benefits

For self-employed people, we allow up to 100% of non-business insurance premiums to be considered as earnings. We exclude Income Protection insurance premiums as these are waived in the event of a claim for a period of disability.

Motor vehicles

The insurable proportion of motor vehicle use varies with the type of occupation:

- self-employed people may have profit and loss accounts to show the proportion of motor vehicle expenses applicable to business use and personal use
- tradespeople could be expected to require a work vehicle to be used almost 100% for business purposes
- professionals such as doctors or solicitors are more likely to have a higher component of personal vehicle use.

To simplify the matter, we have adopted a standard approach regardless of occupation:

Number of vehicles	Underwriting for vehicle expenses shown in accounts
1	We may apply a standard approach of including 30% of the expense as earnings, if the vehicle is not solely a tool of trade and the personal use component has not been stated or determined. The full vehicle expense may be included under Business Expenses insurance, as long as the expense is not duplicated in the earnings calculation to determine the Income Protection benefit.
2	Where the vehicles appear as expenses for a tradesperson or professional in a single practice, the expenses for one vehicle may be considered if it is shown that only one is a work vehicle and the other is 100% for private use by the Life Insured or spouse.

FINANCIAL UNDERWRITING

Income Protection

Unearned income and assets

Income that the applicant receives other than through personal exertion in their occupation is known as unearned income. Unearned income may include such things as dividends, interest, rent or pensions. As such, unearned income continues to be received by the applicant even if he/she becomes disabled.

Investment income and assets

Individuals who earn very high incomes usually invest a percentage of their income. Investment income and assets form a source of income which will continue whether the individual is working or not, so these are considered by underwriters as sources of unearned income.

Claims experience demonstrates that the level of income or benefit received can dramatically influence the duration of a claim. In order to reduce this effect, we require information regarding investment and other unearned income where the proposed Income Protection monthly benefit exceeds \$15,000.

Information regarding assets is also required where the proposed monthly benefit exceeds \$20,000. Our Financial Questionnaire is required for this level of cover.

Below is a summary of our treatment of investment income and assets:

Proposed monthly benefit	Underwriting for investment income and assets
Up to \$15,000	Investment income and asset position not required, as a general rule
\$15,001 to \$20,000	Where investment or unearned income exceeds \$250,000, offset investment or unearned income as follows: $\frac{(\text{earned income} + \text{unearned income}) \times \text{replacement ratio} - \text{unearned income}}{12}$
\$20,001 to \$30,000	Where investment or unearned income exceeds \$250,000, offset as follows: $\frac{(\text{earned income} + \text{unearned income}) \times \text{replacement ratio} - \text{unearned income}}{12}$
	Where net asset exceeds \$5,000,000 (excluding the family home), offset 5% of total net asset value: $\frac{(\text{earned income} + 5\% \text{ of net asset value}) \times \text{replacement ratio} - 5\% \text{ of net asset value}}{12}$
	Where investment or unearned income exceeds \$250,000 and net asset value exceeds \$5,000,000, apply whichever of the above calculations generates the higher offset

Business Expenses

Business Expenses insures the reasonable and regular normal operating expenses of the business which will continue while the client is disabled.

If there's more than one owner of the business, we'll pay the insured's share of the covered business expenses.

The maximum monthly benefit available under Business Expenses insurance is \$60,000.

A profit and loss account is required as proof of expenses to support a monthly benefit in excess of \$30,000.

Covered expenses can also include the net cost of a Locum.

Who can apply?

Partnerships

Partners of small partnerships (up to six partners) can apply to insure their share of partnership expenses.

Small businesses

The principals of a small business with up to six employees can apply for Business Expenses insurance. We will consider conservative benefit amounts only for this category.

Sole traders

Sole traders with fixed expenses that will continue when they are unable to work.

Expenses covered

Covered expenses are the reasonable and regular operating expenses of the business or practice the Life Insured owns and manages (or the appropriate share if a partnership). They include:

- rent or mortgage payments (including principal and interest)
- property rates and taxes
- equipment or vehicle lease costs
- electricity, heating and water costs
- cleaning and laundry costs
- depreciation on office equipment and premises that the business owns
- salaries of employees not generating business income
- costs of accounting services
- fees for membership of professional associations
- business insurance premiums
- net cost of a Locum.

Expenses not covered

The following expenses are not covered:

- salary, fees, drawings or any payment or benefits of any kind from the business to the Life Insured
- any expense that was not normally paid before the disability
- repayment of the principal of a loan or mortgage that started less than one year before the disability
- the cost of equipment or merchandise for the business.

What is a Locum?

A Locum means a person sourced external to the business and who is a direct replacement for the Life Insured.

The net cost of a Locum is the cost of engaging a Locum less the gross sales, earnings or billings generated by the Locum.

MEDICAL UNDERWRITING

Medical requirements

Medical evidence may be required as part of the underwriting of your client's application for insurance, based on either the client's age and the type and amount of cover applied for, or based on your client's personal and family medical history as disclosed on the Application Form.

New business

The medical evidence required depends on age and the total combined sum insured payable by us on death, disability or a critical illness event, across all insurance cover with us.

The combined sum insured is used to determine the usual medical requirements where a combination of different types of insurance are being applied for and / or will remain in force with us.

Where any combination of Life Cover, Accidental Death, Critical Illness stand-alone, Double Critical Illness, TPD stand-alone, Double TPD are being applied for:

1. First determine the total sum insured for each insurance type being applied for and remaining in force:

- all Life Cover
- all Accidental Death
- TPD stand-alone + Double TPD
- Critical Illness stand-alone + Double Critical Illness

(do not include other extension covers)

2. highest total sum insured + half of the total sums insured under the remaining insurance types = combined sum insured.

Additional requirements may apply if the total Critical Illness sum insured is over \$500,000.

Note: Child Critical Illness, Premium Waiver and Occupationally Acquired HIV, Hepatitis B or C insurance are not included to determine standard medical requirements.

Example:

If applying for Life Cover \$2,000,000 + Double Critical Illness \$500,000 + TPD stand-alone \$600,000; then add the full Life Cover \$2,000,000 + half the Double Critical Illness \$250,000 + half the TPD stand-alone \$300,000 and apply the requirements for \$2,550,000.

Increases

Applications for an increase in cover under existing policies or additional insurance policies are assessed with consideration for the cover in force with us and requirements previously obtained.

Medical evidence for an increase in cover is determined by adding the current total in force cover with us to the increase amount and applying the medical requirements table. However, when increasing cover that has been accepted on standard terms, it may not be necessary to repeat medical requirements previously obtained (ie only the additional requirements may be needed).

Requirements will depend on both the increase in the amount of cover, the new total amount of cover and when medical evidence was last obtained.

Business Safeguard Option

The medical underwriting requirements during initial underwriting will be based on three times the level of cover being applied for. For example, if the option is proposed to apply to \$1,000,000 of Life Cover, the normal medical requirements applying to \$3,000,000 of Life Cover will be required.

Example:

A 46-year-old took out \$2,750,000 Life Cover over 12 months ago. The medical requirements at the time were a blood test for HIV, MBA and Hepatitis B & C serology, medical examination and ECG. The results were within normal limits and the insurance was accepted on standard terms.

The client is now applying for an additional \$750,000 Life Cover.

No medical requirements apply for \$750,000 in addition to the Application Form / personal statement.

The medical requirements for a new total cover of \$3,500,000 are:

- Blood test for HIV, MBA, Hepatitis B & C serology
- Medical/Paramedical examination
- ECG
- PMAR.

Test and examination results previously provided were within normal limits and so don't need to be repeated. Therefore the only requirements for the increase are:

- Application for Increase and Alteration
- PMAR.

MEDICAL UNDERWRITING

Arranging medical requirements

We can arrange medical requirements

We can arrange all the medical requirements for you.

Please have your client consent to Lifescreen contacting them to arrange medical requirements.

We will arrange for Lifescreen, our third-party paramedical service provider, to contact your client to have the requirements completed.

We will also arrange for any PMARs to be obtained. Please ensure you have had the medical authority completed so we can obtain a report if necessary.

What is a PMAR?

A Personal Medical Attendant's Report (PMAR) is a medical history report obtained from the client's doctor.

You can arrange medical requirements

Refer to the table 'Paramedical services at a glance' for information and contact details. Your client may choose to go to their own doctor rather than to a paramedical service provider.

What is a RapidCheck?

A RapidCheck (or Express Check) is a short examination that takes approximately 15 minutes to complete and includes:

- measurements of height, weight, abdomen and blood pressure
- a urine (dip stick) test for glucose, albumin and blood.

Does your client need to fast for a blood test?

Yes, unless your client is pregnant or diabetic or has some other medical condition which means they shouldn't fast. Food and drink consumed in the hours before biochemical analysis can affect blood test results. Fasting allows a more accurate indication of overall health. For this reason, the blood test should be done after an overnight fast or a fast of at least eight hours (ie no food or drink except water for eight hours prior to the test).

If you wish to arrange requirements directly, follow these steps:

Medical requirement:	Lifescreen Australia	Other pathology collection centre or doctor
Blood test	Complete our 'Pathology Request for Insurance' form and leave it with your client to present Instruct client to fast at least 8 hours Complete and fax a Lifescreen Health Evaluation Request form showing the blood tests required, or phone Lifescreen	Complete our 'Pathology Request for Insurance' form and leave it with your client to present. Instruct client to fast at least 8 hours
Paramedical Examination / Standard Health Evaluation	Complete and fax a Lifescreen Health Evaluation Request form, or phone Lifescreen to request a 'Standard Health Evaluation' (paramedical)	Print the Standard Medical Examination form from mlcinsurance.com.au
RapidCheck	Complete and fax a Lifescreen Health Evaluation Request form, or phone Lifescreen to request an 'Express Check'	Print the 'RapidCheck' form from mlcinsurance.com.au
Phone	1800 686 000	
Fax	1800 804 758	

Underwriting questionnaires

We provide a range of questionnaires to assist in the underwriting process. Submit completed questionnaires with the application to help avoid the need for additional medical reports or statements from clients.

Questionnaires are available as indicated in the table below. For convenience, the most commonly used questionnaires are included in the Application Form.

Questionnaire description	Application Form	mlcinsurance.com.au
Asthma	•	•
Back/Neck Disorder	•	•
Chest Pain		•
Epilepsy		•
High Blood Pressure	•	•
High Cholesterol	•	•
Indigestion and Reflux		•
Joint/Musculoskeletal	•	•
Mental Health	•	•
Pastime (diving, motor racing and aviation)	•	•
Skin Lesions	•	•

Hard copy items can be ordered via EasyOrder on easyorder.com.au. New users to this service can register via the 'Become a registered user' link on this site.

Soft copy items can be downloaded from mlcinsurance.com.au under 'Forms and Brochures'.

Other forms include:

Form description	Illustrator	mlcinsurance.com.au	EasyOrder
Alteration to Non-smoker	•	•	
Application for Increases and Alterations	•	•	•
Application for Reinstatement	•	•	
Application for Replacement Policy	•	•	
Application for Increases Without Further Medical Evidence		•	
Declaration of Changes	•	•	
Financial Questionnaire	•	•	
Pathology Request for Insurance	•	•	
RapidCheck Examination Form	•	•	
Standard Medical Examination Form	•	•	

MEDICAL UNDERWRITING

Health pre-assessment

Health affects applications

Health is a major consideration in the assessment of applications for insurance. It is vital that the client completes the Application Form fully and accurately. This will help expedite the issue of a policy.

In this section we provide general information about some common medical conditions and what the underwriter has to consider in their assessment. This guide should only be used for individual medical conditions. Where there is a history of multiple medical conditions, the ratings and requirements may vary and the matter should be referred to our underwriting team.

In particular, the underwriting of Income Protection requires the consideration of a combination of factors including occupation, health and proposed waiting period, all of which can influence the final assessment.

We offer cover with extra premium loadings, exclusions, or amended waiting or benefit periods to cater to clients who might otherwise be declined insurance due to their medical history. Please see 'Alternative terms and policy amendments' on page 10 in 'Underwriting Philosophy and Service' and the exclusions for 'Critical Illness Extra Benefits Option – Partial Benefits' and 'Critical Illness – alternative terms for special cardiovascular and cancer risks' in this section.

