



# Protecting your employees

## MLC Group Insurance

### Important information

This document has been prepared by MLC Limited (MLC) and is intended to provide general information only, without taking into account any person's objectives, financial situation or needs. A person should, before acting on information in this document, consider the appropriateness of the information having regard to their personal objectives, financial situation or needs. A person should obtain financial advice regarding his or her own circumstances before making any insurance decision.

The insurance cover referred to above is subject to terms and conditions. Refer to the Policy Document for full terms and conditions.

An application can only be made on the Application Form in the current MLC Group Insurance Product Disclosure Statement, issued by MLC Limited. The responsible entities for MLC's Group Insurance products are MLC Limited, ABN 90 000 000 402, AFSL 230694, and MLC Nominees Pty Ltd, ABN 93 002 814 959, AFSL 230702, RSE L0002998 (Trustee for The Universal Super Scheme R1056778, SFN 281 440 944), both having the registered office of: 105-153 Miller Street, North Sydney, NSW 2060. MLC Limited is a member of the National Australia Group of companies. Cover is subject to MLC Limited's acceptance of the application.

An MLC Group Insurance policy does not represent a deposit with or liability of National Australia Bank Limited ABN 12 004 044 937. Neither the National Australia Bank Limited nor any other company in the National Australia Group of companies (other than MLC Limited as insurer) guarantees or accepts liability in respect of MLC Group Insurance.

### Want to know more?

For further information on MLC Group Insurance please contact us on **1800 458 038**.

For Group Insurance quotations please email Group Sales on [groupsales@mlc.com.au](mailto:groupsales@mlc.com.au) or visit [mlc.com.au](http://mlc.com.au)



# Group insurance in the workplace

**As an employer, you understand you are obliged to create a superannuation solution for your employees.**

**But have you considered the level and range of insurance available to your employees?**

MLC can provide you and your employees with an effective, competitively priced insurance solution (either inside or outside of superannuation arrangements), that includes:

- Group Life (Death & Total and Permanent Disablement), and
- Group Salary Continuance (Income Protection).

#### **Consider these facts:**

- only 4% of families with dependent children have the recommended amount of life insurance,<sup>1</sup>
- cover held by those with life insurance linked to super represents just 20% of what most families need.<sup>1</sup>

#### **What are the benefits of Group Insurance?**

1. Premiums are usually lower than individual rates.
2. Automatic acceptance for insurance cover. Generally, this means there is no individual underwriting within defined benefit limits.
3. Employees are attracted, motivated and retained by employers who provide insurance benefits.<sup>2</sup>
4. Protects against the cost of absent employees.

# Why MLC is good for your employees

#### **Major provider of Group Insurance**

With proven financial strength and 120 years of dedicated insurance experience you can be confident in MLC.

We are part of the National Australia Group of companies, one of the nation's largest financial services institutions with a very strong 'AA-' Insurer Financial Strength assessment by international ratings agency Standard & Poor's.<sup>3</sup>

MLC's wealth management division has more than \$110 billion in funds under management<sup>4</sup>, making us a household name.

As a major provider of Group Insurance, MLC works in partnership with many of Australia's leading companies, Corporate Superannuation Funds, Master Trusts and Industry Funds to provide tailored solutions to meet their specific insurance needs.

The MLC Group Insurance management team has valuable, extensive experience in the group insurance industry. Combined, the team's experience matches MLC's 120 year history in the market.

Our aim is to provide strong partnership arrangements to our clients in the provision of insurance benefits and solutions for their employees/members.

**We believe your employees should be able to enjoy life without worrying about what may, or may not, happen.**

**With this philosophy, we've developed insurance solutions that give your employees confidence in their financial future, even if something should happen to their ability to work.**

<sup>1</sup> Rice Walker for IFSA, 'A Nation Exposed', August 2005.

<sup>2</sup> Human Resources Magazine, July 2007.

<sup>3</sup> As at March 2008. Ratings are subject to change. For the latest ratings information please visit [www.standardandpoors.com](http://www.standardandpoors.com)

<sup>4</sup> As at September 2007.



MLC has achieved certification to the International Customer Service Standard (ICSS). The Customer Service Institute of Australia is an independent organisation that has recognised MLC as complying with the ICSS.

# What does MLC offer?

**MLC Group Insurance provides flexible and competitive group risk products that can be tailored to meet your needs.**

## Product features

MLC Group Insurance covers a group of people where the benefits and limits are defined for the group rather than for the individual. This usually results in significantly lower premium rates compared to those for individuals.

