



# Financial Adviser Guide

## MLC Life Cover Super (LCS) and MLC Personal Protection Portfolio (PPP)



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ABN 44 928 361 101

MLC Limited  
ABN 90 000 000 402  
AFSL 230694



**MLC voted  
Life Insurance Company  
of the Year for the  
fourth time in six years.**

# Contents

At a glance, what is covered in this guide

<b>Your Financial Adviser Guide</b>	<b>3</b>	<b>Section 6 Pastimes Table and Guide</b>	<b>105</b>
<b>Section 1 Contacts Summary</b>	<b>7</b>	<b>Section 7 Financial Underwriting</b>	<b>119</b>
<b>Section 2 Underwriting Philosophy</b>	<b>11</b>	<b>Section 8 Medical Underwriting</b>	<b>141</b>
<b>Section 3 Underwriting Requirements Tables</b>	<b>21</b>	<b>Section 9 New Business and Policy Alterations</b>	<b>179</b>
<b>Section 4 Occupation Classification Guide</b>	<b>37</b>	<b>Section 10 Premium Information</b>	<b>219</b>
<b>Section 5 Occupation Underwriting Guide</b>	<b>93</b>	<b>Section 11 Claims Procedures</b>	<b>231</b>
		<b>Section 12 Product Information</b>	<b>243</b>
		<b>Index</b>	<b>287</b>

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# Your Financial Adviser Guide

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. It also provides you with useful information when requesting alterations to existing insurance cover.

The guide is comprehensive but you may need to discuss particular issues or aspects of applications with one of MLC's 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.

**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 Product Disclosure Statement (PDS) and the applicable Policy Documents.**

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# Contacts Summary

1





# Contact MLC

<b>Adviser Service Centre</b> Available (AEST/AEDT): 8 am – 7 pm Monday to Friday	<b>133 652</b>	For insurance queries call the Adviser Service Centre from anywhere in Australia	
<b>Business Development Managers</b>	<b>1800 707 593</b>	<b>NSW</b>	
	<b>1800 707 846</b>	<b>VIC</b>	
	<b>1800 707 862</b>	<b>QLD</b>	
<b>Underwriting Hotline</b> Available (AEST/AEDT): 8.30 am – 5.30 pm Monday to Friday	<b>1800 811 861</b>	<b>Contact Underwriting during business hours:</b>  Underwriting queries and pre-assessments during business hours	
<b>After Hours Underwriting Service</b> Available (AEST/AEDT): 5.30 pm – 9 pm Monday to Friday 10.30 am – 5 pm Saturday, Sunday and Public Holidays		<b>0421 610 475</b>	<b>Contact Underwriting after business hours:</b>  <b>For NAB Financial Planners (NABFP)</b>  <b>For Advisers located in:</b>
<b>0419 404 804</b>	<b>NSW and SA</b>		For all other financial advisers
<b>0401 142 927</b>	<b>VIC</b>		
<b>0413 308 784</b>	<b>QLD</b>		
<b>0448 739 299</b>	<b>WA</b>		
<b>Claims</b>	<b>1300 135 241</b>	<b>To Contact:</b>  <b>Sydney</b>  <b>Melbourne</b> (Victorian and Tasmanian policies only)	
		<b>1300 857 113</b>	<b>Melbourne</b> (Victorian and Tasmanian policies only)
		<b>insurance_mlc@mlc.com.au</b>	Submitting applications/ outstanding requirements (please include policy number in subject field)
<b>Website</b>	<b>mlc.com.au</b>		
<b>Postal address</b>	<b>MLC Limited</b> <b>PO Box 200</b> <b>North Sydney NSW 2059</b>		

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# Underwriting Philosophy

# 2



# Contents

## Underwriting Philosophy

**Philosophy  
statement** 13

**Legislation,  
IFSA standards  
and guidelines** 14

**Privacy** 15

**Alternative  
terms and policy  
amendments** 16

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# Philosophy statement

At MLC, 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, abide by the necessary legislation and continue to keep our premium rates sustainable.

The MLC Underwriting team prides itself on the professionalism of its underwriters and continues to focus on developing the team to provide our financial advisers with the tools and support required to write successful risk business.

Our Financial Adviser Guide reflects our internal guidelines and has been designed to give you the information you need to manage your client's expectations around the underwriting process. Our underwriters are available to assist you with any further queries you may have.

# Legislation, IFSA standards and guidelines

As a member of IFSA (Investment and Financial Services Association), MLC is obliged to comply with certain IFSA Standards and follow IFSA Guidelines. Members' compliance with IFSA 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 141.

There are also several pieces of legislation that prescribe how we must operate that affect underwriting, including the Disability Discrimination Act 1992 (Cth) and the Insurance Contracts Act 1984 (Cth).



# Privacy

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

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

MLC considers the privacy of our clients' personal information to be extremely important and is 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 MLC could be required to provide an applicant / Life Insured / policy owner access to information on our files and systems.

In some instances, MLC 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

MLC aims 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, MLC will consider other ways of altering the cover offered. This may involve limiting the term of cover; in the case of Critical Illness, offering cover for a reduced number of critical conditions with premium adjustment; and for Income Protection, changing 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. MLC's Application Form assists in this regard by including a provision for the acceptance of exclusions in the personal statement.

## Exclusions

### Why do we offer exclusions?

Sometimes the only way a person can be insured is with an exclusion. Exclusions are offered only after exhaustive efforts to provide standard terms, which may include offering the risk to the facultative reinsurance market.

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, MLC will limit the exclusion to a localised spinal area (eg the cervical spine—the top part of the spine—only).

MLC 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 152 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 accidents 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 totally disabled and the recovery not complicated or prolonged because of a pre-existing condition, then MLC will favourably consider the payment of the claim.

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

# Alternative terms and policy amendments

## Fixed term insurance cover

Where MLC is unable to offer insurance cover for the full duration of the insurance contract, an offer of cover with a shorter fixed term may be made. This may occur as a result of financial or medical circumstances. All commission structures are available for fixed term contracts between 11 and 20 years. Level commission is only available for fixed term contracts between 5 and 10 years.

Contact MLC Underwriting to discuss the individual circumstances of clients who you believe may be uninsurable or acceptable only on heavily loaded terms. Using a fixed term contract we will, wherever possible, endeavour to provide your clients with valuable protection.

# Underwriting Requirements Tables

# 3

## Underwriting Requirements Tables

# Contents

## Underwriting Requirements Tables

### **Medical requirements 23**

Life Cover, TPD and  
Critical Illness 23

Income Protection 25

Business Expenses 25

Business Expenses with  
Income Protection 25

Legend: type of medical  
evidence required in addition  
to the personal statement 26

### **Financial requirements 28**

Personal insurance: Life Cover,  
TPD and Critical Illness 28

Business insurance: Life Cover,  
TPD and Critical Illness 30

Income Protection 32

Business Expenses 34

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# 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 MLC on death, disability or a critical illness event, across all insurance cover with MLC.

These are MLC's minimum requirements, in addition to the personal statement. MLC reserves the right to require additional medical examination, additional tests or reports if required to complete the underwriting assessment.

## Life Cover, TPD and Critical Illness

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

1. Look up the requirements for your client's age next birthday and the total sum insured in Table A. To determine the total sum insured, add the sums insured for Life Cover, stand-alone TPD and stand-alone Critical Illness cover being applied for and the sums insured under any MLC policy that remains in force on the same life.
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 MLC and is applying to increase the amount of cover. See 'Increases' in 'Medical Underwriting' on page 144.

# Medical requirements

**Table A: Life Cover, stand-alone TPD and stand-alone Critical Illness combined sum insured**

Sum insured	Age next birthday						
	Up to 35	36-40	41-45	46-50	51-55	56-60	61 & over
Up to \$100,000							A
\$100,001 to \$250,000							A
\$250,001 to \$350,000						A	B
\$350,001 to \$500,000						A	C
\$500,001 to \$750,000				E	D	F	C
\$750,001 to \$1,000,000				E	G	G	H
\$1,000,001 to \$1,500,000			E	G	G	G	H
\$1,500,001 to \$2,500,000			G	G	G	G	H
\$2,500,001 to \$3,000,000	F	F	G	G	G	G	H
\$3,000,001 to \$5,000,000	I	I	I	I	I	I	I
\$5,000,001 to \$10,000,000	J	J	J	J	J	J	J
\$10,000,001 to \$15,000,000	K	K	K	K	K	K	K
Over \$15,000,000	Life Cover risks exceeding \$15,000,000 require the support of reinsurers. The minimum medical requirements are those listed under K. Additional medical and/or financial requirements may apply – please call your MLC Underwriting team in advance for advice.						

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

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

Sum insured	Age next birthday					
	Up to 35	36-40	41-45	46-50	51-55	56-60
\$500,001 to \$750,000				E	F	F
\$750,001 to \$1,000,000			F	F	G	G
\$1,000,001 to \$1,500,000	F	F	F	G	L	L
\$1,500,001 to \$2,000,000	M	M	M	M	N	N

# Income Protection

**Table C: Income Protection**

Sum insured	Age next birthday			
Monthly benefit	Up to 40	41-50	51-55	56-60
Up to \$6,000				A
\$6,001 to \$7,500			O	D
\$7,501 to \$10,000	O	O	D	D
\$10,001 to \$20,000	D	D	D	D
Over \$20,000	Income Protection risks exceeding \$20,000 per month require the support of reinsurers. Additional medical and/or financial requirements may apply—please call your MLC Underwriting team in advance for advice.			

## 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.

An HIV (AIDS) antibody test is not required for Business Expenses cover with the AIDS exclusion option.

## 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.
3. An HIV (AIDS) antibody test is not required if the AIDS exclusion option has been selected on both the Income Protection and Business Expenses.

# Medical requirements

## Legend: type of medical evidence required in addition to the personal statement

Where requirements overlap, the most comprehensive requirements will apply (eg where ECG and Exercise ECG are indicated, arrange only the Exercise ECG).