Critical Illness Extra Benefits Option – Partial Benefits

For an additional cost, the applicant can apply for the Critical Illness Extra Benefits Option – Partial Benefits as part of Critical Illness Plus or Critical Illness stand-alone insurance.

Extra Benefits Option – Partial Benefits is subject to underwriting. The option may not be available or specified critical conditions may be excluded from the cover based on medical and/or family history. Most exclusions will be applied based on disclosed history without the need for further medical reports. We reserve the right to request additional medical evidence.

For each of the critical conditions covered under the Extra Benefits Option – Partial Benefits, the following table provides an indication of the likely underwriting outcome based on the applicant's medical history.

Critical Illness Extra Benefits Option – Partial Benefits

Critical condition covered	Medical condition present or in history	Underwriting
Adult onset insulin dependent diabetes	Diabetes	Exclude/Decline
	Impaired fasting glucose	Exclude
	Family history – diabetes, insulin dependent	Exclude
	Family history – diabetes, non-insulin dependent x 2	Exclude
Advanced endometriosis – of specified severity	Endometriosis	Exclude
Carcinoma in situ of the breast – of specified severity	Family history – breast cancer	Exclude
	Benign breast disease	Exclude
Carcinoma in situ – female reproductive organs – of specified severity	Past history of carcinoma in situ.	Exclude
Congenital abnormalities of a Child – of specified severity	Pre-existing conditions are excluded as part of the critical condition definition	None
Deafness in one ear – total and irreparable	Hearing loss – partial/total – due to disease	Exclude
	Hearing loss – partial/total – due to injury	Exclude for affected ear
Early stage benign brain tumour - of specified type	Acoustic neuroma	Exclude/Decline
	Benign brain tumour	Exclude/Decline
	Benign meningioma	Exclude/Decline
Early stage chronic lymphocytic leukaemia – of specified severity	Acute leukaemia	Exclude/Decline
	Chronic leukaemia	Decline
	Unexplained lymphocytosis/lymphoedema	Decline
Facial reconstructive surgery and skin grafting – of specified severity	Facial reconstructive surgery / skin graft	Exclude
	Facial injury likely to require reconstructive surgery or skin graft	Exclude
Inability of a Child to gain independence – of specified severity	Pre-existing conditions are excluded as part of the critical condition definition	None
Loss of one foot or one hand – total and irrecoverable	Loss / Loss of use of hand/foot – partial and progressive	Exclude
	Loss / Loss of use of hand/foot – partial, due to accident, not progressive	Standard
	Loss / Loss of use – total	Exclude affected foot/hand
Loss of sight in one eye – of specified severity	Loss of sight – partial/total – due to disease	Exclude
	Loss of sight – partial – due to injury, not progressive	Standard
	Loss of sight – total – due to injury	Exclude affected eye
Early stage melanoma – of specified severity	Melanoma	Exclude/Decline
	Non-melanocytic skin cancer	Exclude
Orchidectomy (as required to diagnose Carcinoma in situ of the testicle) – with specific requirements	Past history of carcinoma in situ	Exclude
Early stage prostate cancer – of specified severity	Prostate cancer	Decline
	PSA raised	Exclude/Decline
	Unexplained prostatic symptoms	Exclude/Decline
Serious accidental injury	High risk pastimes may attract exclusion or premium loading	Usually standard
Specified complications of pregnancy	Disseminated intravascular coagulation	Exclude
	Ectopic pregnancy	Exclude
	Hydatidiform mole	Exclude
	Stillbirth	Usually standard

MEDICAL UNDERWRITING

Health pre-assessment

Critical Illness – alternative terms for special cardiovascular and cancer risks

A significant number of critical conditions covered under Critical Illness insurance concern either cardiovascular-related risks or cancer-related risks. In the past, clients with a history of certain medical conditions which significantly increase the risk of cardiovascular-related events or cancer, or even a strong family history of some of these conditions, may have been unable to obtain cover under Critical Illness insurance.

We will consider an amended Critical Illness insurance excluding most of the risks associated with either cardiovascular conditions or cancer, and providing less comprehensive cover, but with pricing adjusted to account for these exclusions.

This allows us to offer cover to some clients who would otherwise have been declined Critical Illness insurance.

Four possible versions of the amended Critical Illness insurance may be offered according to the medical history, excluding critical conditions relevant to a history of:

1. cardiovascular conditions
2. diabetes and cardiovascular conditions
3. cancer conditions without radiotherapy in the thoracic region
4. cancer conditions with radiotherapy in the thoracic region.

The offer of the amended cover is made by the underwriter only when Critical Illness cover would otherwise be declined on specified risk profiles or as an alternative to a malignant cancer exclusion on full-priced Critical Illness. It will not be offered as an alternative to a premium loading or exclusion on the full Critical Illness Plus or Standard cover other than for malignant cancer.

The underwriter will take into account the full risk profile when considering these special risks. There will still be medical conditions that may prevent us from offering any Critical Illness insurance. The risk presented by some cardiovascular and cancer risks will be high enough that Critical Illness insurance will remain unavailable.

The following options will not be available under the amended cover:

- Buy Back Option
- Extra Benefits Option – Partial Benefits
- Increase without Medical Evidence.

Set out below are the conditions that will be excluded under each of the amended Critical Illness covers, compared to those covered under the full Critical Illness Plus and Critical Illness Standard insurance. Additional exclusions or premium loadings may also apply according to individual medical history.

Critical conditions not covered

If the client has/had cardiovascular risk factors

- Blindness – of specified severity
- Cardiomyopathy – of specified severity
- Coma – with specified criteria
- Coronary artery angioplasty
- Coronary artery angioplasty – triple vessel
- Coronary artery bypass surgery – excluding less invasive procedures
- Deafness – permanent
- Heart attack – with evidence of severe heart muscle damage
- Intensive Care – requiring continuous mechanical ventilation for 10 days
- Kidney failure
- Loss of Independence – of specified severity
- Loss of Speech – total and permanent
- Major organ transplant
- Open heart surgery
- Out of hospital cardiac arrest
- Paralysis
- Primary pulmonary hypertension – of specified severity
- Stroke – in the brain and of specified severity

If the client has diabetes, severe diabetes will also not be covered.

If the client had cancer conditions without radiotherapy in the thoracic region

- Benign brain tumour – of specified severity
- Cancer – excluding specified early stage cancers
- Intensive care – requiring continuous mechanical ventilation for 10 days
- Loss of independence
- Major organ transplant

If the client had cancer conditions with radiotherapy in the thoracic region

- Aplastic anaemia – of specified severity
- Benign brain tumour – of specified severity
- Cancer – excluding specified early stage cancers
- Coronary artery angioplasty
- Coronary artery angioplasty – triple vessel
- Coronary artery bypass surgery – excluding less invasive procedures
- Heart attack – with evidence of severe heart muscle damage
- Intensive care – requiring continuous mechanical ventilation for 10 days
- Loss of independence – of specified severity
- Major organ transplant

Child Critical Illness

Child Critical Illness insurance is underwritten with an accept/decline approach. No premium loadings or exclusion of medical conditions apply as a result of individual assessment.

Medical conditions present or in the child's medical history that relate to the conditions covered under this insurance will generally mean that this cover will not be available.

Assessment is based on the questions on the Application Form. We will not request any medical reports when making an assessment.

MEDICAL UNDERWRITING

Health pre-assessment

Body mass index: height and weight

Body mass index (BMI) is a measure of body fat based upon a person's height and weight. BMI is the measurement preferred by most obesity researchers and other health professionals and is the definition used in most published information on overweight and obesity.

BMI is derived from a calculation based on the height and weight of an individual and is not gender specific. It does not directly measure the percentage of body fat but is a more accurate indicator of overweight and obesity than relying on weight alone.

BMI is determined by dividing a person's weight in kilograms by their height, in metres, squared.

Example:

For a person whose weight is 88 kg and height is 160 cm, the calculation is:

weight = 88 kg

height squared = 1.6 m x 1.6 m = 2.56 m²

BMI = weight (kg) ÷ height² (m)
= 88 ÷ 2.56
= 34.37

BMI ranges – what do they mean?

Classification of BMI ranges	
BMI range	Weight classification
Below 17	Severely underweight
17 to 19	Underweight
20 to 24	Healthy weight
25 to 30	Overweight
Over 30	Obese

Numerous studies show a strong link between obesity and other diseases such as diabetes, hypertension, coronary heart disease, musculoskeletal issues and malignant tumours.

BMIs in the obese range will generally require a premium loading for insurance purposes.

Underwriting requirements

Within the table below are the medical requirements for different age and BMI ranges. The requirements may change if the client has significant health conditions, (eg diabetes, heart complaint, kidney disease or high cholesterol).

Age range	BMI range	Medical requirements
Up to age 30	33–35	• RapidCheck
Age 31–50	34–36	• Multiple biochemical analysis
Age 51–65	35–37	
Up to age 30	Over 36	• Medical examination or paramedical examination • Multiple biochemical analysis
Age 31–50	Over 37	
Age 51–65	Over 38	

- 1 Riskfirst and underwriting may apply a loading for BMI without any medical requirements.
- 2 A BMI of 17 or lower regardless of the insured's age will need a medical examination by the usual doctor or paramedical examination.

Underwriting medical conditions

Asthma

Asthma is a disease process resulting in the narrowing or inflammation of the airways in the lung. Acute symptoms can include difficulty in breathing, shortness of breath, wheezing, chest tightness and coughing.

Causes of asthma can include exposure to allergens (pollen and dust mites), certain chemicals, exposure to some drugs (aspirin or beta blockers), respiratory tract infections, exercise, exposure to cold air and even emotional stress.

Asthma can be treated in different ways. Bronchodilators (ventolin) can often relieve acute attacks in mild asthmatics, while inhaled and oral steroids are used for more severe forms of asthma. Preventative measures are often encouraged when treating asthmatics (eg avoiding triggers).

Underwriting approach

The underwriter assesses an applicant, checking how well their asthma is controlled.

These checks include (but are not limited to):

- regular use of preventative medication
- no recent history of treatment with oral steroids or hospitalisation
- applicant is a non-smoker
- asthma is not exacerbated by the applicant's occupation
- applicant checks his/her peak flow with a favourable result.

Mild asthma with no adverse risk factors will generally be accepted at standard rates.

An Asthma questionnaire is to be completed in all cases and subsequent medical evidence may also be requested to support the application.

Back/Neck pain or disorders

These include, but are not limited to:

- sciatica
- spondylosis
- wryneck
- whiplash
- disc prolapse
- ligament or muscular strain
- non-specific back/neck pain.

Underwriting approach

To underwrite back/neck pain or disorders the underwriter takes into account factors including:

- diagnosis
- date of diagnosis
- prognosis
- cause
- x-ray results
- any time off work
- type of treatment obtained
- type of treatment required
- occupation (manual or non-manual)
- duties the client must perform on a daily basis
- recurrences
- associated symptoms such as anxiety or depression.

With all the above information taken into account, a weighting is applied to the type of condition, the amount of time lost from work, the frequency of symptoms, the treatment received and how long the client has been symptom-free.

The underwriter then looks at the client's occupation class and whether an exclusion clause will apply. Certain weightings will allow AAA to A rated occupations to be accepted at standard rates. The same weightings on BB to SR rates could lead to a full spine exclusion.

If the client is to have back/neck surgery in the future we would decline all cover until the client made a full recovery, and for disability benefits, made a full return to work. If the client has a history of back surgery almost all cases would have a full spine exclusion applied.

There are circumstances where an applicant attends a chiropractor for 'preventative measures' or to 'maintain general health'. In these situations, attention will be paid to the reason for the original consultation, the duration and severity of the symptoms, the frequency of attendance and whether any recurrences are evident. Each case will be considered on its merits. We understand that preventative visits are good for general health and this will be taken into consideration by the underwriter.

MEDICAL UNDERWRITING

Underwriting medical conditions

Blindness

Blindness is diagnosed through the measurement of visual acuity and visual fields.

Visual acuity is expressed numerically:

20/20 (or 6/6) represents normal vision. A person is considered to be legally blind if, following correction of vision, they can only achieve 20/200 (or 6/60) (ie they can just see at 6 metres what a person with normal eyesight would see at 60 metres) or worse.

