

Life Insurance

SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT

Partner Insurance Portfolio

Issue date
15 October 2007

Issuer and Trustee
TOWER Australia Limited
(ABN 70 050 109 450)
(TOWER) is a registered life
insurance company.
TOWER's Australian Financial
Services Licence number
is 237848.

TOWER Australian
Superannuation Limited
(ABN 69 003 059 407 and
RSE Lic. L0000642) (the
"Trustee") is the trustee of
the Partner Superannuation
Fund (RSE Reg: R1004700)
(the "Fund"). The Trustee's
Australian Financial Services
Licence number is 237851.

The Trustee and TOWER
are joint issuers of this
Supplementary Product
Disclosure Statement.

The contact details for the
Trustee and TOWER are:

Postal:
80 Alfred Street
Milsons Point
NSW 2061

Ph: 1800 221 142
Fax: 1300 133 260

www.toweraustralia.com.au

This document is a Supplementary Product Disclosure Statement (SPDS). It supplements and updates the information contained in the "Partner Insurance Portfolio Product Disclosure Statement" dated 28 May 2007 and should be read in conjunction with this Product Disclosure Statement (the "PDS").

This SPDS has been issued to inform you of the new definition (namely, the "Own Occupation" definition) which has now been added to the Total and Permanent Disability (TPD) Benefit option when issued through the Fund, as well as some other changes we have made to the PDS.

This SPDS has been issued by or on behalf of:

- the Trustee, as issuer of the superannuation product in the PDS (namely membership of the Fund); and
- TOWER, as issuer of the insurance policies in the PDS (namely the Term Insurance, Superannuation Term Insurance, Stand-Alone Total and Permanent Disability Insurance, Stand-Alone Medical Catastrophe Insurance, Disability Income Insurance, Disability Income Silver Insurance, Optimal Income Protection Insurance and Business Expenses Insurance policies).

**PROTECTION NOW
FOR THE FUTURE**

The information contained in this SPDS is general advice only. It has not taken into consideration your individual objectives, financial situation or needs. To cater for that, you should consider the appropriateness of this product having regard to your individual objectives, financial situation or needs. The Trustee recommends you seek advice from your financial adviser should you have any questions or concerns.

This SPDS takes effect for all applications completed on or after the issue date of this SPDS.



'Own Occupation' definition for Total and Permanent Disability now available through the Partner Superannuation Fund.

On page 52/81 of the PDS under the heading **"Total and Permanent Disability Benefit (TPD)"** replace the paragraph:

"Generally an 'any occupation' definition of Total and Permanent Disability applies."

with

"Generally an 'any occupation' definition of TPD will apply however an 'own occupation' definition may apply where selected by you and approved by the Trustee. Any payment made by the Trustee will be in accordance with the Trust Deed and Superannuation Law."

On page 52/81 of the PDS, under the heading **"What does Total and Permanent Disability mean?"** replace the paragraph:

"The meaning of Total and Permanent Disability differs depending on which of the three following definitions applies to the life insured:

- 'any occupation' definition;
- 'long term care' definition.

with

"The meaning of Total and Permanent Disability differs depending on which of the three following definitions applies to the life insured:

- 'any occupation' definition;
- 'own occupation' definition;
- 'long term care' definition.

And insert the following section on page 53/81 at the end of the **"Any occupation' definition"** section.

"Own occupation' definition"

Where the 'own occupation' definition applies, Total and Permanent Disability means that we are satisfied that:

- the life insured has suffered total and irrecoverable loss of the:
 - sight of both eyes, or
 - use of two limbs, or
 - sight of one eye and the loss of the use of one whole hand, or whole foot;

OR

- the life insured has been absent from employment through Injury or Illness for an uninterrupted period of six months and, in our opinion after consideration of all the medical evidence and such other evidence as we may require, has become incapacitated to such an extent as to render them unlikely ever to be able to engage in their own occupation;

OR

- solely because of an Illness or Injury, the life insured has suffered at least 25% permanent impairment of Whole Person Function and has not been working in any occupation, and becomes so disabled that he or she is unlikely ever to be able to perform his or her own occupation.

However if:

- the life insured's occupation immediately prior to the commencement of Total and Permanent Disability can be described as Home Duties (as described on page 70); or
- the life insured was not engaged in a gainful occupation for at least six months at the time of the event causing disablement;

then Total and Permanent Disability means that the life insured has, for an uninterrupted period of six months, been under medical supervision by a registered medical practitioner and has complete inability to perform any Home Duties or to move from the confines of the life insured's home without the assistance of a person, and, in our opinion, is unlikely ever to recover.

New section to be located between **"Restrictions of when you can access your benefits"** and **"What happens if I die?"** On page 57/81:

"When you do not meet a condition of release for disability payments"

If a disability benefit becomes payable, and you do not meet an appropriate condition of release, your benefit must be transferred out of the Fund and into an alternative superannuation arrangement.

The Trustee will write to you to inform you if you are required to transfer your benefit.