<b>A</b>	Personal Medical Attendant's Report (PMAR)—to be arranged by MLC (If the Life to be Insured does not have a regular doctor, MLC will require a medical examination by an MLC-approved general practitioner or paramedical service provider.)
<b>B</b>	Personal Medical Attendant's Report (PMAR)—to be arranged by MLC (If the Life to be Insured does not have a regular doctor, MLC will require a medical examination by an MLC-approved general practitioner or paramedical service provider.) + Blood test for Multiple Biochemical Analysis (MBA), Hepatitis B & C serology
<b>C</b>	Medical Examination by the Life to be Insured's usual doctor or paramedical examination + Blood test for Multiple Biochemical Analysis (MBA), Hepatitis B & C serology
<b>D</b>	Personal Medical Attendant's Report (PMAR)—to be arranged by MLC (If the Life to be Insured does not have a regular doctor, MLC will require a medical examination by an MLC-approved general practitioner or paramedical service provider.) + Blood test for HIV (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B & C serology
<b>E</b>	Mini Health Check (including height, weight and abdomen measurement, blood pressure reading and urine dipstick test for glucose, albumin and blood) by the Life to be Insured's usual doctor or paramedical service provider + Blood test for (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B & C serology
<b>F</b>	Medical Examination by the Life to be Insured's usual doctor or paramedical examination + Blood test for: HIV (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B & C serology
<b>G</b>	Medical Examination by the Life to be Insured's usual doctor or paramedical examination + Blood test for HIV (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B & C serology + Electrocardiogram (ECG)
<b>H</b>	Medical Examination by the Life to be Insured's usual doctor or paramedical examination + Blood test for Multiple Biochemical Analysis (MBA), Hepatitis B & C serology + Electrocardiogram (ECG)
<b>I</b>	Medical Examination by an independent general practitioner (GP), NOT the Life to be Insured's usual doctor (this may be arranged with a mobile GP medical service provider) + Blood test for HIV (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B & C serology, Full Blood Count + Electrocardiogram (ECG) + Personal Medical Attendant's Report (PMAR)—to be arranged by MLC

<b>J</b>	<p>Medical Examination by a specialist or consultant physician nominated by MLC</p> <ul style="list-style-type: none"> <li>+ Blood test for HIV (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B &amp; C serology, Full Blood Count</li> <li>+ Microurinalysis (MSU)</li> <li>+ Exercise Electrocardiogram (ECG)</li> <li>+ Personal Medical Attendant's Report (PMAR)—to be arranged by MLC</li> </ul>
<b>K</b>	<p>Medical Examination by a specialist or consultant physician nominated or approved by MLC</p> <ul style="list-style-type: none"> <li>+ Blood test for HIV (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B &amp; C serology, Full Blood Count</li> <li>+ Microurinalysis (MSU)</li> <li>+ Exercise Electrocardiogram (ECG)</li> <li>+ Stress Echocardiogram—refer to your MLC Underwriting team</li> <li>+ Chest X-ray—to be arranged by specialist physician approved by MLC</li> <li>+ Personal Medical Attendant's Report (PMAR)—to be arranged by MLC</li> </ul>
<b>L</b>	<p>Medical Examination by the Life to be Insured's usual doctor or paramedical examination</p> <ul style="list-style-type: none"> <li>+ Blood test for HIV (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B &amp; C serology, Prostate Specific Antigen (PSA) (for males)</li> <li>+ Exercise Electrocardiogram (ECG)</li> <li>+ Mammogram (for females)</li> </ul>
<b>M</b>	<p>Medical Examination by the Life to be Insured's usual doctor or paramedical examination</p> <ul style="list-style-type: none"> <li>+ Blood test for HIV (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B &amp; C serology, Full Blood Count</li> <li>+ Microurinalysis (MSU)</li> <li>+ Exercise Electrocardiogram (ECG)</li> <li>+ Personal Medical Attendant's Report (PMAR)—to be arranged by MLC</li> </ul>
<b>N</b>	<p>Medical Examination by the Life to be Insured's usual doctor or paramedical examination</p> <ul style="list-style-type: none"> <li>+ Blood test for HIV (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B &amp; C serology, Full Blood Count, Prostate Specific Antigen (PSA) (for males)</li> <li>+ Microurinalysis (MSU)</li> <li>+ Exercise Electrocardiogram (ECG)</li> <li>+ Mammogram (for females)</li> <li>+ Personal Medical Attendant's Report (PMAR)—to be arranged by MLC</li> </ul>
<b>O</b>	<p>Blood test for HIV (AIDS) antibodies, Multiple Biochemical Analysis (MBA), Hepatitis B &amp; C serology</p> <p><b>(Note:</b> HIV (AIDS) antibody test is not usually required where AIDS exclusion option has been selected.)</p>

# Financial requirements

## Personal insurance: Life Cover, 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, stand-alone TPD and stand-alone Critical Illness 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	Amount that can be financially justified	Up to \$4,000,000	Nil if multiple of earnings requirement met—see table on page 29 If multiple earnings conditions are exceeded, complete the Personal Financial Questionnaire in the Application Form
		Over \$4,000,000	MLC Financial Questionnaire—the underwriter may request further information to support the cover (eg tax returns, loan documents)
Critical Illness	\$2,000,000	Up to \$1,000,000	Nil if multiple of earning requirements met—see table on page 29 If multiple earnings conditions are exceeded, complete the Personal Financial Questionnaire in the Application Form
		\$1,000,001 to \$1,500,000	MLC Financial Questionnaire
		\$1,500,001 to \$2,000,000	MLC Financial Questionnaire supported by last 2 years' tax returns
TPD	\$3,000,000	Up to \$3,000,000	Nil if multiple of earnings requirement met—see table on page 29 If multiple earnings conditions are exceeded, complete the Personal Financial Questionnaire in the Application Form TPD 'Own Occupation' and TPD 'Any Occupation' cover may be taken in combination as long as the combined benefit does not exceed \$3,000,000, including cover across all insurers

## Multiple of earnings

Age next birthday	Multiple of earnings	
	Life Cover	Critical Illness / TPD
Up to 40	20	12
41 to 55	15	10
56 and over	10	8

For further details about how to determine the correct financial requirements refer to the 'Financial Underwriting' section on page 119.

# Financial requirements

## Business insurance: Life Cover, 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 protection / loan guarantee insurance	Revenue protection / key person insurance	Ownership <sup>1</sup> protection / buy/sell insurance
Life Cover	Amount that can be financially justified	Up to \$2,500,000	Nil	Nil	Nil
		\$2,500,001 to \$5,000,000	MLC 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	MLC Financial Questionnaire Full business accounts for all associated entities for last 2 years Business and individual tax returns for last 2 years	MLC Financial Questionnaire Full business accounts for all associated entities for last 2 years Business and individual tax returns for last 2 years
		Over \$5,000,000	As above	As above	As above, plus: Business valuation Buy/Sell agreement



Cover type	Maximum sum insured	Requested sum insured	Financial evidence requirements		
			Asset protection / loan guarantee insurance	Revenue protection / key person insurance	Ownership <sup>1</sup> protection / buy/sell insurance
Critical Illness	\$2,000,000	Up to \$1,000,000	Nil	Nil	Nil
		Over \$1,000,000	MLC Financial Questionnaire Full business accounts for all associated entities for last 2 years	MLC Financial Questionnaire Full business accounts for all associated entities for last 2 years	MLC Financial Questionnaire Full business accounts for all associated entities for last 2 years
TPD	\$3,000,000	Up to \$2,500,000	Nil	Nil	Nil
		Over \$2,500,000	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 account, financial projections and business plan

<sup>1</sup> For ownership protection where the total business value is over \$10,000,000, even if the client has requested a sum insured less than \$5,000,000, please provide a business valuation and buy/sell agreement.

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.

# Financial requirements

## Income Protection

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

### What is the maximum monthly benefit?

The maximum sum insured available is \$30,000. Benefits are also limited as follows:

Earned income	Maximum benefit available
Up to \$240,000	75% of earnings
Over \$240,000	75% of the first \$240,000 of earnings, plus 50% of the next \$240,000 of earnings, plus 25% of the next \$240,000 of earnings

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 and assets and employer-provided benefits.

### When is financial evidence required?

Financial evidence is required for proposed monthly Income Protection benefits above those shown in the following tables for each age group and occupation class:

#### Income Protection Plus (Agreed Value—no Indemnity Option)

Age next birthday	Occupation class			
	AAA, ML, ACT	AA	A	BBB, BB, B, C
19 to 55	\$15,000	\$12,500	\$7,500	\$4,000
56 to 60	\$15,000	\$12,500	\$7,500	n/a

#### Income Protection Standard and Income Protection Plus with Indemnity Option

Age next birthday	Occupation class	
	AAA, ML, ACT, AA, A	BBB, BB, B, C
19 to 55	\$15,000	\$7,500
56 to 60	\$15,000	Nil

## 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:

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, B, E	A, E	A, C, E	A, D, E
\$20,001 to \$30,000	A, B, 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).

### Legend: 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
- 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. This information can be provided on the Personal Financial Questionnaire which can be found in the Supplementary Underwriting Questionnaire Booklet accompanying the PDS and Application Form. The monthly benefit available may be reduced or the benefit period limited where the Life to be Insured has high levels of investment.
- F. MLC 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.

# Financial requirements

## Income Protection (Farmers Package)

Financial evidence requirements apply for Income Protection (Farmers Package), as set out in the table below:

Benefit period	Monthly benefits	Financial evidence required
2 years	Up to \$5,000	Copy of balance sheets for the last 2 financial years
5 years	Lesser of: <ul style="list-style-type: none"> <li>• \$5,000 or</li> <li>• 30% of the gross farm turnover for the last 12 months</li> </ul> (eg turnover \$150,000 x 30% = \$45,000; monthly benefit = \$45,000 ÷ 12 = \$3,750)	Copy of balance sheets for the last 2 financial years Copy of profit and loss statement for the last financial year Signed statement from the Life to be Insured advising the anticipated gross farm turnover for the current year

## Business Expenses

A profit and loss account is required as proof of expenses to support a monthly benefit in excess of those shown in the table below:

Age next birthday	Occupation class			
	AAA, ML, ACT	AA, A	BBB, BB, B	C
19 to 55	\$15,000	\$10,000	\$5,000	n/a
56 to 60	\$10,000	\$10,000	n/a	n/a

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

# Occupation Classification Guide

# 4



# Contents

## Occupation Classification Guide

### **How occupations are classified 39**

MLC can help you 40

### **Key to occupation classifications 41**

Product codes 41

Income Protection, Business Expenses and Premium Waiver 41

Total and Permanent Disability (TPD) 43

Life Cover and Critical Illness 43

### **Occupation classification tables 44**

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# How occupations are classified

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 classification for similar occupations and refer to the description of each classification on page 41. If MLC then arrives at a lower risk classification, the premium will be adjusted accordingly.