This can cause severe incapacity or inability to work, although some occupations may be manageable.

Causes of blindness

The causes of blindness have changed considerably in the developed world in the last 60 years.

The common causes of blindness today are:

- macular degeneration
- cataract
- glaucoma
- diabetic vascular disease (retinopathy)
- accident or injury.

Underwriting approach

It is important to establish whether the loss of vision was caused by disease or other causes, and whether the loss of vision is unilateral (applying to one eye) or bilateral (applying to both eyes), progressive, mild, moderate or severe.

The assessment of Life Cover is not usually affected by blindness unless it was caused by disease. The overall risk associated with that disease is then the subject of underwriting.

Total blindness or a moderate loss of vision in one or both eyes will usually require an exclusion for blindness under Critical Illness insurance.

TPD, Income Protection and Business Expenses insurance may be considered with an exclusion where there is a mild to moderate reduction in vision.

Total blindness in both eyes would usually result in disability cover being declined. Individual consideration will be given based on occupational factors, including if the client has been in stable employment for some years and performing the full duties of their occupation satisfactorily.

Cardiovascular disease

Vast improvements have been noted over the past 30 years in relation to cardiovascular disease and its treatments. However, this problem continues to cause considerable illness and disability. Cardiovascular disease can include hypertension, ischaemic heart disease, pulmonary heart disease, cerebrovascular disease, raised cholesterol and disease of the arteries.

Risk factors for cardiovascular disease include height-to-weight ratio, family history of heart disease, smoking, poor diet, lack of physical activity, co-morbidities (other diseases such as diabetes), age and gender.

The heart

The heart is a pump with two sides. The right side pumps de-oxygenated blood into the lungs, where blood is oxygenated. The left side then pumps this renewed blood around the body. The left and right sides of the heart are each divided into two chambers, the ventricle (the largest and hardest working chamber), and the atrium which passes blood into the ventricles.

An average heart pumps approximately 70 times per minute. The heart requires a constant supply of oxygen to do so; if oxygen supplies are reduced the heart will malfunction.

Common cardiac disorders

Hyperlipidaemia or raised cholesterol

The term hyperlipidaemia refers to raised levels of lipids (fat) in the blood.

Almost all of our cholesterol is processed in the liver using fats in our diet. After making the cholesterol the liver attaches it to molecules made of fat and protein called lipoproteins. There are two major types of these carrier lipoproteins: low-density lipoprotein (LDL) and high-density lipoprotein (HDL).

LDL is responsible for carrying cholesterol from the liver around the rest of the body. When cholesterol levels are increased, LDL deposits cholesterol onto the arteries causing damage. This is also called atherosclerosis.

HDL cleans up cholesterol from the bloodstream, returning it to the liver, reducing cholesterol and decreasing the chance of it building up within the arteries and causing damage or blockages.

Coronary heart disease

Coronary heart disease (CHD) is a process whereby the arteries of the heart become diseased (blocked or damaged). This is caused by a build-up of cholesterol deposits (LDL) within the lining of the walls of the arteries servicing the heart.

Where CHD is present, one or more of the following conditions can occur:

- chest pain or angina
- heart attack or myocardial infarction (MI)—part of the heart's muscle dies
- cardiac arrest—the heart suddenly stops beating
- heart failure—the heart's ability to pump successfully is in gradual decline.

Hypertension

Hypertension or high blood pressure is a condition that affects millions of Australians over the age of 25. People who have hypertensive heart disease are often unaware that they have it.

Pressure is created by the heart in order to pump blood around the body. Hypertension is evident when the pressure rises within the arterial system.

Blood pressure is recorded using two readings. The higher value is known as the systolic reading and the lower value is called diastolic. So with a blood pressure reading of 120/80, 120 is the systolic pressure and 80 is the diastolic pressure.

Untreated hypertension can cause gradual damage to many organs in the body, including the heart, kidneys, vascular system and eyes.

Facts and figures for the period 2004–05 in Australia

- 18% of Australians (approximately 3.5 million) were reported to have long-term cardiovascular conditions hypertension was the most commonly reported cardiovascular condition
- 3.8% of the population suffered from a heart condition, stroke or vascular condition in this period
- of those suffering from either heart disorders, stroke or vascular disorders, 28% had angina, 20% had ischaemic heart disease, 12% suffered from strokes, 35% suffered oedema and/or heart failure and 27% had diseased arteries.

Source: Based on Australian Bureau of Statistics data.

MEDICAL UNDERWRITING

Underwriting medical conditions

Underwriting approach

Medical evidence including specialist reports will always be required to underwrite heart disease.

Factors considered by the underwriter in determining if insurance cover can be offered and if so, on what terms, include:

- exact diagnosis of condition
- time since diagnosis of condition
- other related conditions (eg diabetes)
- compliance with treatment
- family history
- lifestyle (eg smoking)
- age.

Each case involving heart disease will be underwritten taking individual factors into consideration. The underwriting outcomes can range from standard acceptance, through a variety of terms, to decline.

See also 'Critical Illness—alternative terms for special cardiovascular and cancer risks' on page 149 of the 'Medical Underwriting' section.

If your client discloses that they have or have had high blood pressure or high cholesterol, please have them complete the High Blood Pressure or High Cholesterol Questionnaire in the Supplementary Underwriting Questionnaire Booklet with the Application Form. Our underwriters aim to assess as many of these cases based on the information in the questionnaire as they can. A report from the client's doctor and/or a blood test or blood pressure check may be required. Standard acceptance terms can usually be offered where hypertension and cholesterol are well controlled with medication. A premium loading may be applied where blood pressure or cholesterol levels remain raised.

Example 1:

The client is a 56-year-old, non-smoking male accountant who had a heart attack four years ago. He had a triple bypass following the heart attack, has since lost weight and modified his lifestyle, with current non-rateable blood pressure and cholesterol readings. Based on this risk profile, we could potentially offer Life Cover with a +250% loading. Critical Illness Special Risk (cardio deleted) would be available, but disability benefits would be declined.

Example 2:

The client is a 39-year-old female office worker with a history of raised blood pressure (hypertension) diagnosed four years ago with initial readings of 160/100. Treatment commenced approximately four years ago, and blood pressure readings have since been fully controlled. The client has no other cardio risk factors. Based on this risk profile, all benefits would be accepted at ordinary rates.

Diabetes

Diabetes arises where there is too much glucose in the blood. Diabetes contributes to early death, illness and disability. There are two main types of diabetes, with gestational diabetes and impaired glucose tolerance also becoming more prevalent.

Type 1 diabetes occurs when the body's immune system destroys the insulin-producing cells of the pancreas so that the pancreas stops producing insulin. Insulin is a hormone that lowers the level of glucose in the blood. Glucose cannot enter the muscles and body cells, resulting in a build-up of glucose in the blood. Type 1 diabetics require insulin injections to control their blood glucose levels. Type 1 diabetes used to be referred to as 'insulin dependent diabetes' or 'juvenile onset diabetes'.

Type 2 diabetes occurs when the pancreas provides insufficient insulin and the body does not use insulin properly. Type 2 diabetes used to be referred to as 'non-insulin dependent diabetes'. Type 2 diabetes often responds to healthy eating, appropriate exercise and weight reduction, but medication in the form of tablets and later insulin injections may be required.

Gestational diabetes is a temporary form of diabetes that occurs during pregnancy. It is usually treated with healthy eating only and disappears after delivery. There does remain an increased risk of developing diabetes later in life.

Impaired glucose tolerance is where blood glucose is raised but is not high enough to be classified as diabetes. The body is not able to produce sufficient insulin to properly control blood glucose levels. This condition increases the risk of heart disease and may progress to diabetes if not controlled.

The majority of people with diabetes have Type 2. It usually arises in people over the age of 30 but may occur in younger people who are overweight or have a family history. The onset of Type 2 diabetes may be slow and, unless glucose levels become very high, there may be no symptoms to alert a person to their condition.

A range of complications can result from diabetes, including nerve damage, kidney disease, eye disorders (eg retinopathy, cataract, glaucoma), heart disease, stroke and peripheral vascular disease (which can lead to ulcers, gangrene and amputation). The digestive system, skin and immune system can also be affected.

Underwriting approach

The mandatory testing levels quite often reveal an increased blood sugar level, sometimes leading to a diagnosis of diabetes.

Factors considered by the underwriter in determining if insurance cover can be offered and if so, on what terms include:

- the age of the applicant
- the degree of control
- compliance with recommended treatment
- duration since the diagnosis
- any complications or co-morbidity factors such as obesity or smoking.

Life Cover will be available to most applicants subject to an additional premium.

Availability of Critical Illness insurance is usually restricted to those within 15 years of diagnosis, with optimal control and no complications. Cover may be limited to Critical Illness Special Risk.

Due to the range and incidence of potential complications, Income Protection and TPD insurance are often unavailable.

MEDICAL UNDERWRITING

Underwriting medical conditions

Family history

Family history affects our potential health experience and is therefore an important consideration in insurance underwriting.

What family history is relevant?

Not all diseases or disorders in a person's family history mean an increased risk for that person; some disorders may be totally environmentally based or sporadic type disorders with no evident familial link.

Family history is usually most relevant where immediate family members died or were diagnosed under age 60.

Cancers and cardiovascular disease developing from age 70 can reasonably be attributed to the normal ageing process and generally do not present an extra risk in other family members.

Conditions we refer to as hereditary disorders are genetically based and are inherited or received from one or both parents. Hereditary diseases are relevant regardless of the age they first appear, although most will appear at an earlier age. The family history question in our Application Form lists some common hereditary disorders.

Some family histories on their own will prompt the underwriter to request further medical information; others will only be considered in the context of personal medical history.

What is the risk?

The risk associated with family history is not absolute. The underwriter's assessment of family history is based on the information available regarding the health history of the client's immediate family (parents and siblings), including age at diagnosis and the number of family members affected. This is considered in combination with factors including the client's age, personal medical history, personal risk factors and the type of insurance applied for.

This information is used to place the client in a group that has a higher risk, or otherwise, of developing certain conditions that have a familial link.

FSC Family History

As a member of FSC (Financial Services Council), we follow FSC Standard No. 16 'Family Medical History Policy' which came into effect on 1 January 2006. This standard prescribes how insurance companies are to treat family history, particularly the collection and handling of family history information, and it is closely related to the genetic standard.

Genetics

Our treatment of genetic testing complies with FSC Standard No. 11 'Genetic Testing Policy'. This policy summarises how insurance companies are to treat genetic test results and came into effect 1 January 2002.

The results of a genetic test previously undertaken by the client may be used by us in the underwriting process to either confirm the client's predisposition or eliminate the possibility that a client will develop a particular disease.

We will require the applicant to make the results of any previously undertaken genetic tests available upon request, but we:

- will not require, encourage or coerce an applicant to undergo a genetic test when applying for insurance
- will not use genetic test information to assess another family member's risk (for example, genetic test information obtained from a parent will not be used to assess an insurance application made by the son or daughter)
- will take account of the benefits of special medical monitoring, early medical treatment, compliance with treatment and the likelihood of successful medical treatment when assessing overall risk
- will ensure that genetic test results are only made available confidentially to the underwriters and reinsurance companies
- will provide the applicant or their medical practitioner reasons for any adjustment to premiums or policy conditions after assessing the application.

Frequently asked questions

Q	If your client has a family history of a hereditary condition, will a genetic test be requested by the insurer?
A	NO. Whether to undertake a genetic test is for the client to decide. We will not request genetic tests.
Q	If your client has had a genetic test, do they have to disclose it?
A	YES. The duty of disclosure applies to any medical test a client has had.
Q	Will a genetic test result affect the underwriting of a case?
A	This depends on the gene tested and the results.
Q	If an applicant discloses they have had a positive genetic test result, should you still submit the application?
A	YES. In all cases, whether genetic testing is involved or not, and whether or not in your opinion the case is acceptable, the application must be submitted to the insurer to make the decision.
Q	Are genetic test results used to assess the risk of any other family member who may apply for insurance?
A	NO. Each application is assessed on its merits and individual disclosures.
Q	If your client has a family history, should you recommend they have a genetic test?
A	NO. Any clinical course of action must be in consultation with the client's doctor.