The Trustee will transfer your benefit to an Eligible Rollover Fund (ERF) if, after giving you prior written notice of our intention to do so, you do not notify us of an alternative superannuation arrangement to which you require your benefit to be transferred within thirty days of the date of that notice.

An ERF is a fund approved by the Australian Prudential Regulation Authority (APRA) which can receive benefits payable to members of superannuation funds who cannot be located or who do not respond to letters regarding payment of their benefits.

The Trustee has selected Australian Eligible Rollover Fund (AERF) as the Fund's ERF. Its contact details are:

Australian Eligible Rollover Fund
Locked Bag 5429
Parramatta NSW 2124
Call 1800 677 424

Once we transfer your benefit to the AERF, all further correspondence regarding your benefit should be directed to the trustee of the AERF.

If you are transferred to the AERF, your benefit may be impacted for the following reasons:

- You will cease to have an interest in the Fund.
- You will become a member of AERF, meaning you will be subject to its governing rules, including its fee structure.
- Your benefits may be member protected meaning that generally, administration charges cannot exceed investment earnings on your account in a reporting period. However, Government charges, such as taxes, may be deducted.

- The AERF is unable to accept any ongoing contributions from you or your employer, however, it may accept rollovers from other superannuation funds.
- Your benefit will be preserved unless you meet an appropriate condition of release.

General PDS corrections and updates

Refund wording

On page 4/81 under the heading “Applying for Partner Insurance Portfolio policies” replace the paragraph:

“Premiums paid in respect of any Partner Insurance Portfolio Policy represent the cost of the insurance and consequently, there is no surrender or cash value at any time. Other than during the cooling off period, if the Policy is cancelled, you will not get anything back.”

with

“Premiums paid in respect of any Partner Insurance Portfolio Policy represent the cost of the insurance and consequently, there is no surrender or cash value at any time.

Naturally we don’t want you to cancel your Policy, but we do understand that sometimes circumstances mean that you need to make this decision. If you do make the decision to cancel your Policy you should check with us to see if you are entitled to a refund of part of the premium as per TOWER’s Refund Policy.

TOWER’S Refund Policy is available at our website http://www.toweraustralia.com.au/refund_policy.asp or can be requested by contacting our Customer Service Team on 1800 221 142.”

Offsets wording

On page 38/81 under the heading “When we will reduce the benefit we pay” replace the sentence:

“For all other occupation classes, workers compensation, leave payments and other legislated payments in respect of lost income will be taken into account when calculating the Total or Partial Disability benefit. (However, any specified pain or suffering component of such a payment will be ignored for these purposes.)”

with

“For all other occupation classes, workers compensation or social security payments in respect of lost income will be taken into account when calculating the Total or Partial Disability benefit. (However, any specified pain or suffering component of such a payment will be ignored for these purposes.)”

Expiry Ages

On page 32/81, 39/81 and 49/81 under the heading “When does cover end” replace the following bullet point:

“the life insured attaining the age stated in the Policy Schedule; or”

with

“the life insured attains the Expiry Age; or”

On page 41/81 under the heading “When does cover end” replace the following bullet point:

“the life insured’s 70th birthday; or”

with

“the life insured attains the Expiry Age; or”

On page 70/81 insert the following section after the "Earned Income" definition:

Expiry Age

The Expiry Age means the age shown in the table below corresponding to the relevant Disability cover, Premium Option and Benefit Period.

	Premium Option	Benefit Period	Expiry Age
Disability Income Platinum	Stepped	To age 60	60
		To age 65	65
		To age 70	70
Disability Income Gold	Level	To age 60	60
		To age 65	65
Disability Income Silver	Stepped	2 years	65
		5 years	65
		To age 60	60
		To age 65	65
		To age 70	70
Disability Income Optimal	Level	To age 60	60
		To age 65	65
Business Expenses	Stepped	1 year*	65
			70**

* Although benefits can sometimes be paid after 1 year

** If Disability Income is selected and the Benefit Period is to age 70

War Exclusion

On page 55/81 under the heading "When we will not pay a benefit" delete the following (second last bullet point):

"war or any act of war, whether declared or not; or".



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PLEASE INSERT BARCODE
 NUMBER FROM THE
 APPLICATION FORM FOR
 PDS DATED 28 MAY 2007

Acknowledgement by policy owner and life to be insured

I/We have received a copy of and read and understood the Supplementary Product Disclosure Statement (SPDS) dated 15 October 2007 in conjunction with the Partner Insurance Portfolio Product Disclosure Statement (PDS) dated 28 May 2007, relating to the insurance for which I/we am/are applying and my/our decision to apply for this insurance is based on my/our understanding of the content of the PDS and SPDS.

Name of Life to be insured 1 (Please use BLOCK LETTERS only)	
Signature of Life to be insured 1 ✕	Date / /
Name of Life to be insured 2 (Please use BLOCK LETTERS only)	
Signature of Life to be insured 2 ✕	Date / /
Signature of Policy Owner 1 ✕	Date / /
Signature of Policy Owner 2 ✕	Date / /

* Please note that if this policy is jointly owned, BOTH policy owners must sign.