Occupation classification 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 class AA risk because of his title as managing director, but is a class BB risk due to his manual duties as a plumber.

Always give full details of the client's actual duties in the Application Form. If your client's duties include manual or potentially hazardous duties such as driving a vehicle or working with or near machinery, animals or explosives, state this. The business or industry your client works in should also be stated together with the particular occupation. Do not use general terms such as 'company director', 'manager', 'contractor', 'driver', or 'labourer' alone.

# How occupations are classified

## MLC can help you

In some cases, an occupation classification may be straightforward for Income Protection whilst other occupations may be more complex.

If you need help, contact your MLC Service team. A quote reference number can be provided to confirm the underwriting advice provided. This reference number should be noted on the Application Form if an application is submitted.

Answer these questions to help your Underwriting team provide an occupation classification to fit your client's duties:

- What is the client's occupation?
- What are the client's exact duties and the percentage of time spent on each?
- Do the client's duties include any manual work? If not, when was the last time the client did manual work and is the client likely to do any manual work in the future?
- Does the client perform any hazardous duties (eg working underground, at heights or with explosives)?
- Does the client have ownership in the company? If so, what is the percentage of ownership?
- What training has the client undertaken?
- What qualifications does the client have?
- Does the client work from home? If so, full details of the home office set-up are required.
- Does the client travel for business purposes? If so, where and how long?
- How many years of experience does the client have in the industry?
- How many years has the client been working in this occupation?
- How many years has the client been working for this employer?
- What is the client's income?

# Key to occupation classifications

## Product codes

Code	Product
IP/BE/ PW	Income Protection / Business Expenses / Premium Waiver
TPD	Total and Permanent Disability
LC	Life Cover
CI	Critical Illness

## Income Protection, Business Expenses and Premium Waiver

Class	Income Protection, Business Expenses and Premium Waiver definition
AAA	This classification is restricted to 'professional white collar occupations' as listed in the Occupation Classification 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 classification is restricted to accountants who have the relevant accounting degree and/or CPA or chartered accountant qualification.
ML	This classification is for certain medical and legal professionals such as doctors, dentists and solicitors as listed in the Occupation Classification Table.
AA	<p>This classification applies to 'professional' applicants as listed in the Occupation Classification 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"> <li>• earning a net minimum of \$75,000 per annum, and</li> <li>• tertiary or professional qualification such as a degree, or in current occupation for at least 3 years.</li> </ul>
A	<p>This classification 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"> <li>• no exposure to unusual occupational hazards</li> <li>• an emphasis on mental rather than physical work.</li> </ul>

# Key to occupation classifications

Class	Income Protection, Business Expenses and Premium Waiver definition
BBB	This classification 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 classification consists mainly of certified or licensed tradesmen doing skilled or specialised manual work (eg mechanic, electrician).
B	This classification consists of applicants who do manual, but not hazardous, work (eg glazier, panel beater).
C	This classification consists of applicants in hazardous occupations or in occupations which present special underwriting difficulties (eg bartender, security guard).
NI	Non-insurable.
R	Refer this risk to an MLC underwriter.
RFO	Rate for usual occupation. No restrictions or loadings apply.
#	Eligible for Income Protection (Farmers Package), which is only available to the principal farm owners in selected farming occupations as specified in the Occupation Classification Table.
†	2 years' accident and sickness cover on a non-occupational basis with a 1 month waiting period.

## Total and Permanent Disability (TPD)

Class	Total and Permanent Disability (TPD) definition
1	Occupations with no or very low levels of risk (eg doctor, lawyer, clerical worker, some sales assistants, sales representative).
2	Occupations with slight risk (eg engraver, jeweller, hairdresser, locksmith).
3	Occupations with moderate to heavy risk (eg cleaner, plumber, carpenter, farmer).
NI	Non-insurable.
R	Refer this risk to an MLC underwriter.
RFO	Rate for usual occupation. No restrictions or loadings apply.
*	Eligible for 'Own Occupation' definition of TPD. This optional benefit is only available to selected AAA, ML, ACT, AA, A and BB occupations as specified in the Occupation Classification Table.

## Life Cover and Critical Illness

Class	Life Cover and Critical Illness definition
NI	Non-insurable.
R	Refer this risk to an MLC underwriter.
Std	Standard 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.
1.00(x) etc	As above but with an option to avoid the extra premium by excluding the risk. For your convenience, the Application Form has provision for the acceptance of exclusions.

# Occupation classification tables

## A

Occupation	IP/BE/PW	TPD	LC	CI
Abattoir				
supervisor	B	3	Std	Std
worker or slaughterer	NI	NI	Std	Std
Accountant				
degree qualified + CPA	ACT	1*	Std	Std
other	A	1*	Std	Std
Accounts clerk, bookkeeper	A	1*	Std	Std
Actor	NI	NI	Std	Std
Actuary	AAA	1*	Std	Std
Acupuncturist—qualified Australian registered	AAA	1*	Std	Std
Advertising executive				
meeting AAA requirements	AAA	1*	Std	Std
meeting AA requirements	AA	1*	Std	Std
other	A	1	Std	Std
Agronomist	AAA	1*	Std	Std
Air conditioning installer	BB	2	Std	Std
Airline personnel	see Aviation			
Alarm installer	BB	2	Std	Std
Ambulance officer/driver	B	3	Std	Std
Amusement parlour/centre operator/assistant	BB	2	Std	Std
Amway salesperson				
full-time	A	1	Std	Std
part-time	NI	NI	Std	Std
Anaesthetist	AAA	1*	Std	Std
Analyst, programmer	see Computer industry			

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Animal				
breeder	B	2	Std	Std
groomer	B	2	Std	Std
trainer	R	R	Std	Std
shooter	NI	NI	Std	Std
Antenna erector	C	NI	Std	Std
Antique dealer				
sales and office only	A	1	Std	Std
restoration	BB	2	Std	Std
delivery	B	3	Std	Std
Apiarist, beekeeper	B	2	Std	Std
Aquarium shop	BB	2	Std	Std
Archaeologist				
office only	AAA	1*	Std	Std
some field work (less than 10%)	A	1	Std	Std
mainly field work	BB	2	Std	Std
Architect	AAA	1*	Std	Std
Archivist	AA	1*	Std	Std
Armed services (no aviation)	if aviation is involved see Aviation			
Air Force				
all ranks—no special hazards	NI	NI	Std	Std
Army				
all ranks—no special hazards	NI	NI	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## A (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Armed services (no aviation) continued ...				
Navy				
all ranks—no special hazards	NI	NI	Std	Std
diver—no special hazards	NI	NI	Std	Std
bomb disposal	NI	NI	2.00	2.00
submariner	NI	NI	Std	Std
Special Air Services	NI	NI	2.00	2.00
Armoured van driver	C	NI	Std	Std
Art dealer	A	1	Std	Std
Artist				
commercial only	A	1	Std	Std
painter or sculptor	NI	NI	Std	Std
Asbestos worker	NI	NI	R	R
Astronomer	AAA	1*	Std	Std
Auctioneer	A	1	Std	Std
Audiologist	AAA	1*	Std	Std
Auditor				
qualified	AAA	1*	Std	Std
other	A	1	Std	Std
Author	NI	NI	Std	Std
Auto electrician	BB	2*	Std	Std
Aviation industry—flight attendant (regular passenger airline)	NI	NI	Std	Std



<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Aviation industry—ground staff				
cleaner	B	3	Std	Std
management and clerical	A	1	Std	Std
air traffic controller	NI	NI	Std	Std
baggage handler, porter	C	3	Std	Std
aircraft maintenance				
qualified, skilled worker	BB	2	Std	Std
unskilled worker	C	NI	Std	Std
refueller	C	3	Std	Std
security	C	NI	Std	Std
Aviation—parachutist				
military—not Special Air Services	NI	NI	Std	Std
instructor	NI	NI	2.00(x)	2.00(x)
Aviation—pilot				
agriculture—crops, cattle mustering				
0–250 hours per annum	NI	NI	5.00(x)	5.00(x)
over 250 hours per annum	NI	NI	10.00(x)	10.00(x)
charter—professional pilot				
0–250 hours per annum	NI	NI	Std	Std
over 250 hours per annum	NI	NI	3.00(x)	3.00(x)
military pilot	NI	NI	5.00(x)	5.00(x)
regular public transport—pilots and crew	NI	NI	Std	Std
test pilot	NI	NI	NI	NI
Avon salesperson	R	NI	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