MEDICAL UNDERWRITING

Underwriting medical conditions

Joint/Musculoskeletal disorders

Joint and musculoskeletal disorders include:

- disease/disorder of any joint (eg toes, ankles, hips, fingers, wrists, elbows)
- arthritic conditions including rheumatoid arthritis and osteoarthritis
- Bell's palsy
- fractures of any bones
- repetitive strain injuries
- muscular/tendon injuries (such as pulled hamstrings, groin strains or torn bicep)
- gout.

Underwriting approach for disability cover

A similar approach to that of back/neck disorders is taken when underwriting joint/ musculoskeletal disorders. The underwriter will look closely at:

- diagnosis
- date of diagnosis
- prognosis
- cause
- x-ray results
- any time off work
- type of treatment obtained
- type of treatment required
- current medication and dosage
- occupation (manual or non-manual)
- duties the client must perform on a daily basis
- recurrences
- associated symptoms such as anxiety or depression.

We need to be aware that, for example, a chronic right knee problem has the potential to affect other areas such as the back, hips or left knee due to the client compensating for the injured knee.

Most joint and musculoskeletal disorders are a concern primarily for disability insurance, although some more generalised conditions, such as rheumatoid arthritis, that affect other body systems may also impact on Critical Illness and Life Cover.

Fracture

Simple fractures will generally be assessed without restrictions once a full recovery has been made.

Complex fractures with residual symptoms, including the insertion of pins and screws, will attract an exclusion clause for the affected area.

Arthritis

Arthritis can occur in a single joint or be generalised. In most cases arthritis will be excluded. This will depend on the number of joints involved, the type of medication the client is on and if they have had time off work. Rheumatoid arthritis, however, is usually declined for disability insurance.

Muscular or tendon injuries and repetitive strain injuries

When the client has a strain or injury with ongoing symptoms it is more than likely an exclusion will apply. Short-term injuries that have been excluded can be reviewed in the future. The underwriter will consider any recurrence, duration of problem, occupation and pastimes.

Gout

Gout is a painful condition caused by the deposit of sodium urate crystals in the joint. Depending on the extent of the condition, an exclusion for gout may be applied as well as excluding the affected joint.

Sometimes a client can have multiple injuries or symptoms, some of which have recurring symptoms and require time off work. The underwriter might in such a case reduce the benefit period or extend the waiting period in order to cover the risk for Income Protection and decline TPD. In rare cases, the client's ability to perform some activities of daily living may be affected and this would result in the Loss of Independence benefit being removed from Critical Illness insurance.

Mental health

Mental health problems and mental illness are among the greatest causes of disability, diminished quality of life and reduced productivity, according to the National Health Survey (NHS) 2004–2005.

In 2004–2005, 11% of people surveyed reported they currently have a long-term mental health or behavioural problem. This has increased in the last three NHSs, from 9.6% in 2001 and 5.9% in 1995.

In 2004–2005, 19% of adults reported that they took some medication (pharmaceutical medication and/or vitamins, minerals or herbal treatments) for their mental wellbeing in the fortnight prior to the NHS interview.

One in five people are likely to experience depression or anxiety in their lifetime.

Some types of disorders

Anxiety: generalised anxiety disorder, phobias, panic disorder, obsessive–compulsive disorder (OCD) and post-traumatic stress disorder (PTSD).

Depression: adjustment disorder and depressed mood, major (clinical) depression and dysthymic disorder.

Bipolar disorder: mood disorder comprised of both low (depressed) mood and high (manic) mood; previously known as ‘manic depression’.

Postnatal depression: a term used to describe mood disorders occurring in women in the first year after birth of a child.

Underwriting approach

The underwriter will take into account:

- duration of the condition
- any recurrence of the disorder or risk of recurrence
- cause (is the cause persistent?)
- treatment (eg counselling, pharmaceutical medication, vitamins)
- whether the episode was debilitating
- how much time the client has had off work
- well-established case history.

In many instances where there is a history of treated mental health issues we can offer cover with exclusions. We will consider applicants that are on medication if the condition has been well controlled for over 12 months and any contributing circumstances are no longer present (eg if the client changed occupation where work stress was a contributing factor).

FSC Mental Health Guidelines (Guidance Note No. 15)

This is a guide for underwriting Income Protection applications for people who currently have, or have a history of, a mental health condition. It is used by our underwriters when assessing mental health. The guide specifies the questions that we may ask, which have been created with the assistance of medical professionals in the field. The guide also details a number of conditions, their diagnostic criteria and prognoses, and notes some favourable and less favourable factors.

Memorandum of Understanding

The Memorandum of Understanding (MOU) is a document signed by Mental Health Sector Stakeholders (MHSS), Financial Services Council (FSC) and the Financial Planning Association (FPA). It has been in existence since March 2003 and contains the collaborative approach for all stakeholders. It specifies how we deal with mental health at Underwriting and Claims. Our Mental Health questionnaire and guideline are compliant with MOU specifications.

MHSS comprises the Mental Health Council of Australia, beyondblue: the national depression initiative, the Australian Psychological Society, the Australian Medical Association, the Royal Australian College of General Practitioners, the Royal Australian and New Zealand College of Psychiatrists and the Australian General Practice Network.

The MOU was re-signed between all parties in October 2008.

MEDICAL UNDERWRITING

Underwriting medical conditions

Skin lesions

A skin lesion can be any area of the skin that has a change in appearance, and can range from a harmless lesion to a more sinister lesion, such as malignant melanoma or squamous cell carcinoma. The more common lesions are outlined below:

Basal cell carcinoma (BCC)

This is the most common form of skin cancer where there has been uncontrolled growth of the epithelial cells in the outermost layer of the skin.

Melanoma

A melanoma is a cancer of the cells which produces the brown skin pigment melanin. If not treated early, melanomas can spread through the body. Melanomas are important not only because they may cause death, but also because these deaths can occur relatively early in life.

Moles (benign naevus)

A mole is an overgrowth of the skin's pigment cells and is usually harmless.

Sebaceous cysts

A sebaceous cyst is a sac-like growth in the skin, which may contain fluid or semi-solid material; usually harmless.

Squamous cell carcinoma (SCC)

This is the second most common form of skin cancer and, like BCC, occurs in the outer layers of the skin; however, the cancer has penetrated more layers of skin.

Sunspots (solar keratosis)

These are common skin spots and are benign or non-cancerous. Most will not affect the terms offered on insurance.

Underwriting approach

Our Application Form includes a questionnaire to be completed where the Life to be Insured discloses a history of skin lesion. Most skin lesion histories can be assessed based on the answers given on this questionnaire and most will not affect the terms offered. Further information may be sought from the client's doctor, particularly where a lesion has been removed by surgery in the last 12 months, where further testing or follow-up was required or where the lesion was found to be malignant (ie a skin cancer such as squamous cell carcinoma or basal cell carcinoma).

A history of squamous cell skin carcinoma or basal cell carcinoma may affect the terms offered, depending on a number of factors including the number of lesions, histopathology findings and time since the end of treatment. Cover may only be available subject to exclusion of claims arising from skin cancer or, in some instances, all malignant tumours. No cover would be available if the cancer has spread to other parts of the body.

Availability of cover where there is a history of malignant melanoma will depend on a number of factors, including tumour thickness, the layers of skin involved and time since the end of treatment. Life Cover may be considered with a premium loading. TPD, Income Protection and Business Expenses cover may be available subject to an exclusion. Where Critical Illness insurance is offered, all malignant cancers may be excluded from the cover; however, consideration will be given to limiting the exclusion to any claims related to melanoma and skin cancer for certain melanoma histories.

Sleep apnoea

Obstructive Sleep Apnoea (OSA) is the temporary cessation of breathing. Patients repeatedly try to breathe in but cannot overcome the obstruction until they produce an extra effort allowing inspiration. This in turn causes loud vibrations of the pharyngeal tissues (snoring). Individuals partially wake up each time they snore as they cannot produce the effort while asleep. This distinguishes patients with OSA from 'heroic snorers' who may be noisy, but do not demonstrate this cycle of temporary cessation of breathing and then partial awakening.

Obesity, the consumption of alcohol (especially before sleep), medications such as sedatives, nasal congestion, diabetes and hypothyroidism can all be factors in developing OSA.

Symptoms often include snoring, daytime sleepiness caused by frequent waking in the night, accidents and fluctuations in blood pressure.

OSA diagnosis is usually arrived at in specialist sleep laboratories where measurements of breathing and blood oxygenation can be made, otherwise known as sleep studies. An index of the frequency of the apnoeic episodes is a measure of the severity.

In very mild cases of OSA, mouth splints are used to treat the condition. However, the most common way to treat OSA is with continuous positive airways pressure (CPAP). Patients wear masks that provide a low but continuous positive pressure into the upper airways that allows the pharynx to remain open.

Tracheostomy (where a hole is made in the trachea) is an alternative, but more drastic treatment. Weight reduction is also recommended to help treat OSA.

Reference: MIRA 2009 with permission.

Underwriting approach

The severity of the sleep apnoea as defined in the sleep studies (both pre- and post-treatment), and the cause, compliance and success of treatment are all considered by the underwriter. Lack of follow-up review (usually 12 monthly) often creates difficulty in assessing the success of treatment, and cover may be postponed until a review has taken place.

Providing there are no other complicating factors, mild sleep apnoea can often be accepted on standard terms. Income Protection will only be offered with a minimum 30 day waiting period. More severe cases will attract a higher loading and in some instances cover may not be available, depending on the success or otherwise of the treatment.

Due to the nature of the disorder, and possible complications, an exclusion cause will not be considered.

MEDICAL UNDERWRITING

Underwriting medical conditions

Smoking

The substance most commonly smoked in Australia is tobacco. Tobacco is a plant that contains the drug nicotine. The leaves of the tobacco plant can be prepared for smoking (in cigarettes, pipes, cigars, etc), chewing or inhaling. Tobacco use is the largest single preventable cause of death and disease in Australia today.

Using tobacco has been shown to increase the risk of health problems including:

- ischaemic heart disease (IHD)
- sudden cardiac death
- stroke (cerebrovascular accident)
- atherosclerotic peripheral vascular disease
- aortic aneurysm
- chronic obstructive pulmonary diseases (COPD)
- lung cancer
- other cancers (including mouth, pharynx, oesophagus, bladder, kidney, pancreas and stomach).

Underwriting approach

We offer a discounted premium rate for 'non-smokers'. To be eligible for non-smoker rates, the Life Insured must not have smoked tobacco or any other substance, nor used any nicotine-containing products, in the previous 12 months.

Any level of consumption will attract smoker rates. A client who only smokes socially or 'only has one a week' must still be rated as a smoker. Exceptions may be made for applicants who smoke no more than three cigars per year.

Use of marijuana in the last 12 months will attract smoker rates independent of any additional rating applied.

Where a Life Insured has cover in force at smoker rates and has not smoked tobacco or any other substance, or used any nicotine-containing products (eg gum or nicotine patches) in the last 12 months, they may apply to us to alter the premium to non-smoker rates.

Application for non-smoker rates may be made by completing our Alteration to Non-Smoker form. Any history, since original application, of medical conditions that are smoking-related or for which smoking is considered a risk factor will be considered in the assessment of these applications, so non-smoker rates may not apply.

NEW BUSINESS AND POLICY ALTERATIONS

Application process

Our Service Centre processes new business applications for MLC Insurance and MLC Insurance (Super) as follows:

Original new business application		
Send application to us	Online	Submit application via MLC Limited Riskfirst
	Post	MLC Service Centre, PO Box 200, North Sydney NSW 2059
We receive application	Application scanned onto workflow system. Application indexed to a designated service team. Application is captured on our administration system.	
Underwriting assessment	Initial underwriting assessment performed. Phone calls made to you or your client if more information is required.	
Completions or requirements	Completions Policy issued for accepted applications. Further requirements PMARs are requested where applicable. This may be done through a third party provider. Other outstanding requirements requested by us via notification email or arranged by us through Lifescreen. Applications placed in suspense and followed up by you, us and Lifescreen.	

PDS and Application Form

All insurances for a Life Insured can be applied for on the Application Form issued with the Insurance PDS, Super PDS or online using Riskfirst. If an Application Form is used, the entire application, including blank pages, must be returned.