### Types of cover under the MLC Group Stand-Alone Insurance:

<b>Death</b>	Provides a lump sum payment on death of a member.
<b>Total &amp; Permanent Disability</b>	Provides a lump sum payment if the member is unable to ever return to work due to sickness or injury.
<b>Salary Continuance</b>	Replaces up to 75% <sup>1</sup> of a member's pre-disability salary if the member is unable to work due to sickness or injury.

### Types of cover under the MLC Super Group Insurance:

<b>Death</b>	Provides a lump sum payment on death of a member. <sup>2</sup>
<b>Total &amp; Permanent Disability</b>	Provides a lump sum payment if the member is unable to ever return to work due to sickness or injury.

**MLC Super Group insurance is an excellent, tax-effective alternative to our stand-alone Group Life insurance.**

It provides Death and Total & Permanent Disability insurance only within a superannuation environment. This means with a Death claim, your employee's beneficiary will not be taxed at a higher rate on the benefit payment.

MLC Super Group Insurance also helps employers ensure their employees are insured, regardless of whether they choose to exercise 'choice of fund'.

For more information, download a Product Disclosure Statement from [www.mlc.com.au](http://www.mlc.com.au)

### Minimum requirements when considering MLC Group Insurance:

- must have at least 20 insured members,
- minimum premium of \$10,000 per annum, and
- minimum of 75% of eligible members within your group insured under the policy.

# Why does MLC Group Insurance make sense?

- It attracts and retains valued employees.<sup>3</sup>
- It's a benefit that many employees value.<sup>3</sup>
- Group Insurance generally offers lower cost premium rates than individual insurance policies.
- 56% of Australian men who retired early in 1997 did so because of ill health or injury<sup>4</sup>. Without adequate insurance protection they may have to access their 'nest egg' to survive financially, thus reducing their lifestyle in retirement.
- One in three Australians run the risk of being disabled for more than three months before reaching 65.<sup>5</sup>



<sup>1</sup> The policy owner may choose to insure an additional amount up to 15% in the form of a Superannuation Contribution benefit, provided they remain a member of a complying super fund to which the policy owner contributes.

<sup>2</sup> Death benefits will be taxed at a lower rate than benefits paid under stand-alone Group Life insurance. This is general tax advice only; we recommend you talk to a financial adviser to discuss your own financial position.

<sup>3</sup> William M. Mercer 'Benefits Outside the Square'.

<sup>4</sup> Australian Bureau of Statistics. Not in the Labour Force: Retirement and retirement intentions: Australian Social Trends, 2000.

<sup>5</sup> Institute of Actuaries of Australia, May 2007.

# How do we deliver Group Insurance?

Once a policy proposal is accepted with your deposit premium, you will receive a Policy document together with a letter of confirmation.

The Schedule attached to your Policy document outlines the specific terms and conditions that apply to your insurance.

The terms of the insurance are effective from the Policy commencement date printed on your Schedule.

You should read both your Policy document and Schedule carefully to make sure it meets your needs.

## Summary of benefits

Death and Total & Permanent Disability Benefits:

	Standard Benefits	Forms part of the Options package
Death Benefit	•	
Terminal Illness Benefit <sup>1</sup>	•	
Interim Accident Cover	•	
Continuation Option	•	
24/7 Worldwide Cover	•	
Choice of Total & Permanent Disability Definition		•
Profit Share <sup>1</sup>		•

<sup>1</sup> Not available under MLC Super Group Insurance.



## Salary Continuance Benefits:

	Standard Benefits	Forms part of the Options package
Disability Income Benefit	•	
Partial Disability Income Benefit	•	
Recurrent Disability Benefit	•	
Waiver of Premium	•	
Bereavement Benefits	•	
Family Carer Benefit	•	
Workplace Modification Benefit	•	
Emergency Transport Benefit	•	
Rehabilitation Expense Benefit	•	
Interim Accident Cover	•	
Continuation Option	•	
24/7 Worldwide Cover	•	
Increasing Benefits Option	•	
Employer Superannuation Contribution Benefit		•
Profit Share		•
<b>Extra Benefits Package</b>		•
<ul style="list-style-type: none"> <li>• Bed Confinement Benefit</li> <li>• Specified Illness Benefit</li> <li>• Advance Payment for Specific Injuries</li> <li>• Critical Illness Benefit</li> </ul>		•