# Occupation classification tables

## B

Occupation	IP/BE/PW	TPD	LC	CI
Backhoe, bobcat or bulldozer	see Building and construction industry			
Bailiff	BB	2	Std	Std
Baker	BB	2	Std	Std
Bank, building society, credit union				
qualified senior managers	AA	1*	Std	Std
manager, clerk, teller	A	1	Std	Std
security staff	C	NI	Std	Std
Barber	BBB	2*	Std	Std
Barrister	ML	1*	Std	Std
Bartender	C	3	Std	Std
Beach inspector	B	3	Std	Std
Beautician				
salon only	BB	1	Std	Std
working from home/mobile	NI	2	Std	Std
Beekeeper, apiarist	B	2	Std	Std
Bicycle store	BB	2	Std	Std
Biochemist	AAA	1*	Std	Std
Biologist	AAA	1*	Std	Std
Blacksmith, farrier	C	3	Std	Std
Blaster or explosive handler	NI	NI	2.00	2.00
Blind, awning, screen manufacturer/installer	BB	3	Std	Std
Boarding house owner	NI	NI	Std	Std
Boat builder	B	3	Std	Std
Bobcat, backhoe or bulldozer	see Building and construction industry			
Boilermaker	BB	3	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Bookkeeper	A	1*	Std	Std
Bookmaker—licensed	C	NI	Std	Std
Bookshop owner/assistant	A	1	Std	Std
Bootmaker	BB	2	Std	Std
Botanist	AAA	1*	Std	Std
Bottle dealer	C	NI	Std	Std
Boxing—professional	NI	NI	2.50	NI
Bread/Cake shop owner/assistant	BB	2	Std	Std
Brewery				
chemist	AA	1*	Std	Std
supervisor	BB	2	Std	Std
labourer	C	NI	Std	Std
Bricklayer	see Building and construction industry			
Bricklayer's labourer	see Building and construction industry			
Brickworks employee—unskilled	NI	NI	Std	Std
Builder—qualified	BB	3	Std	Std
Builder—unqualified	B	3	Std	Std
Builder's labourer	NI	NI	Std	Std
Building and construction industry				
air conditioning installer	BB	2	Std	Std
antenna erector	C	NI	Std	Std
architect	AAA	1*	Std	Std
backhoe, bobcat or bulldozer				
owner operator established 3 years	C	3	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## B (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Building and construction industry continued ...				
bobcat, backhoe or bulldozer continued ...				
others	C	NI	Std	Std
bricklayer	C	3	Std	Std
bricklayer's labourer	NI	NI	Std	Std
builder's labourer	NI	NI	Std	Std
building/construction supervisor	BB	3	Std	Std
cabinet maker				
qualified	BB	3*	Std	Std
unqualified—established 5 years	BB	3	Std	Std
unqualified—less than 5 years	B	3	Std	Std
carpenter				
qualified	BB	3*	Std	Std
not qualified—established 5 years	BB	3	Std	Std
not qualified—less than 5 years	B	3	Std	Std
ceiling fixer	C	3	Std	Std
cement renderer	C	3	Std	Std
concrete				
concreter	NI	NI	Std	Std
cutter	NI	NI	Std	Std
other worker	NI	NI	Std	Std
crane operator	C	3	Std	Std
demolition worker—no explosives	C	NI	Std	Std
earthmovers				
owner-operator established 3 years	C	3	Std	Std
others	C	NI	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
electrician	BB	3	Std	Std
glazier	B	3	Std	Std
gyprock fixer	C	3	Std	Std
handyman	C	NI	Std	Std
house restumper	C	3	Std	Std
joiner—qualified	BB	3*	Std	Std
joiner—unqualified	B	3	Std	Std
labourer	NI	NI	Std	Std
paver	C	NI	Std	Std
plasterer	NI	NI	Std	Std
plumber				
roof	C	3	Std	Std
other	BB	3	Std	Std
riggers	C	NI	Std	Std
roof worker—tiler, fixer, repairer	NI	NI	Std	Std
steel erector/fixer	C	NI	Std	Std
tiler				
floors and walls	C	3	Std	Std
roof	NI	NI	Std	Std
trade assistant	NI	NI	Std	Std
Building society	see Bank, building society, credit union			
Bus driver/conductor				
local	B	2	Std	Std
interstate	C	NI	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## B (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Business executive				
meeting AAA requirements	AAA	1*	Std	Std
meeting AA requirements	AA	1*	Std	Std
other	A	1	Std	Std
Butcher—qualified (no slaughtering)	BB	3	Std	Std
Butler	BB	2	Std	Std

## C

Occupation	IP/BE/PW	TPD	LC	CI
Cabinet maker				
qualified	BB	3*	Std	Std
unqualified—less than 5 years	B	3	Std	Std
Cafe—owner/worker	B	2	Std	Std
Cameraman				
studio	A	1*	Std	Std
aviation	R	R	R	R
other	BB	2	Std	Std
Canoeing, kayaking—professional	NI	NI	Std	Std
Caravan park owner/manager	C	3	Std	Std
Cardiologist	AAA	1*	Std	Std
Caretaker	C	2	Std	Std
Carnival owner or employee	NI	NI	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Carpenter				
qualified	BB	3*	Std	Std
not qualified—established 5 years	BB	3	Std	Std
not qualified—less than 5 years	B	3	Std	Std
Carpet layer	C	3	Std	Std
Carpet, floor coverings store—sales only	A	1	Std	Std
Cartographer	AA	1*	Std	Std
Cashier				
financial institution	A	1	Std	Std
supermarket	BB	2	Std	Std
Casino—government licensed				
senior management	AA	1*	Std	Std
clerical	A	1	Std	Std
waiter	B	2	Std	Std
cashier	A	1	Std	Std
croupier	BB	2	Std	Std
bar staff	C	3	Std	Std
security staff	C	NI	Std	Std
Caterer	BB	2	Std	Std
Ceiling fixer	NI	NI	Std	Std
Cement renderer	C	3	Std	Std
Chauffeur	BB	2	Std	Std
Chef	BB	2*	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## C (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Chemist				
pharmacy	AA	1*	Std	Std
industrial, non-hazardous	AAA	1*	Std	Std
other	R	R	Std	Std
Chemist shop				
pharmacist	AA	1*	Std	Std
shop assistant	A	1	Std	Std
Child, day care centre				
not working at home—qualified	A	1	Std	Std
other	R	R	Std	Std
Chiropodist	AA	1*	Std	Std
Chiropractor				
government registered	AA	1*	Std	Std
other	R	1	Std	Std
Cinema	see Theatre, cinema			
Circus worker/performer	NI	NI	R	R
Cleaner				
carpet	B	3	Std	Std
office, factory or school	B	3	Std	Std
suburban home	B	3	Std	Std
window				
suburban home only	B	3	Std	Std
city or industrial	C	NI	Std	Std
brick	C	NI	Std	Std
street	C	NI	Std	Std



<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Clergyman	A	1	Std	Std
Clothing industry				
salesperson—no deliveries	A	1	Std	Std
management—no manual work	A	1	Std	Std
fashion designer—not working at home	A	1	Std	Std
tailor or dressmaker				
in shop or department store	BB	2	Std	Std
working at home	NI	NI	Std	Std
process worker, machinist	NI	NI	Std	Std
patternmaker	BB	2	Std	Std
Club employees				
senior management	AA	1*	Std	Std
clerical	A	1	Std	Std
waiter	B	2	Std	Std
bar staff	C	3	Std	Std
security staff	C	NI	Std	Std
Commercial artist	A	1	Std	Std
Commodity broker	AA	1*	Std	Std
Computer industry				
analyst, consultant, programmer				
degree qualified	AAA	1*	Std	Std
other	AA	1*	Std	Std
engineer, technician	A	1	Std	Std
keypunch operator	B	2	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## C (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Computer industry continued ...				
salesperson	A	1	Std	Std
Concrete worker				
concreter	NI	NI	Std	Std
cutter	NI	NI	Std	Std
other worker	NI	NI	Std	Std
Construction industry	see Building and construction industry			
Cook	B	2	Std	Std
Coroner	AAA	1*	Std	Std
Conveyancer				
degree qualified	AAA	1*	Std	Std
not degree qualified	AA	1*	Std	Std
Correctional Officer	C	3	Std	Std
Courier				
driver—owner—established 2 years	B	3	Std	Std
driver—other	C	3	Std	Std
motorcycle, bicycle	NI	NI	Std	Std
Crane operator	C	3	Std	Std
Crayfisherman	NI	NI	Std	Std
Credit union	see Bank, building society, credit union			
Curator—museum, art gallery, library	AA	1*	Std	Std
Customs agent—clerical	A	1*	Std	Std
Customs officer	A	1	Std	Std

## D

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Dance instructor	B	3	Std	Std
Debt collector				
not repossessions	BB	3	Std	Std
repossessions	C	NI	Std	Std
Decorator	B	3	Std	Std
Delicatessen owner/assistant	BB	2	Std	Std
Demolition worker—no explosives	C	NI	Std	Std
Dental hygienist/therapist	A	1*	Std	Std
Dental nurse	A	1	Std	Std
Dental/Orthodontic technician	AA	1*	Std	Std
Dentist	ML	1*	Std	Std
Department store				
senior management	AA	1*	Std	Std
clerical and sales	A	1	Std	Std
deliveries, storeman	C	3	Std	Std
cleaner	B	3	Std	Std
Diamond cutter, polisher, setter	BB	2	Std	Std
Die maker	BB	3	Std	Std
Dietician—qualified and registered	AAA	1*	Std	Std
Disability support worker	C	3	Std	Std
Disposal store sales owner/assistant	A	1	Std	Std
Diver—qualified				
professional				
military (no bomb disposal) or police	NI	NI	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## D (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Diver—qualified continued ...				
professional continued ...				
abalone	NI	NI	2.00(x)	2.00(x)
construction, bridge, dams, docks, piers, etc				
0–25 metres	NI	NI	2.00(x)	2.00(x)
over 25 metres	NI	NI	5.00(x)	5.00(x)
deep sea, commercial, scientific exploration (including offshore oil rigs)				
0–15 metres	NI	NI	2.00(x)	2.00(x)
16–45 metres	NI	NI	5.00(x)	5.00(x)
over 45 metres	NI	NI	10.00(x)	10.00(x)
instructor—professional				
full-time	NI	NI	2.00(x)	2.00(x)
other	R	R	2.00(x)	2.00(x)
Dock worker, stevedore	C	NI	Std	Std
Doctor	ML	1*	Std	Std
Drainer	B	3	Std	Std
Draftsperson—qualified	AA	1*	Std	Std
Dressmaker	see Clothing industry			
Drillers—water and mineral sample, not offshore	C	NI	Std	Std
Driver				
ambulance	B	3	Std	Std
armoured car	C	NI	Std	Std
bus				
local	B	2	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
interstate, long distance	C	NI	Std	Std
chauffeur	BB	2	Std	Std
courier				
car, van—owner established 2 years	B	3	Std	Std
car, van—other	C	3	Std	Std
motorcycle, bicycle	NI	NI	Std	Std
crane driver	C	3	Std	Std
dairy deliveryman, milkman	B	3	Std	Std
driving instructor	BB	2	Std	Std
explosive	NI	NI	Std	Std
forklift	B	3	Std	Std
garbage collections	C	3	Std	Std
hire car—owner—driver only	B	3	Std	Std
logging	C	NI	Std	Std
taxi				
owner—driver established 2 years	B	3	Std	Std
owner—driver established less than 2 years	C	3	Std	Std
other	C	NI	Std	Std
tow truck	C	NI	Std	Std
truck and van				
local—200 km radius				
in occupation 2 years	B	3	Std	Std
other	C	3	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## D (continued)