The PDSs can be downloaded from **mlcinsurance.com.au** under 'Forms and Brochures'.

Outstanding requirements		
Send requirements	Post	MLC Service Centre, PO Box 200, North Sydney NSW 2059
We receive requirement	Requirement scanned onto workflow system. Requirement indexed to a designated service team. Requirement marked off as received on our registry system.	
Underwriting assessment	Further underwriting assessment performed. Phone calls made to you or your client to clarify any issues. Case potentially referred to a Senior Underwriter, Chief Medical Officer or reinsurer as part of the assessment process.	
Completions or requirements	Completions Policy issued for accepted applications. Amended terms Notification sent to you. Further requirements Other outstanding requirements requested by us via notification email. Application declined Notification sent to you.	

NEW BUSINESS AND POLICY ALTERATIONS

MLC Limited Riskfirst

MLC Limited Riskfirst – first class service for you

Jump the service queue

We've shortened turnaround times with Riskfirst as applications go to the front of the queue.

Offering you priority service, our dedicated underwriting team prioritise the review of applications through Riskfirst over traditional paper applications, while our administration team can turn around application processing in as little as one day.

Top 10 reasons why advisers choose Riskfirst

1. You choose the way you want to do business

Set up Personal Statements in Riskfirst in five different ways to match your unique back office and different client needs.

2. Fast adviser remuneration

Over 90% of advisers complete applications in Riskfirst in less than one hour.

3. Unparalleled flexibility

Riskfirst gives you complete flexibility when setting up policies.

4. Immediate completion

Riskfirst provides sophisticated online underwriting technology that helps you deliver decisions on the spot.

5. Riskfirst Rapid

A unique service that can allow a portion of the cover to be accepted without mandatory requirements while only the additional cover awaits these requirements.

6. Reduced need for medicals

Riskfirst minimises unnecessary delays by only asking targeted medical questions, reducing the need for mandatory medical requirements and PMARs by 25%.

7. Underwriter in your office 24/7

Sophisticated underwriting decisions made by Riskfirst at any time of the day, minimises referrals and speed up the application process.

8. Intuitive and easy to use

Applications can be completed non-sequentially and Riskfirst intuitively triggers 'in depth' questions if more information is needed.

9. No snail mail delays

Fast and easy to use—up to 33% faster than the paper method.

10. Supporting you

There's no waiting with Riskfirst as applications go to the front of the queue with our dedicated underwriting and administration services.

Travel and residency

Must your client be a permanent resident of Australia?

We usually limit cover to those with permanent residency status.

Special consideration may be given if your client is in a professional occupation and has either applied for residency or is working in Australia on a temporary but long-term basis.

Commission restrictions will apply if cover is offered. Any offer of cover may be subject to restriction of cover or benefits payable should the client travel overseas.

Please contact our underwriting team before submitting the application to discuss the circumstances and whether cover can be considered.

Does your client plan to travel overseas?

Overseas residence and travel can present underwriting challenges due to factors such as differing levels of personal health and safety in regions of political instability and the global effects of war and terrorism.

We do not usually charge an additional premium for coverage unless your client intends to travel to a country or region where extra hazards exist. Depending on the extra hazards to which your client may be exposed, we may offer cover subject to special conditions such as a premium loading, war and terrorism exclusion or exclusion of cover in certain regions, or we may decline the cover outright for high risk locations.

In order to maintain a consistent approach in assessing overseas risks, we closely monitor the 'risk assessment' provided by the Australian Department of Foreign Affairs and Trade (DFAT). The travel advisories can be found at either of the following websites:

- www.smarttraveller.gov.au/zw-cgi/view/Advice/Index
- www.dfat.gov.au

The nature and extent of these risks can change overnight. If your client plans to travel, or is currently travelling or residing overseas, we recommend you discuss their situation with our underwriting team.

We will consider each individual's:

- date(s) of departure
- duration of overseas travel or residence
- location of overseas travel or residence
- reason for travel.

We are unlikely to be able to offer terms on applications made immediately prior to the travel date.

Is your client an Australian citizen living and working overseas?

Cover may be considered for clients who are Australian citizens living and working overseas. The type and amount of any cover offered will depend upon the overseas location, the client's occupation, how long they have been overseas, and how long they will remain overseas.

Refer to the section on page 115, 'Does your client plan to travel overseas?', for further information relating to overseas travel.

We may offer cover subject to special conditions such as a premium loading, war and terrorism exclusion, exclusion of cover in certain regions, and restriction of cover whilst the client remains overseas.

NEW BUSINESS AND POLICY ALTERATIONS

General information for applications

Does your client read and understand English?

The applicant should have a full understanding of the product being purchased and the questions asked in the application. If your client does not read or understand English, interpretation must be provided by an independent person of standing in the community (eg a Justice of the Peace or minister).

Before completing the application, please ring our service team to obtain a declaration for the person acting as interpreter to complete.

Is your client having a break in employment?

Income Protection is not generally available to any applicant not currently working or with an intention to cease work for an extended period (three months or more), for any reason, within three months of the date of the application.

Where the leave is stated not to exceed 12 months, cover may be considered with a minimum waiting period equal to the duration of leave. Refer also to the 'Leave from employment' section under Section 5 – 'Occupation Underwriting Guide'.

Does your client have a disability claim pending?

Income Protection insurance is usually unavailable to clients who have a disability claim pending (including third-party action and workers compensation). Individual consideration will be based on:

- type of claim
- claim status
- type and severity of injury
- current state of health.

Please contact our underwriting team before submitting the application to discuss the circumstances and whether cover can be considered.

Backdating applications

Requests to backdate applications will be considered on their merits and will be granted at our discretion.

The policy cannot be backdated to a date earlier than the signed date of the application.

Critical Illness can only be backdated when the three month waiting period has been waived on replacement business.

If we agree to backdate the application, premiums must be paid for the period from the date the policy is backdated to, up to and including the month the application is accepted and the policy completed.

What if your client has a birthday before the policy completes?

If your client has a birthday after the application has been submitted, we may do either of the following:

- issue the policy at the higher age rate, subject to confirmation from the financial adviser or the client
- backdate the policy commencement so that premiums are payable from the backdated entry date at the lower age rate.

Replacement business

We will consider replacing insurance from another life company without the usual medical evidence requirements for age and sum insured. Medical evidence may be requested on the basis of disclosed medical history. Financial evidence requirements still apply.

For replacement business not meeting the conditions outlined below, normal underwriting requirements apply.

Where you are replacing Critical Illness insurance held with another life company, the qualifying periods that apply to the critical conditions under our policy will be waived to the extent that these conditions are covered under the insurance being replaced.

The existing insurance must be cancelled once our policy is issued.

Eligibility

Applications for replacement can be considered:

- if the policy was originally accepted at standard rates, or with a medical exclusion or premium loading not exceeding 50%, or with premium loadings and/or exclusions for sports and pastimes
- if the policy being replaced was initially and fully underwritten within the last five years
- subject to our underwriting of medical, financial, occupational and pastime risks.

Maximum benefit levels and eligible ages apply:

Type of replacement insurance	Maximum sum insured	Age next birthday
Life Cover	\$3,000,000	Up to 60
TPD	\$2,000,000	Up to 55
Critical Illness	\$1,000,000	Up to 55
Income Protection	\$15,000 per month	Up to 55
Business Expenses	\$15,000 per month	Up to 55

Evidence requirements

1. Completed Application for Replacement.
2. Copy of proof of acceptance and currency of policy to be replaced—in the form of the original policy schedule and certificate of currency or renewal notice dated within the last six months. Note that proof of currency is needed for us to consider waiving the 13 month suicide exclusion on Life Cover.

Financial advisers: Where the exact cover has been held with us within the previous five years, level commission may apply. Please refer to your Business Development Manager.

NEW BUSINESS AND POLICY ALTERATIONS

New business follow-up procedures

Applications are not held as work in progress for more than 90 days pending outstanding requirements. All work in progress will be advised via a triggered weekly email.

This will advise:

- the application date
- the Life Insured
- the policy number
- the adviser name
- the adviser number
- the product applied for
- the outstanding requirements.

If further requirements have been added within the 10 days prior to the cancellation date it will be necessary to extend the cancellation date by 30 days from the last request, except where an underwriter has requested a repeat blood test, in which circumstance the case should be referred to the underwriter to determine if an extension should be granted and, if so, for how long.

Reinstating

Reinstating cancelled applications

If all outstanding requirements are not received within 90 days of the application signed date, the application will be cancelled.

Within a month of cancellation, the application may be reinstated if all outstanding requirements are forwarded to us with a Declaration of Changes since the initial application.

Thereafter we will require all outstanding requirements and a new application.

Reinstating lapsed policies

When can you reinstate?	Requirements
Within 30 days of the date of the Lapse Notice	<ul style="list-style-type: none">• Payment of outstanding premiums
After 30 days from the date of the Lapse Notice and within 6 months of the premium due date shown on this notice	<ul style="list-style-type: none">• Application for Reinstatement, and• Payment of outstanding premiums

Policies cannot be reinstated after 6 months from the premium due date shown on the Lapse Notice. However, the client can reapply for a new policy, for which full underwriting will be required.

NEW BUSINESS AND POLICY ALTERATIONS

Continuation options for Group Insurance, MasterKey Business Super and MasterKey Wrap

Continuation options entitle the member to continue insurance under an individual policy when leaving employment (and therefore the fund) without providing medical evidence.

What are the terms of eligibility?

Group Insurance and MasterKey Business Super (MKBS)

- The continuation option must be exercised and an application submitted within 60 days (for Income Protection / Salary Continuance and Death and/or TPD cover) of leaving the service with the employer or the option will lapse. The expiry date will be clearly set out on the continuation option form.
- The member has 90 days to obtain employment if continuing TPD or Salary Continuance insurance. The 90 days begins from the date the member leaves their previous employer.
- The continuation option is not available if the client has received or become entitled to receive insurance payments for illness or injury under provisions of this or any other policy.
- The insurance under the continuation option is limited to the amount of cover provided under the policy being replaced.
- Insurance issued under the continuation option will be subject to the same loadings and/or exclusions as applied to the cover being replaced.

MKBS provides a continuation option on Income Protection. Death and TPD will usually be transferred to MasterKey Personal Super unless the client instructs us otherwise. The client is eligible to take up the continuation option 60 days from when the employer notifies us that the member has left employment.

MasterKey Wrap

MasterKey Wrap continuation options are available upon leaving employment or leaving the fund.

What cover options are available?

The continuation option form will show which options are available. The following options are not available:

- Agreed Value option under Income Protection. Only Indemnity Option cover is available
- Buy Back option
- Premium Waiver.

Requirements

When exercising a continuation option, the member is not required to answer any medical questions.

The member will need to complete the brief questions about occupation, income and overseas travel. These questions are underwritten to determine eligibility.

To consider the continuation option, we require:

- a current Continuation Option Form (issued by MLC Group Insurance, MasterKey Business Super or MasterKey Wrap Administration) completed, signed and dated by the client
- our Premium Quotation
- a current Application Form issued with the Insurance PDS and/or Super PDS with the following details completed:
 - policy owner information
 - Life to be Insured information
 - nomination of beneficiary (as appropriate)
 - general declarations, signed and dated by all relevant parties
 - Direct Debit Request Schedule (DDR) / Credit Card Deduction Authority, as required.

Alterations to existing policies

Type of policy alteration	Requirements	Underwriting required
Change your client's range of cover		
Add a new benefit Add the following benefit option(s): <ul style="list-style-type: none"> • Buy Back Option • Business Safeguard Option • Terminal Illness Support Insurance • Critical Illness—Extra Benefits Option—Partial benefits • Short waiting period for accidental injury option • Indexed Claim Benefits Option • Extra Benefits Option 	<ul style="list-style-type: none"> • PDS Application Form (current issue) • complete the Personal Statement in the Application Form • complete all relevant supplementary underwriting questionnaires within the Application Form • tick the 'Addition of benefits to an MLC Insurance or MLC Insurance (Super) policy box on the front page of the Application Form • ALL existing policy owners to sign and date the Application Form • where applicable provide client with the Supplementary PDS (SPDS) which modifies/updates the current PDSs • our Premium Quotation • covering letter (optional) 	Yes
Change existing benefits from 'CI Extension Standard' to 'CI Extension Plus'		Yes
Change an existing benefit from 'CI Extension Plus' to 'CI Extension Standard'	<ul style="list-style-type: none"> • PDS Application Form (current issue) without the Personal Statement • tick the 'Addition of a new insurance to an existing policy' box on the front page of the Application Form • ALL existing policy owners to sign and date the Application Form • where applicable provide client with the SPDS which modifies/updates the current PDSs • our Premium Quotation • covering letter (optional) 	No
Review a loading or exclusion	<ul style="list-style-type: none"> • Application for Increase and Alteration Form • covering letter (optional) • complete appropriate questionnaire if available for exclusion review (for example, the client needs to complete the Back Questionnaire to review a back exclusion) 	Yes
Increase the sum insured due to a specified event without further medical evidence	<ul style="list-style-type: none"> • Application for increases without further medical evidence our Premium Quotation • Our Premium Quotation 	Yes
Alteration to Non-Smoker		
Alteration to Non-Smoker	<ul style="list-style-type: none"> • Alteration to Non-Smoker Form or <ul style="list-style-type: none"> • policy owner to contact us: a declaration will be read to the Life Insured, who will be required to provide information at the time of the call • Life Insured must not have smoked tobacco or other substance, or used any nicotine-containing products (eg nicotine patches or gum) in the last 12 months <p>Note: Any history, since original application, of medical conditions that are smoking-related or for which smoking is considered a risk factor must be considered in the assessment of these applications. This may mean non-smoker rates may not apply.</p>	Yes

NEW BUSINESS AND POLICY ALTERATIONS

Alterations to existing policies

Type of policy alteration	Requirements	Underwriting required
Change occupation class		
Change the occupation class	<ul style="list-style-type: none"> • Application for Increase and Alteration Form • our Premium Quotation • covering letter • complete appropriate questionnaire if exclusion applies (for example, the client needs to complete the Back Questionnaire if a back exclusion applies to cover being altered) <p>Note: The client MUST have worked at least 12 months in the new occupation class.</p>	Yes
Change TPD occupation class from 'Any' to 'Own' Please note, 'Own' TPD occupation class is not available for new insurance held inside super that first commenced after 30 June 2014.	<ul style="list-style-type: none"> • PDS Application Form (current issue) • complete the Personal Statement in the Application Form • complete all relevant supplementary underwriting questionnaires within the Application Form • tick the 'Addition of benefits to an MLC Insurance or MLC Insurance (Super) policy box on the front page of the Application Form • ALL existing policy owners to sign and date the Application Form • where applicable provide client with the SPDS which modifies/updates the current PDSs • our Premium Quotation 	Yes
Change TPD occupation class from 'Own' to 'Any'	<ul style="list-style-type: none"> • ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes • our Premium Quotation (where applicable) 	No
Change waiting period		
Reduce the waiting period on Income Protection and/or Business Expenses	<ul style="list-style-type: none"> • Application for Increase and Alteration Form • our Premium Quotation • covering letter • complete appropriate questionnaire if exclusion applies (for example, the client needs to complete the Back Questionnaire if a back exclusion applies to cover being altered) 	Yes
Increase the waiting period on Income Protection and/or Business Expenses	<ul style="list-style-type: none"> • ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes • our Premium Quotation 	No
Apply for the Waiting Period Conversion on Income Protection Platinum or Income Protection	<ul style="list-style-type: none"> • Application for Waiting Period Conversion • our Premium Quotation (optional and/or where applicable) 	Yes
Change benefit period		
Increase the benefit period for Income Protection	<ul style="list-style-type: none"> • Application for Increase and Alteration Form • our Premium Quotation • covering letter • complete appropriate questionnaire if exclusion applies (for example, the client needs to complete the Back Questionnaire if a back exclusion applies to cover being altered) 	Yes
Reduce the benefit period for Income Protection	<ul style="list-style-type: none"> • ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes • our Premium Quotation (where applicable) 	No

Type of policy alteration	Requirements	Underwriting required
Change premium structure		
Transfer cover between stepped and level premium (or vice versa)	<ul style="list-style-type: none"> • Application for Increase and Alteration Form (without the Personal Statement section) • our Premium Quotation 	No
Transfer level premium cover between products—see 'Major policy changes' from page 125		
Change TPD occupation class from 'Own' to 'Any'	<ul style="list-style-type: none"> • ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes • our Premium Quotation (where applicable) 	No
Change sum insured		
Increase the sum insured on a benefit	<ul style="list-style-type: none"> • Application for Increase and Alteration Form • our Premium Quotation • covering letter • complete appropriate questionnaire if exclusion applies (for example, the client needs to complete the Back Questionnaire if a back exclusion applies to cover being altered) 	Yes
Reduce the sum insured on a benefit	<ul style="list-style-type: none"> • ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes • our Premium Quotation (optional and/or where applicable) 	No
Change beneficiaries		
Delete a non-binding nominated beneficiary	<ul style="list-style-type: none"> • ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes 	No
Delete a non-lapsing binding nominated beneficiary	<ul style="list-style-type: none"> • ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes 	No

NEW BUSINESS AND POLICY ALTERATIONS

Alterations to existing policies

Type of policy alteration	Requirements	Underwriting required
Change CPI election		
Reject CPI permanently	<ul style="list-style-type: none"> • Request by phone: policy owner to contact us (all policy owners may be required to describe some information for security purposes) <p>or</p> <ul style="list-style-type: none"> • request by post: a letter, signed and dated by ALL policy owners, containing: <ul style="list-style-type: none"> – date – policy number(s) – full name of policy owner(s) – date of birth of policy owner(s) – mailing address of policy owner(s) – specific instructions advising if the CPI is to apply to the whole policy and/or individual benefits – specific instruction advising that the rejection is 'permanent' 	No
Reject CPI for one year Note: A CPI rejection can only be requested within 2 months of the policy anniversary date. This is for all payment methods (monthly, half-yearly or yearly).	<ul style="list-style-type: none"> • Request by phone: policy owner(s) and/or their financial adviser to request by phone, subject to security checking procedures and consent obtained from ALL policy owners <p>or</p> <ul style="list-style-type: none"> • request by post: a letter, signed and dated by ALL policy owners, containing: <ul style="list-style-type: none"> – date – policy number(s) – full name of policy owner(s) – date of birth of policy owner(s) – mailing address of policy owner(s) – specific instructions advising if the CPI is to apply to the whole policy and/or individual benefits – specific instruction advising that the rejection is for 'one year' only 	No

Type of policy alteration	Requirements	Underwriting required
Major policy changes		
Cancel whole policy or part of a policy	<ul style="list-style-type: none"> A letter, signed by ALL policy owners, containing: <ul style="list-style-type: none"> – date – policy number(s) – full name of policy owner(s) – date of birth of policy owner(s) – mailing address of policy owner(s) – request to cancel whole or part of the policy (if cancelling part, MLC requires the details of which benefits are to be cancelled) – reason for cancellation (optional) 	No
Exercise the Life Cover Buy Back Option	<ul style="list-style-type: none"> Customer receives a letter 12 months after a valid Critical Illness claim form is received or 14 days after a TPD claim offering to reinstate Life Cover customer returns this letter to us with acceptance client completes a new Application Form and receives an Insurance PDS, and if applicable, a Super PDS (a personal statement is not required) 	No
Exercise the Life Cover 12 month Buy Back (TPD)	<ul style="list-style-type: none"> Customer receives a letter 12 months after a TPD claim offering to reinstate Life Cover customer returns this letter to us with acceptance client completes a new Application Form and receives an Insurance PDS, and if applicable, a Super PDS (a personal statement is not required) 	No
Exercise the Double TPD Life Cover Buy Back Option	<ul style="list-style-type: none"> Customer receives a letter 14 days after a TPD claim offering to reinstate Life Cover customer returns this letter to us with acceptance client completes a new Application Form and receives an Insurance PDS, and if applicable, a Super PDS (a personal statement is not required) 	No
Exercise the Double Critical Illness Life Cover Buy Back Option	<ul style="list-style-type: none"> Customer receives a letter 14 days after a Critical Illness claim offering to reinstate Life Cover customer returns this letter to us with acceptance client completes a new Application Form and receives an Insurance PDS, and if applicable, a Super PDS (a personal statement is not required) 	No
Exercise the Critical Illness Buy Back Option	<ul style="list-style-type: none"> customer receives a letter 12 months after a Critical Illness claim offering to reinstate Critical Illness customer returns this letter to us with acceptance Critical Illness can only be issued at the new applicable rates client completes a new Application Form and receives an Insurance PDS 	Yes
Reinstate a policy	<ul style="list-style-type: none"> Application for Reinstatement our Premium Quotation covering letter (optional) complete appropriate questionnaire if exclusion applies (for example, the client needs to complete the Back Questionnaire if a back exclusion applies to cover being reinstated) <p>No reinstatement form is required if premium arrears are paid within 30 days of the lapse date.</p>	Yes

NEW BUSINESS AND POLICY ALTERATIONS

Alterations to existing policies

Type of policy alteration	Requirements	Underwriting required
Major policy changes		
Separate policies	<ul style="list-style-type: none"> • PDS Application Form (current issue) without the Personal Statement if the sum insured and/or benefits are being maintained (if there is any increase in risk, completion of full Application Form is required) • ALL policy owners to sign and date separate applications • cancellation letter for the existing policy, signed and dated by ALL policy owners, specifying which cover is being transferred and whether the entire policy is to be cancelled upon completion of the new policy • full MLC Premium Quotation 	No
Transfer of ownership Note: If the ownership of a MLC Insurance policy is to be transferred from individual ownership to a self-managed super fund this should be processed as a Transfer of Cover into a new policy, due to restrictions on assignments under S66 of the SIS Act.	<ul style="list-style-type: none"> • Transfer of Ownership Form • original policy document, or Application for Replacement Policy form to be completed if policy document is lost or destroyed • cheque for \$60.00 made payable to MLC Limited if replacement document required • cheque for stamp duty if applicable 	No
Transfer of cover from: <ul style="list-style-type: none"> • MLC Insurance to MLC Insurance (Super) (or vice versa), <ul style="list-style-type: none"> – Life Cover, TPD or Income Protection from MLC Insurance to MLC Insurance (Super) (or vice versa) – TPD or Critical Illness from stand-alone in MLC Insurance to an Extension as a Connected Benefit in another MLC Insurance policy 	To transfer existing cover without underwriting, provided that there is no increase in benefits: <ul style="list-style-type: none"> • signed and dated client statement/letter • PDS Application Form without the personal statement section • financial advisers to note in the 'Special Instructions' that this is a transfer of cover • our Premium Quotation 	No
	To transfer existing cover with an increase in benefits: <ul style="list-style-type: none"> • signed and dated client statement/letter • PDS Application Form with the personal statement section completed in full • financial advisers to note in the 'Special Instructions' that this is a transfer of cover • our Premium Quotation 	Yes
Transfer cover between MLC Insurance (Super) and MLC Insurance Set up insurance under a self managed superannuation fund Note: If the cover being transferred is level premium, please refer to the 'Transfer level premium cover between products' requirements below.	All of the following are required: <ul style="list-style-type: none"> • signed and dated statement/letter from the client with their instructions that they want to transfer and that their existing policy should be cancelled once the new policy is in place • complete a new PDS Application Form without the personal statement section. • MLC Premium Quotation • note in the 'Special Instructions' section on the Application Form that this is a transfer of cover 	No
Transfer level premium cover between products	<ul style="list-style-type: none"> • Request to Transfer Level Premium Insurance Form, completed and signed by the client • new PDS Application Form, completed without the personal statement section • note in the 'Special Instructions' section on the Application Form that this is a transfer of cover 	No
Transfer cover between premium structures — see under 'Change premium structures'		

Type of policy alteration	Requirements	Underwriting required
Major policy changes		
Change of name	Completion of a Change of Policy Details Form or a letter from the policy owner containing their old and new signatures and a certified copy of one of the following: <ul style="list-style-type: none"> • marriage certificate • decree nisi (divorce decree) • deed poll • a copy of their passport or driver's licence 	No
Change of address	By phone: <ul style="list-style-type: none"> • ALL policy owners and/or their adviser to request, subject to security checking procedures or By post: <ul style="list-style-type: none"> • a letter from the policy owner(s) 	No
Change the payment method on a MLC Insurance (Super) policy to draw premiums from an existing MLC Super or MLC Pension Account Note: Payments can only be deducted from a MLC Personal Super policy, NOT a MLC Business Super policy, due to MLC Insurance (Super) being a personal product	<ul style="list-style-type: none"> • An MLC Super or MLC Pension Account Deduction Authority completed by the client 	No
Change payment frequency for MLC Super Deductions	<ul style="list-style-type: none"> • Client letter (signed and dated) 	No

NEW BUSINESS AND POLICY ALTERATIONS

Financial advisers' commission

Change of servicing adviser or licensee

The following remuneration rules apply when there is a change in adviser or licensee servicing the client before and after completion of the business.