Occupation	IP/BE/PW	TPD	LC	CI
truck and van continued ...				
mid-distance—under 800 km AND same day return	C	3	Std	Std
long-distance—over 800 km OR overnight	NI	NI	Std	Std
Dry cleaner	BB	2	Std	Std

## E

Occupation	IP/BE/PW	TPD	LC	CI
Earthmovers				
owner—operator established 3 years	C	3	Std	Std
others	C	NI	Std	Std
Economist	AAA	1*	Std	Std
Editor				
newspapers, etc	AA	1*	Std	Std
films	A	1	Std	Std
Electrical goods retailer				
sales	A	1	Std	Std
light manual	BB	2	Std	Std
delivery	C	3	Std	Std
Electrician	BB	3	Std	Std
Electronic supply store—salesperson	A	1	Std	Std
Electroplater	BB	3	Std	Std
Elevator mechanic	B	3	Std	Std
Embalmer	BB	2	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Engineer—degree qualified				
consulting, office duties with minimal site work	AAA	1*	Std	Std
marine	see Marine engineer			
offshore	R	R	Std	Std
underground inspections	R	R	Std	Std
others—no manual work	AA	1*	Std	Std
Engraver	BB	2	Std	Std
Entertainer	NI	NI	Std	Std
ENT (ear, nose and throat) surgeon	AAA	1*	Std	Std
Equipment and plant hire	B	3	Std	Std
Explosives worker	NI	NI	2.00	2.00

## F

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Factory hand/worker	C	NI	Std	Std
Farmer—owners only, established 2 years				
beef cattle	B <sup>#</sup>	3	Std	Std
cotton	B <sup>#</sup>	3	Std	Std
dairy	B <sup>#</sup>	3	Std	Std
fruit grower, orchardist	B	3	Std	Std
grain	B <sup>#</sup>	3	Std	Std
grape grower	B	3	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

<sup>#</sup> Eligible for Income Protection (Farmers Package).

## F (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Farmers—owners only, established 2 years continued ...				
mixed farming	B#	3	Std	Std
oyster	B	3	Std	Std
poultry	B	3	Std	Std
sheep	B#	3	Std	Std
sugar cane	B	3	Std	Std
wheat	B#	3	Std	Std
Farm employee or labourer	NI	NI	Std	Std
Farm manager	R	R	Std	Std
Farm worker—qualified	C	3	Std	Std
Farrier, blacksmith	C	3	Std	Std
Fashion designer	see Clothing industry			
Fencing contractor	C	3	Std	Std
Ferry—captain	B	2	Std	Std
Ferry—crew (harbour and river only)	C	3	Std	Std
Fibreglass moulder	B	3	Std	Std
Film and TV industry				
actor	NI	NI	Std	Std
announcer/presenter	R	R	Std	Std
cameraman				
aviation	R	R	R	R
mainly studio	A	1	Std	Std
other	BB	2	Std	Std
producer, director, editor	A	1	Std	Std



<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Financial adviser/planner/consultant				
tertiary qualified	R	1	Std	Std
other	AA	1	Std	Std
Firefighter				
fire chief, senior officer	A	1	Std	Std
firefighter				
city	C	NI	Std	Std
forestry	C	NI	Std	Std
airport	C	NI	Std	Std
oil and natural gas	NI	NI	7.00(x)	7.00(x)
volunteer firefighter	RFO	RFO	Std	Std
Fish and chip shop	B	2	Std	Std
Fisherman	NI	NI	Std	Std
Fishmonger	B	2	Std	Std
Fitter	BB	3	Std	Std
Floor sander	C	3	Std	Std
Florist				
shopkeeper	A	1	Std	Std
delivery	B	3	Std	Std
Foundry worker	C	NI	Std	Std
French polisher	BB	2	Std	Std
Fruit picker	NI	NI	Std	Std
Funeral director	A	1	Std	Std
Furnishings retailer—cushions, fabrics, not furniture	A	1	Std	Std

# Eligible for Income Protection (Farmers Package).

## F (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Furniture removalist	C	NI	Std	Std
Furniture retailer—new furniture				
sales only	A	1	Std	Std
light manual deliveries	BB	2	Std	Std
Furniture retailer—used furniture	C	NI	Std	Std
Furrier	BB	2	Std	Std

## G

Occupation	IP/BE/PW	TPD	LC	CI
Garbage contractor	C	3	Std	Std
Gardener—domestic, landscape	C	3	Std	Std
Garment industry	see Clothing industry			
Gas industry				
inspector, meter reader or tester	A	1	Std	Std
fitter	BB	3	Std	Std
pipe layer	C	NI	Std	Std
Geologist				
consultant and office only	AAA	1*	Std	Std
some field work	A	1	Std	Std
mainly field work	BB	2	Std	Std
offshore	R	R	Std	Std
underground	R	R	Std	Std
Glazier	B	3	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Goldsmith, silversmith	BB	2	Std	Std
Golf instructor—not professional player	BB	3	Std	Std
Graphic designer	AA	1*	Std	Std
Grape grower	B	3	Std	Std
Greengrocer	B	3	Std	Std
Greenkeeper	B	3	Std	Std
Gunsmith	BB	2	Std	Std
Gymnasium instructor	B	3	Std	Std
Gynaecologist/Obstetrician	AAA	1*	Std	Std

## H

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Hairdresser	BBB	2	Std	Std
Harbour pilot	B	3	Std	Std
Handyman	C	NI	Std	Std
Hardware retailer	BB	2	Std	Std
Health food store	A	1	Std	Std
Home maintenance contractor	C	NI	Std	Std
Homemaker	NI	2	Std	Std
Horse				
breaker	NI	NI	Std	Std
trainer	R	R	Std	Std
breeder	B	2	Std	Std
riding instructor	C	3	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## H (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Horse continued ...				
strapper	NI	NI	Std	Std
jockey				
flat	NI	NI	Std	Std
steeple	NI	NI	2.00(x)	2.00(x)
harness	NI	NI	Std	Std
rodeo—professional	NI	NI	2.00(x)	1.00(x)
Hospital staff				
doctor	ML	1*	Std	Std
laboratory technician	A	1*	Std	Std
nurse, nursing sister	BB	3	Std	Std
nurse's aide	B	3	Std	Std
porter, wardman	B	3	Std	Std
Hotel/Motel industry				
bar staff	C	3	Std	Std
bouncer	NI	NI	Std	Std
concierge	BB	2	Std	Std
head waiter	BB	2	Std	Std
housekeeper, cleaner	B	3	Std	Std
kitchen hand	C	NI	Std	Std
manager—administration only				
more than 20 full-time employees	AA	1*	Std	Std
up to 20 full-time employees	A	1	Std	Std
manager—other	BB	2	Std	Std
security officer	C	NI	Std	Std
waiter	B	2	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
House restumper	C	3	Std	Std
Hypnotherapist	AA	1*	Std	Std

## I

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Ice cream parlour	BB	2	Std	Std
Importer, exporter				
clerical only	A	1	Std	Std
other	R	R	Std	Std
Inspector— health, buildings etc	A	1	Std	Std
Instrument maker	BB	1*	Std	Std
Insulation installer	C	NI	Std	Std
Insurance assessor	A	1	Std	Std
Interior decorator/designer				
consulting only	A	1	Std	Std
other	B	3	Std	Std
Interpreter	A	1	Std	Std
Investigator	see Private investigator			
Investor	NI	NI	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

# Occupation classification tables

## J

Occupation	IP/BE/PW	TPD	LC	CI
Jackeroo	NI	NI	Std	Std
Janitor	C	3	Std	Std
Jeweller				
retail	A	1	Std	Std
manufacturer/repairer	BB	2	Std	Std
Jockey				
flat	NI	NI	Std	Std
harness	NI	NI	Std	Std
steeple	NI	NI	2.00(x)	2.00(x)
Jilleroo	NI	NI	Std	Std
Joiner				
qualified	BB	3*	Std	Std
unqualified	B	3	Std	Std
other	C	NI	Std	Std
Journalist—no unusual hazards	A	1*	Std	Std
Judge	AAA	1*	Std	Std

## K

Occupation	IP/BE/PW	TPD	LC	CI
Kennel proprietor	B	3	Std	Std

## L

Occupation	IP/BE/PW	TPD	LC	CI
Labourer				
farm labourers	NI	NI	Std	Std
others	NI	NI	Std	Std
Lab technician				
non-hazardous	A	1*	Std	Std
oil and gas industry	see Oil and gas industry			
Landscape architect—degree qualified	AAA	1	Std	Std
Landscape architect—other	A	1	Std	Std
Landscape gardener	C	3	Std	Std
Lawnmower—sales and/or service	B	3	Std	Std
Lawn mowing contractor	C	3	Std	Std
Lawyer	ML	1*	Std	Std
Lecturer—university	AAA	1*	Std	Std
Librarian	AA	1*	Std	Std
Lift erector/mechanic	B	3	Std	Std
Linesman—telephone or electrical	C	3	Std	Std
Livestock broker, buyer, dealer	BB	2	Std	Std
Locksmith	BB	2	Std	Std
Logging				
in permanently located mill only	C	NI	Std	Std
in mobile mill	NI	NI	Std	2.00
tree feller	NI	NI	Std	1.00(x)
tree surgeon	C	NI	Std	Std
Loss adjuster	A	1*	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