Remuneration rate

Where a client with an existing policy is transferred to another licensee (or if applicable, division of a licensee), the new licensee will be paid on that policy at the renewal remuneration rate that applied to the original licensee at the time the business was placed.

Change of authorised representative before completion

Where a request for change of adviser has been lodged after an application has been submitted but before the policy is completed, all remuneration, including the initial remuneration, will be paid to the licensee and identified as attributable to the authorised representative nominated in the request for change of adviser.

Clawback after change of authorised representative

Where the MLC Payer (now National Wealth Management Services Limited) is entitled to claw back initial remuneration as set out in the Remuneration Schedule, the MLC Payer will claw back the amount of remuneration from the licensee who is nominated as the current servicing licensee at the time of the policy lapse or refund, and the MLC Payer will identify the clawback as attributable to the authorised representative who is nominated as the authorised representative at the time of the policy lapse or refund.

In case of a change of servicing licensee, the MLC Payer may at its absolute discretion choose to claw back initial remuneration from the authorised representative who received the initial remuneration, where there is satisfactory evidence that a new servicing authorised representative has identified significant detriment to the client in relation to the policy that should have been but was not explained to the client at the time of the original recommendation.

Remuneration on Buy Back benefits

When Life Cover or Critical Illness cover is being re-established due to a Buy Back option being exercised, initial commission will not be payable. However, renewal commission will be paid on the ongoing premiums of the new benefit from Day 1.

Remuneration on rewritten business

When a new MLC policy replaces an existing policy, issued by another insurer for a Life Insured to whom MLC has issued similar insurance within the last five years, remuneration may be required to be calculated on a Level Commission basis.

Substitute business rules

Where existing cover is being transferred or replaced, in whole or in part, substitute business rules may apply.

Where existing MLC cover is being transferred or replaced, in whole or in part, Substitute Business Rules may apply. A transfer of cover occurs when a client applies for and obtains an interest in one MLC product (Replacement Product) followed by cancelling the interest in another (Initial Product).

The following points are applicable to a transfer of cover to the MLC Insurance product suite, from a different product suite.

- If the remuneration structure for the Initial Product was Upfront, the Replacement Product must be converted to Stepped remuneration.
- If the remuneration structure for the Initial Product was Level, the Replacement Product can be converted to Level, Hybrid or Stepped remuneration.
- If the remuneration structure for the Initial Product was Hybrid, the Replacement Product can be converted to Hybrid or Stepped remuneration.

- If the premium of the Replacement Product exceeds the premium of the Initial Product due to a change in the level of cover, adding extra cost options or altering the options selected, initial remuneration will be paid on the amount of the increase in premium attributable to this change (Additional Premium) and renewal remuneration will be paid on the balance of the premium. A different remuneration type to that on the Initial Product can be nominated for the Additional Premium on the Replacement Product.

For a transfer of cover within the same product suite (e.g. MLC Insurance to MLC Insurance (Super)), Initial remuneration will not be payable (unless an increase in premium occurs). Renewal remuneration will continue to be paid (on the same remuneration basis as the Replacement Product) on the premium of the transferred benefit (on a lower premium basis if applicable). If the Initial Product being replaced was on Stepped remuneration and more than 36 months in force, then Stepped or Hybrid renewal remuneration will be available.

In line with the new Life Insurance Framework (LIF) remuneration rules applicable from 1 January 2018, if a policy lapses, is decreased or is cancelled by the policy owner before MLC has received the full 24 months of new business premium, or if MLC refunds part or all of the new business premium to the policy owner for any reason, the MLC Payer may require payment of the clawback amount on demand, or may deduct it from future remuneration payments in line with the 'Clawback of Initial Remuneration' terms outlined in the Remuneration Schedule. To the extent that the Replacement Product premium exceeds the Initial Product premium, the increase in premium attributable to a change in the level of cover, adding extra cost options or altering the options selected is New Business Premium for the purpose of clawback.

For further information please refer to the Remuneration Schedule.

NEW BUSINESS AND POLICY ALTERATIONS

Financial advisers' commission

Changing the level of cover, adding extra cost options or altering options which affect premiums

Initial commission is only payable on the amount of premium increase which is attributable to changing the level of cover, adding extra cost options or altering options which affect premiums.

Remuneration for special cases

The Level Remuneration type applies to the whole policy for the following, regardless of licensee or contract owner nomination:

- Income Protection policies for all Special Risk occupations (class SR)
- level premium contracts for any Life Cover, Critical Illness (Extension and stand-alone) Total and Permanent Disability (Extension, stand-alone, and as a Critical Illness extension) and Terminal Illness Support where the Life Insured is aged over 55 next birthday at entry
- a new policy from us that replaces an existing policy, issued by another insurer, for a Life Insured to whom we have issued similar insurance within the last five years may have Level Remuneration applied.

Claw backs and responsibility periods

If a policy lapses or is cancelled in whole or in part by the policy owner before we have received the full 24 months of new business premium, we may claw back all or part of the initial commission paid. Please refer to the Remuneration Schedule.

Premium discount on commission

Premiums may be discounted (as per the Remuneration Schedule) by offsetting the amount of commission payable. The discount can apply at a benefit level, per Life Insured or to the entire policy. The policy fee cannot be discounted.

Premium discounts cannot be applied to existing policies. Discounts can only be applied for new business (ie increases and new applications for insurance).

PREMIUM INFORMATION

Premium rates

For full details of our premium rates, refer to the 'Premium Information for MLC Insurance and MLC Insurance (Super)' pdf, located under 'Forms and Brochures' on **mlcinsurance.com.au**

Please refer to the 'New Business and Policy Alterations' section of this guide regarding 'Premium discount on commission'.

Minimum premium

Mode of payment	Minimum premium (for new applications)	Minimum premium (for increases to existing insurance)	Minimum premium (for TPD and Critical Illness as a Connected Benefit)
Yearly	\$250	\$125	\$125
Half-yearly	\$130	\$65	\$65
Monthly	\$20	\$10	\$10

The minimum premiums shown above are per Life Insured.

The minimum premium does not include the policy fee.

PREMIUM INFORMATION

How clients can pay premiums

What payment options are available?

All premiums must be paid in advance.

The premium increases the more frequently it is paid. We can change these percentages at any time and will notify you and your client of any change.

Frequency of premium payments	Payment methods available				Eligible account	Current loading on frequent payments
	direct debit	credit card	cheque	BPAY [®]		
Monthly	•	•			•	yearly plus 7%
Half-yearly	•	•	•	•	•	yearly plus 4%
Yearly	•	•	•	•	•	yearly

Which payment form is required?

For all payment methods please complete the corresponding section within the

- Product Disclosure Statement, or
- Payment Authority Deduction Form.

These forms can be ordered from EasyOrder on the secure Adviser site via the Advisers link on mlcinsurance.com.au, or downloaded from the 'Forms and Brochures' section on mlcinsurance.com.au

BPAY[®] is available for subsequent premiums paid directly to us by cheque or money order but is not available for the initial premium payment.

How clients can pay premiums

Direct debit system

If your client operates either a cheque account or a non-passbook savings account at any bank or financial institution in Australia, they can make automatic premium payments directly to us who will pay all transfer charges.

Note: Direct debiting is not available on the full range of financial institution accounts. Your client should refer to their financial institution before choosing this payment method.

The initial premium or a completed Direct Debit Request must accompany the application.

Credit card deductions

Your client can pay premiums by charging to their nominated MasterCard or Visa credit card.

The initial premium or a completed Credit Card Deduction Authority must accompany the application.

Cheque

Your client can pay their premiums direct to us by cheque or money order.

We will send your client notices for premiums prior to the due date.

The cheque or money order for the initial premium and a completed Direct Payment of Premiums form must accompany the application.

BPAY® facility

Bpay® is a facility set up with most Australian banks whereby a customer can pay bills using telephone or internet banking. This is done using a Bpay® biller code along with a customer reference number. The money is then transferred from the account of the policy holder onto the account of the biller almost instantaneously if inside business hours.

For your clients this means a much quicker and simpler method of making payments.

This option is generally only available if your client pays premiums directly to us by cheque or money order.

The BPAY® biller code is: 58289.

The client's customer reference number will be noted on all premium renewal notices sent to the client, arrears due and urgent payment request.

Note: This option is not available for the initial premium payment.

Eligible account deductions

Clients who hold an eligible account with us can arrange to pay their MLC Insurance or MLC Insurance (Super) premiums by a regular deduction from one of these accounts. Only one deduction may operate between any one of these accounts and the deductions for a policy cannot be split between these accounts.

The initial premium or a completed Deduction Authority must accompany the application.

Rollover from an external super fund

Your client can pay their premiums by rollover from an external super fund. They must be the member for both the MLC Insurance (Super) policy and the external super fund account from which the rollover will be paid.

The premium payment is treated as a partial rollover and the premium frequency is restricted to yearly, paid on the anniversary date.

These policies will also be eligible for the 15% Super Credit, which will be applied directly to the MLC Insurance (Super) policy.

See mlcinsurance.com.au/using-your-insurance/how-to-pay-your-insurance-premiums for more information, and a list of eligible accounts and which type of premiums can be deducted from that account.

CLAIMS PROCEDURES INFORMATION

Claims process and contacts

MLC Insurance claims workflow summary		
Notify us of claim by phone or in writing	Please provide: <ul style="list-style-type: none">• policy number• claimant’s contact details• cause and date of event, for death or disability claims• nature of medical condition, for Critical Illness claims.	
Submitting a claim	Detail regarding the claim will be taken over the phone in place of a claim form. If preferred, claims forms can be posted or emailed to the policy owner or Life Insured, or via the financial adviser on specific prior request.	
We receive claim form and all supporting documents	Supporting documents required in addition to the claim form include: Death claims: <ul style="list-style-type: none">• claim form (a Trustee may request additional documents for super claims)• death certificate• certified proof of age• original policy document. TPD and Critical Illness claims: <ul style="list-style-type: none">• two Treating Doctor’s Reports• certified proof of age• original policy document. Income Protection and Business Expenses claims: <ul style="list-style-type: none">• Treating Doctor's Report• financial documents• certified proof of age. We will advise the financial adviser if any other information is required.	
We assess the claim	Assessment of the claim commences on receipt of all the required information. The average turnaround for reviewing the claim paperwork is five working days from receipt.	
We advise policy owner of assessment decision	We will contact the policy owner and financial adviser to advise whether the claim is admitted or declined, or otherwise if further information is required. For ongoing Income Protection and Business Expenses claims, ongoing eligibility for benefits is assessed monthly on receipt of continuing claim forms.	
Payment of claim (if eligible)	Lump sum payments or monthly Income Protection payments may be made by cheque or, where possible, by electronic funds transfer.	
Claims notification and further information		
All claims	1300 125 246 (1300 1 CLAIM)	MLC Claims PO Box 200 North Sydney NSW 2059

Claims procedures

Claims philosophy

Our overarching vision is "Supporting customers through their time of need." Our daily Claims management practice meets this through an action based philosophy:

- We're always there for our customers at claim time
- We recognise that every customer has a genuine need
- It's our culture to assess claims quickly and with a minimum of fuss
- Our team of claims assessors and support staff have the right skills to support each client with integrity, fairness, and compassion

Notification

We must be notified in writing or by phone that a claim is to be made. The following details should be provided to us at that time:

- policy number(s)
- full name of policy owner(s)
- full name of the Life Insured who is the subject of the claim
- date of claim event
- cause/nature of claim
- name, address and telephone number of the person to whom correspondence is to be sent.