# Occupation classification tables

## M

Occupation	IP/BE/PW	TPD	LC	CI
Machinery, equipment hire	B	3	Std	Std
Machinist				
metal or wood—qualified	BB	3	Std	Std
clothing	see Clothing industry			
Mail contractor	B	3	Std	Std
Management consultant	AA	1*	Std	Std
Manicurist—not working at home	BB	2	Std	Std
Marina owner	B	2	Std	Std
Marine engineer—seaman	NI	NI	Std	Std
Market gardener	C	3	Std	Std
Martial arts instructor	B	3	Std	Std
Masseur				
salon only	B	3	Std	Std
other	NI	NI	Std	Std
Meat packer	NI	NI	Std	Std
Mechanic	BB	3*	Std	Std
Medical practitioner	ML	1*	Std	Std
Member of Parliament	NI	NI	Std	Std
Merchant	see Shopkeeper			
Merchant banker	AAA	1*	Std	Std
Merchant marine	NI	NI	Std	Std
Metal dealer—scrap	C	NI	Std	Std
Metal fabricator	B	3	Std	Std
Metallurgist	AAA	1*	Std	Std
Meteorologist	AAA	1*	Std	Std



<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Meter reader—gas, electricity	A	1	Std	Std
Milk delivery person	B	3	Std	Std
Mining				
executive manager	AA	1*	Std	Std
clerical	A	1	Std	Std
surface worker				
qualified tradesperson—no explosives	RFO	RFO	Std	Std
others—no explosives	C	NI	Std	Std
explosives handling	NI	NI	2.00	2.00
underground worker—larger established mines in Australia only				
engineer—underground inspections	R	R	Std	Std
supervisors	C <sup>†</sup>	NI	Std	Std
qualified tradesperson	C <sup>†</sup>	NI	Std	Std
explosives handling	NI	NI	3.00	3.00
other mining	NI	NI	2.00	2.00
Minister of religion	A	1	Std	Std
Model	NI	NI	Std	Std
Motel	see Hotel/Motel industry			
Motor vehicle				
accessories and spare parts sales	BB	2	Std	Std
assembly worker	C	NI	Std	Std
detailer	B	3	Std	Std
mechanic	BB	3*	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

† 2 years' accident and sickness cover on a non-occupational basis with a 1 month waiting period.

## M (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Motor vehicle continued ...				
salesperson	A	1	Std	Std
trimmer	BB	3	Std	Std
tyre fitter and repairs	C	NI	Std	Std
wrecker	C	NI	Std	Std
Motorcycle				
salesperson	BB	2	Std	Std
mechanic	BB	3*	Std	Std
Moulder	C	NI	Std	Std
Museum or gallery proprietor	A	1	Std	Std
Music teacher	see Teacher—music			
Musical instrument				
sales only	A	1	Std	Std
lifting or deliveries	B	3	Std	Std
Musician				
symphony orchestra	B	NI	Std	Std
employee of club or restaurant band	C	NI	Std	Std
other	NI	NI	Std	Std

## N

Occupation	IP/BE/PW	TPD	LC	CI
Nanny	R	2	Std	Std
Naturopath	AA	1*	Std	Std
Neurologist	AAA	1*	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Newsagent	A	1	Std	Std
Newspaper staff				
editor	AA	1*	Std	Std
office worker	A	1	Std	Std
journalist or reporter—no unusual hazards	A	1	Std	Std
photographer	BB	2	Std	Std
printer	BB	2	Std	Std
Nurse				
enrolled nurse/nurse's aide	B	3	Std	Std
intellectual disability	B	3	Std	Std
mothercraft	B	3	Std	Std
nursing sister	BB	3	Std	Std
registered	BB	3	Std	Std
Nurseryman	B	2	Std	Std

## ○

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Obstetrician	AAA	1*	Std	Std
Occupational health and safety inspector	A	1*	Std	Std
Occupational therapist	AAA	1*	Std	Std
Office supplies/stationer	A	1	Std	Std
Office equipment				
salesperson	A	1	Std	Std
serviceperson	BB	2	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## O (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Office worker	A	1*	Std	Std
Oil and gas—Australian Waters only				
offshore workers				
geologist, engineer, laboratory technician	R	R	Std	Std
derrickman, crane driver	C†	NI	Std	Std
labourer, tool pusher, driller	C†	NI	Std	Std
onshore workers				
geologist, engineer	R	R	Std	Std
laboratory technician	A	1*	Std	Std
derrickman, crane driver	C†	NI	Std	Std
labourer, tool pusher, driller	C†	NI	Std	Std
Ophthalmologist	AAA	1*	Std	Std
Optical dispenser, mechanic, technician	A	1	Std	Std
Optometrist	AAA	1*	Std	Std
Orchardist, fruit grower	B	3	Std	Std
Orthodontist	AAA	1*	Std	Std
Orthopaedic surgeon	AAA	1*	Std	Std
Osteopath	AA	1*	Std	Std
Outdoor supplies retailer—tents, BBQ	A	1	Std	Std

## P

Occupation	IP/BE/PW	TPD	LC	CI
Paint/Wallpaper store	BB	2	Std	Std
Painter	C	3	Std	Std
Panel beater	B	3	Std	Std
Paramedic	B	3	Std	Std
Parking station attendant	B	3	Std	Std
Parking warden	B	3	Std	Std
Park ranger	B	3	Std	Std
Pastry cook	BB	2	Std	Std
Pathologist	AAA	1*	Std	Std
Patternmaker—industrial (eg foundry)	BB	2	Std	Std
Paver	C	NI	Std	Std
Pawnbroker	BB	2	Std	Std
Payroll guard	C	NI	Std	Std
Personnel consultant	AA	1*	Std	Std
Pest exterminator	BB	3	Std	Std
Pharmacist	AA	1*	Std	Std
Photoengraver	BB	2	Std	Std
Photographer				
mainly studio	A	1	Std	Std
aviation	R	R	R	R
other	BB	2	Std	Std
Photographic store	BBB	2	Std	Std
Physician—specialist consultant	AAA	1*	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

† 2 years' accident and sickness cover on a non-occupational basis with a 1 month waiting period.

## P (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Physiotherapist	A	1*	Std	Std
Piano tuner	BB	2	Std	Std
Picture framer	BB	2	Std	Std
Pilot	see Aviation			
Plasterer	NI	NI	Std	Std
Plumber				
roof	C	3	Std	Std
other	BB	3*	Std	Std
Podiatrist	AA	1*	Std	Std
Police				
superintendent	A	1	Std	Std
other officers	C	3	Std	Std
motorcycle police	NI	NI	Std	Std
bomb disposal	NI	NI	2.00	2.00
dog squad	C	NI	Std	Std
special operations group	NI	NI	Std	Std
air wing	NI	NI	2.50(x)	2.50(x)
diver	NI	NI	Std	Std
Post office				
manager	A	1	Std	Std
counter clerk	A	1	Std	Std
postman	B	3	Std	Std
sorter	B	3	Std	Std
Potter	R	R	Std	Std
Printer	B	2	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Prison warder	C	NI	Std	Std
Private investigator				
armed	C	NI	Std	Std
unarmed	B	NI	Std	Std
Process worker	NI	NI	Std	Std
Professional sportsperson	NI	NI	R	R
Professor—university	AAA	1*	Std	Std
Psychiatrist	ML	1*	Std	Std
Psychologist	AA	1*	Std	Std
Pulp and paper mill employee— in mill or yard only	C	NI	Std	Std

## Q

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Quantity surveyor	AA	1*	Std	Std
Quarry worker—no explosives	C	NI	Std	Std

## R

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Radio and television announcer	R	R	Std	Std
Radiographer	AA	1*	Std	Std
Radiologist	AAA	1*	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## R (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Railway worker				
driver or guard	B	3	Std	Std
inspector	B	2	Std	Std
labourer	NI	NI	Std	Std
railway police	C	3	Std	Std
shunter	C	NI	Std	Std
signalman	B	2	Std	Std
station master/manager	B	2	Std	Std
station assistant	B	2	Std	Std
track laying/maintenance worker	C	NI	Std	Std
Real estate agent				
licensed agent	AA	1*	Std	Std
other	A	1	Std	Std
Receptionist	A	1	Std	Std
Refrigeration mechanic	BB	3	Std	Std
Rehabilitation consultant—medically qualified	AAA	1*	Std	Std
Removalist	C	NI	Std	Std
Repairer—office equipment or household appliances	BB	2	Std	Std
Reporter—no unusual hazards	A	1	Std	Std
Restaurant owner				
administration only, no cooking/waiting	A	1	Std	Std
other	BB	2	Std	Std
Restaurant employees				
chef	BB	2*	Std	Std
cook	B	2	Std	Std



<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
waiter	B	2	Std	Std
kitchen hand	C	NI	Std	Std
Retail shops	see Shopkeeper			
Rigger	C	NI	Std	Std
Road maker	C	NI	Std	Std
Roller door installer	B	3	Std	Std
Roof worker—tiler, fixer or repairer	NI	NI	Std	Std
Rubbish collector	C	NI	Std	Std

## S

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Saddlemaker	B	3	Std	Std
Sailmaker	B	2	Std	Std
Sales representative	A	1	Std	Std
Salesperson	see appropriate industry or merchandise involved			
Sandblaster	C	NI	Std	Std
Sawmill worker				
permanently located mill	C	NI	Std	Std
mobile mill	NI	NI	Std	2.00
Scaffold erector	C	NI	Std	Std
Scrap dealer—metal	C	NI	Std	Std
Seaman—navy	NI	NI	Std	Std
Second-hand dealer	C	NI	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