We will then send you or your client the necessary forms and instructions for completion and return of the claim forms.

Time limits on claims

It is important to report a claim to us as soon as possible.

For Income Protection or Business Expenses insurance, we should be notified of claims within 30 days of the claimable event. Initial claim forms must be returned within 90 days or as soon as possible.

For other insurances, notification and proof of claim should be submitted as soon as possible to avoid unnecessary delays in the assessment of possible entitlements.

If proof of claim is not submitted to us within the relevant time-frame specified above, the Life Insured's entitlement to benefits may be prejudiced.

Submission of completed claim forms / Proof of Loss

Completed claim forms must be sent back to us.

Where a claim form (or section thereof) requires completion by a doctor, the claimant will be responsible for paying all associated costs.

The policy document (or evidence of Interim Accident Insurance for a pending insurance application) must be submitted for all lump sum claims.

Where a claim is ongoing, we will advise the specific requirements. For Income Protection and Business Expenses claims, the requirements usually include submission of monthly claim forms.

Additional Proof of Loss may be required in certain instances. When this involves a financial audit or an independent medical examination by a professional appointed by us, we will pay the associated costs.

PRODUCT INFORMATION

Policy structures

MLC Insurance (Super) – insurance inside super

MLC Insurance (Super) provides a range of insurances to meet your clients' needs, conveniently packaged with a single policy fee and annual statement, within the superannuation environment. The insurances form part of a policy issued by MLC Limited to NULIS Nominees (Australia) Limited as the Trustee of the MLC Super Fund. Clients can select from:

- Life Cover
- Total and Permanent Disability (TPD)
- Income Protection
- Premium Waiver
- Accidental Death.

Number of Lives Insured

MLC Insurance and MLC Insurance (Super) allows only one person to be insured under each policy.

Policy ownership

If a client takes MLC Insurance (Super), they become a member of the MLC Super Fund. The Trustee of the MLC Super Fund takes out a policy on the client and thus becomes the policy owner. Any benefit payable is paid to the Trustee.

The Trustee pays the benefit to the client's beneficiaries in accordance with the Trust Deed for the MLC Super Fund and subject to superannuation laws and restrictions.

MLC Insurance – insurance outside super

MLC Insurance offers a portfolio of insurances to suit your clients' needs with a single policy fee, and because life is full of changes, clients can modify their insurance cover in the future, making this an excellent insurance option for individuals and small family businesses or partnerships. Clients can select from:

- Life Cover
- Total and Permanent Disability (TPD)
- Critical Illness
- Income Protection
- Business Expenses
- Premium Waiver
- Accidental Death
- Occupationally acquired HIV or Hepatitis B and C
- Child Critical Illness Insurance.

Policy structures

Policy ownership

One 'entity' owns the policy. Ownership must be the same for all insurances under the one policy. The 'entity' can be an individual (or up to six individuals as joint owners), a company, a partnership or the trustees of a family trust or superannuation fund.

Income Protection and Business Expenses third-party ownership

Where Income Protection is included in a policy, there are some restrictions on ownership. Generally, the Life Insured for Income Protection must be the policy owner.

As premiums are generally tax deductible to the policy owner and proceeds are generally assessable in the hands of the recipient, the person who receives the benefit must be the same person who pays the premium.

This means that if Income Protection is to be included in a policy, the Life Insured must own that policy. The policy cannot be jointly owned.

The only exceptions to the ownership rule occur where the policy is owned by:

- a company (as a guide the person insured would need to have a minimum 25% holding in the company)
- a partnership, or
- the trustee(s) of a family trust or superannuation fund, refer to the 'Ownership by a trust or self-managed super fund' section on this page.

In such cases the relationship must be clearly indicated on the Application Form.

Third-party ownership is subject to insurable interest satisfactory to us and underwriting approval. The same rules apply for Business Expenses.

Ownership by a trust or self-managed super fund

Unlike an individual or a company, a trust is not a legal entity and therefore cannot own property in its own right.

A trust exists when a person (or persons) or company acts/holds/manages certain property (as trustee) for the benefit of others (beneficiaries). The trust deed describes the relationship between the trustee(s) and the beneficiaries (ie that the trustees have ownership of some property and will hold / dispose of / otherwise deal with it for the benefit of the beneficiaries). The terms of the trust deed for the trust or SMSF will govern the obligations of the individuals or company when they act for the trustees of a trust. In these circumstances, MLC Insurance ownership must be registered in the name of the trustees (ie the individuals or company acting in this role). For example, the appropriate owner would be 'Susan Elizabeth Jones and Steven John Jones ATF [as Trustees for] the Jones Family Super Fund' or 'Jones Pty Ltd ATF Jones Family Super Fund'. It will also be noted on the policy that the persons or company owning the policy do so as trustees.

Please ensure these ownership details are provided correctly on the Application Form. If forms are submitted with ownership details incorrectly completed for a trust situation (for example, the Application Form completed with the owner being the trust or SMSF name rather than the trustees' names) the form will need to be amended.

If the trustees of the trust or SMSF are individuals, all the trustees are required to sign as a policy owner in the declaration section of the Application Form. If the trustee is a company, the policy owner signature requirements will be the same as outlined for a company in the declaration section of the PDS Application Form.

All of the insurances under MLC Insurance can be applied for when it is proposed that the owner(s) of the policy will be the trustee(s).

Structuring insurance between policies using Connected Benefits

Connected Benefits provides greater flexibility for cost-effectively structuring insurance across policies and products, inside and outside superannuation, where each policy has different owners for insurance on the same Life Insured.

The examples on the following pages illustrate how this concept works.

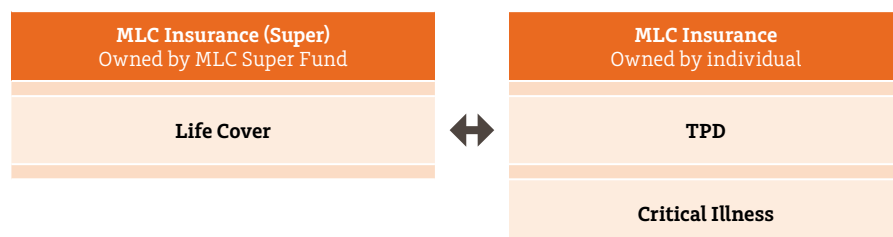
PRODUCT INFORMATION

Example 1: Structuring insurance inside and outside superannuation

Mary, a single 40-year-old accountant with two children, living in NSW, requires \$1,000,000 of Life Cover, \$200,000 of TPD insurance and \$200,000 of Critical Illness insurance and wishes to pay her premiums annually.

Using Connected Benefits, Mary applies for Life Cover insurance within superannuation, under an MLC Insurance (Super) policy owned by the MLC Super Fund, and owns TPD and Critical Illness insurances under MLC Insurance which are connected to the Life Cover.

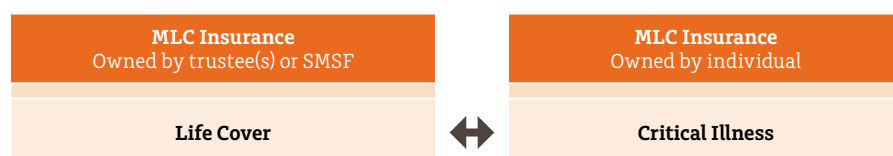
Connected Benefits between MLC Insurance (Super) and MLC Insurance policies



Example 2: Structuring insurance inside and outside superannuation (with an external trustee)

John, a married 43-year-old company director, can own Critical Illness insurance as part of his Life Cover, even though the Life Cover is owned by his self-managed super fund, if the Critical Illness insurance is issued as a Connected Benefit under his own name.

Connected Benefits between MLC Insurance policies



Connected Benefits can also be used where clients wish to structure their insurance for business and personal purposes within the MLC Insurance product.

Policy structures

Example 3: Structuring insurance for business and personal purposes

David, a single 36-year-old company director, can own Critical Illness insurance as part of his Life Cover but have the Life Cover and TPD insurance owned by the business if the Critical Illness insurance is issued as a Connected Benefit under his own name.

Fees and payment methods under Connected Benefits

Only the base Life Cover policy will be charged a policy fee. The Connected Benefits policy (TPD Extension and/or Critical Illness Extension) will not incur a policy fee.

Each policy can continue to have different payment methods.

Stamp Duty is payable for the Connected Benefit at General Insurance rates based on the state of residence of the Life Insured.

Setting up Connected Benefits

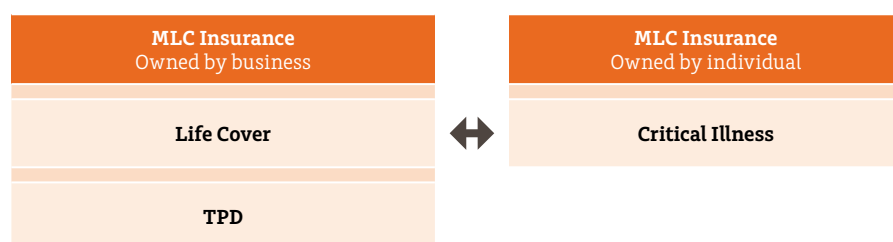
The entry/start date of the Connected Benefit must be equal to or later than the entry date of the Life Cover.

A Life Insured can have only one separate policy with Connected Benefits connected to their Life Cover.

Only Child Critical Illness can be on the same policy as connected benefits.

The process of setting up Connected Benefits for existing clients may require part or all of their existing policy to be cancelled with a new policy to be set up. If part or all of a policy is cancelled within the 12 month responsibility period, this may result in commission being recovered. However, the commission applicable will be paid under the new policy. If cover is cancelled outside the 12 month responsibility period, Substitute Business Rules will apply.

Connected Benefits between MLC Insurance policies



These examples demonstrate how clients can purchase Critical Illness or TPD as an 'extension' to their Life Cover which sits on a separate policy with a different policy owner to avoid 'overinsuring' or paying stand-alone rates.

PRODUCT INFORMATION

Sums insured, claims, cancellation and options with Connected Benefits

The sum of the Extension benefits, including Connected Benefits, cannot exceed the Life Cover that it is connected to.

Where a benefit is paid for a Connected Benefit, the connected Life Cover will be reduced accordingly.

When a Life Cover benefit is cancelled, any Connected Benefits will also be cancelled.

Policies with Connected Benefits will not complete until the policy with Life Cover has been completed.

Where the Life Cover Buy Back has been purchased on a Connected Benefit, the owner of the policy with the Life Cover must exercise the option.

Rules unaffected by Connected Benefits

The following product rules remain the same irrespective of whether TPD and/or Critical Illness are purchased as Connected Benefits:

- Business Safeguard Option
- minimum and maximum entry ages
- Substitute Business Rules.

Nominating a beneficiary

Features	Option 1 Non-binding death benefit	Option 2 Non-lapsing binding death benefit	Option 3 No nomination
Trustee involvement	The Trustee will generally take nominated beneficiaries into account, but depending on the circumstances at the time of death and the circumstances of potential beneficiaries, the Trustee may pay the benefit differently.	If the nomination is valid, the Trustee must pay the death benefit to the dependant(s) or legal personal representative nominated and in the proportions nominated.	Trustee discretion applies when there is no nomination.
Facilitates tax-efficient estate planning	Possibly (depending on client's estate plan).	Possibly (depending on client's estate plan).	Possibly (depending on client's estate plan).
Duration of nomination	Valid until cancelled or modified by the client.	Valid until cancelled or modified by the client.	Valid until cancelled or modified by the client.

There are rules that apply to nominating a beneficiary using these options:

- a non-lapsing binding death benefit nomination will become invalid if a nominated beneficiary (other than the legal personal representative) is not a dependant at the time of the Life Insured's death; the invalid beneficiary's portion will be subject to Trustee determination.

YOUR NOTES

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**For more information call MLC
from anywhere in Australia
on 133 652 or contact your
MLC representative.**

**If you wish to talk to an
underwriter call the
Underwriting Hotline between
8.30 am and 5.30 pm
Melbourne/Sydney time.**

Adviser Service Centre: **133 652**

Underwriting Hotline: **1800 811 861**

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