# Occupation classification tables

## S (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Secretary	A	1	Std	Std
Security guard				
armed	C	NI	Std	Std
club/hotel security	C	NI	Std	Std
other—unarmed	B	NI	Std	Std
Service station				
cashier, console operator	BB	2	Std	Std
mechanic	BB	3	Std	Std
proprietor	BB	2	Std	Std
Shearer	NI	NI	Std	Std
Sheet metal worker	BB	3	Std	Std
Shipwright	B	3	Std	Std
Shoemaker or repairer	BB	2	Std	Std
Shoe shop—retail sales, not repair	A	1	Std	Std
Shopfitter	B	3	Std	Std
Shopkeeper/Assistant	Where not already classified as 'A', an A rating will be considered where the applicant's duties are limited to sales and managerial duties only. A full account of the occupational duties must be given.			
adult books and merchandise	BB	3	Std	Std
antique dealer				
sales and office only	A	1	Std	Std
restoration	BB	2	Std	Std
delivery	B	3	Std	Std
aquarium shop	BB	2	Std	Std
artist supplies	A	1	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
baby shop	A	1	Std	Std
bedding store	A	1	Std	Std
bicycle store	BB	2	Std	Std
boating equipment supply, chandler	A	1	Std	Std
bookshop	A	1	Std	Std
bootmaker	BB	2	Std	Std
bread/cake shop	BB	2	Std	Std
butcher				
no slaughtering	BB	3	Std	Std
slaughtering	C	NI	Std	Std
cafe	B	2	Std	Std
cane shop	A	1	Std	Std
card shop	A	1	Std	Std
carpet, floor coverings store—sales only	A	1	Std	Std
chemist shop				
pharmacist	AA	1*	Std	Std
shop assistant	A	1	Std	Std
china and glassware shop	A	1	Std	Std
clothing store	A	1	Std	Std
computer shop	A	1	Std	Std
confectionery shop	A	1	Std	Std
delicatessen	BB	2	Std	Std
department store				
senior management	AA	1*	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## S (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Shopkeeper/assistant continued ...				
department store continued ...				
clerical sales only	A	1	Std	Std
deliveries, storemen	C	3	Std	Std
cleaner	B	3	Std	Std
disposal store	A	1	Std	Std
duty free shop	A	1	Std	Std
electrical goods retailer				
delivery	C	3	Std	Std
light manual	BB	2	Std	Std
sales only	A	1	Std	Std
electronic supply store	A	1	Std	Std
fast food, take away food	B	2	Std	Std
fish and chip shop	B	2	Std	Std
florist				
shopkeeper	A	1	Std	Std
delivery	B	3	Std	Std
furnishings retailer—cushions, fabrics, not furniture	A	1	Std	Std
furniture retailer—new furniture				
sales only	A	1	Std	Std
light manual	BB	2	Std	Std
deliveries	C	NI	Std	Std
furniture retailer—used furniture	C	NI	Std	Std
garden shop	B	2	Std	Std
gift shop	A	1	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
greengrocer	B	3	Std	Std
gunsmith	BB	2	Std	Std
hardware retailer	BB	2	Std	Std
health food store	A	1	Std	Std
ice cream parlour	BB	2	Std	Std
jewellery store	A	1	Std	Std
light fittings store	A	1	Std	Std
liquor store	BB	2	Std	Std
locksmith	BB	2	Std	Std
milk bar	B	3	Std	Std
motor vehicle accessories and spare parts	BB	2	Std	Std
music/record shop	A	1	Std	Std
musical instruments				
sales only	A	1	Std	Std
lifting or deliveries	B	3	Std	Std
newsagent	A	1	Std	Std
nursery or garden shop	B	2	Std	Std
office supplies/stationer	A	1	Std	Std
outdoor supplies retailer—tents, BBQ	A	1	Std	Std
paint/wallpaper store	BB	2	Std	Std
pawnbroker	BB	2	Std	Std
pet shop	BB	2	Std	Std
photographic store	BBB	2	Std	Std
second-hand goods	C	NI	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## S (continued)

Occupation	IP/BE/PW	TPD	LC	CI
Shopkeeper/Assistant continued ...				
shoemaker or repairer	BB	2	Std	Std
shoe shop—retail sales, not repair	A	1	Std	Std
sporting goods store	A	1	Std	Std
supermarket				
administration only	A	1	Std	Std
cashier	BB	2	Std	Std
other	B	3	Std	Std
swimming pool supplies	BB	2	Std	Std
take away food shop	B	2	Std	Std
tobacconist	A	1	Std	Std
toy shop	A	1	Std	Std
video shop proprietor	A	1	Std	Std
Signwriter	B	3	Std	Std
Singer	NI	NI	Std	Std
Skylight fitter	C	3	Std	Std
Social worker	AA	1*	Std	Std
Solicitor	ML	1*	Std	Std
Speech therapist	AAA	1*	Std	Std
Sporting goods store	A	1	Std	Std
Sportsperson—professional	NI	NI	R	R
Spray painter	B	3	Std	Std
Statistician	AAA	1*	Std	Std
Steel erector/fixer	C	NI	Std	Std
Steeplejack	NI	NI	2.00	2.00
Stevadore	C	NI	Std	Std

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Stockbroker	AAA	1*	Std	Std
Stockman	NI	NI	Std	Std
Stock and station agent—no manual duties	A	1	Std	Std
Stonemason	B	3	Std	Std
Storeman	B	3	Std	Std
Store owner/operator	see Shopkeeper/Assistant			
Student	NI	NI	Std	Std
Stuntman	NI	NI	R	R
Sugar cane farmer—owner, established 2 years	B	3	Std	Std
Supermarket				
administration only	A	1	Std	Std
cashier	BB	2	Std	Std
other	B	3	Std	Std
Surfboard shaper	C	3	Std	Std
Surgeon	AAA	1*	Std	Std
Surveyor				
mine	B	3	Std	Std
marine	B	3	Std	Std
field	A	1	Std	Std
office only	AA	1*	Std	Std
quantity	AA	1*	Std	Std
Swimming instructor	BB	3	Std	Std
Swimming pool builder	B	3	Std	Std
Swimming pool supplies	BB	2	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

# Occupation classification tables

## T

Occupation	IP/BE/PW	TPD	LC	CI
TAB agent	A	1	Std	Std
Tailor	see Clothing industry			
Take away food shop	B	2	Std	Std
Tanner	B	3	Std	Std
Tax consultant				
qualified	AAA	1*	Std	Std
other	A	1	Std	Std
Taxi				
owner–driver established 2 years	B	3	Std	Std
owner–driver established less than 2 years	C	3	Std	Std
other	C	NI	Std	Std
Taxidermist	BB	2	Std	Std
Teacher—in a general primary and secondary school, university or college, teaching:				
maths, science and arts	A	1	Std	Std
pre-school	A	1	Std	Std
music	A	1	Std	Std
cooking	A	1	Std	Std
physical education	A	1	Std	Std
agriculture	A	1	Std	Std
home science	A	1	Std	Std
metal work, wood work	A	1	Std	Std
headmaster, principal	AAA	1*	Std	Std
professor	AAA	1*	Std	Std
Teacher’s aide or helper	A	1	Std	Std



<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
Telephone technician	BB	2*	Std	Std
Television industry	see Film and TV industry			
Tennis coach—not professional player	BB	3	Std	Std
Theatre, cinema				
manager, ticket seller, usher	A	1	Std	Std
confectionery seller	A	1	Std	Std
projectionist	A	1	Std	Std
cleaner	B	3	Std	Std
Tiler				
floors and walls	C	3	Std	Std
roof	NI	NI	Std	Std
Timber merchant	B	2	Std	Std
Tobacconist	A	1	Std	Std
Toolmaker	BB	2*	Std	Std
Tour guide	B	3	Std	Std
Town planner	AA	1*	Std	Std
Tow truck driver	C	NI	Std	Std
Train driver/guard	B	3	Std	Std
Travel agent/consultant	A	1	Std	Std
Tree feller/lopper	NI	NI	Std	1.00(x)
Tree surgeon, arborist—qualified	C	NI	Std	Std
Truck driver	see Driver			
Tugboat crew—not deep sea	C	NI	Std	Std
Tupperware salesperson	R	NI	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## T (continued)

Occupation	IP/BE/PW	TPD	LC	CI
TV technician	BB	2	Std	Std
Typesetter	A	1*	Std	Std
Typist	A	1	Std	Std
Tyre sales	A	1	Std	Std

## U

Occupation	IP/BE/PW	TPD	LC	CI
Undertaker	A	1	Std	Std
Upholsterer	BB	2	Std	Std
Urologist	AAA	1*	Std	Std

## V

Occupation	IP/BE/PW	TPD	LC	CI
Valuer	AA	1*	Std	Std
Vending machine serviceman	BB	2	Std	Std
Veterinary nurse	B	2	Std	Std
Veterinary surgeon				
small animal	AA	1*	Std	Std
large animal	A	1*	Std	Std
Video shop proprietor	A	1	Std	Std
Vignerons	B	3	Std	Std

## W

Occupation	IP/BE/PW	TPD	LC	CI
Waiter—restaurant	B	2	Std	Std
Watchmaker	A	1*	Std	Std
Waterproofer	C	3	Std	Std
Welfare officer	A	1*	Std	Std
Welder	BB	3	Std	Std
Wharf labourer	NI	NI	Std	Std
Window cleaner				
suburban home only	B	3	Std	Std
city or industrial	C	NI	Std	Std
Window dresser	A	1	Std	Std
Window tinter—motor vehicle / home / office	B	3	Std	Std
Wine maker				
qualified—no manual labour	A	1*	Std	Std
unqualified—no manual labour	BB	1	Std	Std
other	B	3	Std	Std
Wine merchant—wholesale and retail	BB	2	Std	Std
Wool broker/buyer	A	1*	Std	Std
Wool classer	BB	2*	Std	Std
Wrecker or demolisher—no explosives	C	NI	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

## X,Y and Z

<b>Occupation</b>	<b>IP/BE/PW</b>	<b>TPD</b>	<b>LC</b>	<b>CI</b>
X-ray machine operator or technician	AA	1*	Std	Std
Zoologist	AAA	1*	Std	Std
Zoo worker	B	3	Std	Std

\* Eligible for 'Own Occupation' definition of TPD.

# Occupation Underwriting Guide

# 5

# Occupation Underwriting Guide

# Contents

## Occupation Underwriting Guide

<b>Occupation Underwriting</b>	<b>95</b>	Newly self-employed	101
		Part-time workers	101
		Seasonal workers	101
<b>Hard-to-classify occupations</b>	<b>96</b>	Professional sportspeople	101
Change of occupation	96	Working at heights	102
Two or more occupations	96	Working at home	102
Unlisted occupations	97	Working more than 60 hours per week	102
<b>Special occupation eligibility categories</b>	<b>98</b>		
Apprentices	98		
Armed services	98		
Bankruptcy	98		
Financial advisers — degree-qualified	99		
Homemakers—Total and Permanent Disability	99		
Leave from employment	100		

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# Occupation Underwriting

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

# Hard-to-classify occupations

## Change of occupation

Where a client has changed occupation to one with an improved occupation class, but has been in that occupation for no more than 1 year, the quote should be prepared based on the classification for their previous occupation.

## Two or more occupations

Where a client has more than one occupation, the classification for the occupation which represents the higher risk will be applied. For example, an office worker who has a second job as a waiter would be classified as class B.

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

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

Generally only the income from the main occupation is insurable.

## Unlisted occupations

If the client has provided you with an occupation title or duties that do not fit into MLC's listed occupation guide, please contact your MLC Underwriting team. The occupation category will always be based on the duties performed, not the occupation title.

When contacting your Underwriting team additional information will be requested so the occupation can be classified and rated.

Answer these questions to help your Underwriting team provide an occupational rating to fit your client's duties:

- What is the client's occupation?
- What are the client's exact duties and the percentage of time spent on each?
- Do the client's duties include any manual work? If not, when was the last time the client did manual work and is the client likely to do any manual work in the future?
- Does the client perform any hazardous duties (eg working underground, at heights or with explosives)?
- Does the client have ownership in the company? If so, what is the percentage of ownership?
- What training has the client undertaken?
- What qualifications does the client have?
- Does the client work from home? If so, full details of the home office set-up are required.
- Does the client travel for business purposes? If so, where and how long?
- How many years of experience does the client have in the industry?
- How many years has the client been working in this occupation?
- How many years has the client been working for this employer?
- What is the client's income?

# Special occupation eligibility categories

## Apprentices

First year apprentices will usually be considered for Income Protection cover at occupation class C rates only and TPD class 3. Apprentices who have passed the first year of their apprenticeship may be considered for Income Protection and TPD cover with the occupation rating applicable to their trade.

## 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

A person is automatically discharged from bankruptcy 3 years after the date that they filed their Statement of Affairs (unless there is an objection to the discharge by the trustee or the official receiver).

MLC will consider TPD and Income Protection cover 1 year after discharge for an employee (with no ownership interest in the business which employs him or her) and 2 years after discharge for a self-employed applicant.

Where an Insured answers 'yes' to the bankruptcy question in the application, the following information is required:

- date of bankruptcy
- level of debt incurred at time of bankruptcy
- whether the debt has been fully discharged
- date of discharge
- the nature of the business at time of bankruptcy
- circumstances of the bankruptcy.

Where the client has returned to a self-employed situation, we will require evidence of earnings for the past 2 years (eg tax returns, business accounts) and a supporting statement demonstrating that the business is and has been operating profitably.

Availability and terms of cover will depend on the individual circumstances of each client.

A medical attendant's report will be required in most cases.

## Financial advisers —degree-qualified

Financial advisers are eligible for Income Protection AAA occupation class and TPD class 1 ('Own Occupation' definition) if they meet all of the following criteria:

- hold a relevant tertiary degree (eg finance, accounting, business, Masters in Financial Planning)
- have practised as a financial adviser for at least 2 years
- have earned at least \$100,000 per annum for the past 2 years.

Income Protection occupation class AA and TPD class 1 ('Any Occupation' definition) apply for financial advisers who do not meet all of these criteria.

## Homemakers—Total and Permanent Disability

Homemakers can apply for TPD benefits up to a maximum of \$1,000,000. The following definition will be used to determine eligibility for a claim.

The Life Insured is totally and permanently disabled if they have a disability caused by an injury or sickness and they satisfy the criteria in (a), (b) or (c) below:

(a)

- as a result of their disability they are completely unable to do any Normal Physical Domestic Duties and are unlikely ever to be able to do so again, and
- these circumstances have existed continuously for at least 6 months.

(b)

- they suffer a permanent impairment of at least 25% of whole person function (as defined in the American Medical Association's 'Guide to the Evaluation of Permanent Impairment', current edition as at the date of impairment, or an equivalent guide to impairment approved by us), and
- as a result of this impairment, they are disabled to such an extent that they are completely unable to do any Normal Physical Domestic Duties and are unlikely ever to be able to do so again.

# Special occupation eligibility categories

(c) they have suffered from the total and irrecoverable loss of:

- the use of both hands, or
- the use of both feet, or
- the sight in both eyes, or
- the use of one hand and one foot, or
- the use of one foot and the sight in one eye, or
- the use of one hand and the sight in one eye.

If the Life Insured has taken out stand-alone TPD insurance, they must survive for:

- 6 months for us to consider a claim under section (a) or (b)
- 14 days after the loss for us to consider a claim under section (c).

**Normal Physical Domestic Duties** means cleaning, cooking meals, doing the laundry, shopping for groceries and taking care of dependent children.

## Leave from employment

### New applications

Income Protection is not generally available to any applicant not currently working or with an intention to cease work for an extended period (3 months or more), for any reason, within 3 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.

### In force cover

MLC automatically allows for continuation of in force cover of up to 1 year for a break in employment (ie not doing paid work). This means any absence from work including such events as holiday leave, having a child, attending to personal matters or even being unemployed.

Absence from work for purposes such as long service leave or a paid sabbatical is not considered to be a break in employment and is not limited. Official absence from work granted by an employer for more than 1 year for extended leave or an unpaid sabbatical is routinely approved for periods of up to 2 years.

Longer periods of cover for breaks in employment may be approved on a case-by-case basis. Premiums must continue to be paid.

## Newly self-employed

Income Protection with an Agreed Value benefit is not normally available to clients who have been self-employed for less than 12 months. In such circumstances Income Protection Plus—Indemnity Option or Income Protection Standard 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 MLC Underwriting team prior to submitting the application to discuss the circumstances and whether cover can be considered.

## Part-time workers

### Total and Permanent Disability

Part-time workers will be considered for TPD cover 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 3 days per week on a permanent part-time basis, with a minimum of 2 years in their current role. TPD cover is available at the TPD rating appropriate for this occupation.

If your client works less than 20 hours per week, cover is available only where the balance of time is occupied with homemaker duties. If the part-time occupation is TPD class 1 or 2, the homemaker occupation class 2 will apply. If the part-time occupation is TPD class 3, then class 3 will apply.

## Income Protection

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

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

- in a preferred occupation, usually professional
- for a minimum of 3 days and 20 hours per week for a minimum of 2 years, and intending to continue working on at least this basis
- in only one job for 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.

## Professional sportspeople

Professional sportspeople are not eligible for Income Protection.

# Special occupation eligibility categories

## Working at heights

Where an applicant works above 15 metres an additional premium will apply. Cover may not be available for some occupations where the applicant works at heights greater than 15 metres.

## 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 cover 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 60 hours per week

In general, clients working up to 60 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, and in many cases Income Protection with Agreed Value benefit may not be available. In such circumstances Income Protection Plus—Indemnity Option or Income Protection Standard contract should be quoted.

In general, additional clarification of the reason for, and anticipated duration of, these working hours will be required. MLC will consider each risk individually. Ask your MLC Underwriting team about the specific information required.



# Pastimes Table and Guide

6



# Contents

## Pastimes Table and Guide

**How pastimes  
are classified** 107

**Key to pastime  
classifications** 108

**Pastime classification  
tables** 109

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# 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, call your MLC Service team. A quote reference number can be provided to confirm the underwriting advice provided. This reference number should be noted on the Application Form if an application is submitted. Where a loading has been quoted and it is acceptable to the client, the additional premium should be collected and sent to your MLC Service team with the application and the client's signed acceptance of the extra premium.

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?

# Key to pastime classifications

Classification	Definition
IC	Individual consideration
NI	Non insurable.
Std	Standard rates apply. No restrictions or loadings apply for pastime.
R	Refer this risk to your MLC Underwriting team.
x	An exclusion must apply for this risk. The exclusion applies to all benefits and options under Income Protection Plus. For your convenience, the Application Form has provision for the acceptance of exclusions.
2.00, 5.00 etc	An extra premium of \$2.00 or \$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. For your convenience, the Application Form has provision for the acceptance of exclusions.
10% etc	The premium rate is to be increased by the percentage indicated, to compensate for the extra risk.
10% (x) etc	As above, but with an option to avoid the extra premium by excluding the risk. For your convenience, the Application Form has provision for the acceptance of exclusions.
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 1 month (A categories only) or 3 months (B and C categories) of any claim. Short waiting period for accidental injury option under Income Protection Plus is not available unless a full exclusion for football is applied.
90x	Any claim relating to the specified pastime is excluded for the first 3 months of any claim. Short waiting period for accidental injury option under Income Protection Plus is not available.

# Pastime classification tables

## A

Pastime	IP/BE/PW	TPD	LC	CI
Abseiling	x	x	Std	Std
Aviation				
balloonists				
amateurs	Std	Std	Std	Std
competition	x	x	2.00(x)	1.00(x)
professionals	x	x	2.00(x)	1.00(x)
gliding				
0–100 launches per annum	Std	Std	Std	Std
over 100 launches per annum	20%(x)	Std	Std	Std
hang gliding				
powered	x	x	3.00(x)	1.50(x)
non-powered	x	x	5.00(x)	2.50(x)
instructor	x	x	3.00(x)	1.50(x)
microlight				
0–50 hours per annum	x	x	3.00(x)	1.50(x)
over 50 hours per annum	x	x	5.00(x)	2.50(x)
parachutist				
up to 25 jumps per annum	x	Std	Std	Std
over 25 jumps per annum	x	x	2.00(x)	1.00(x)
paragliding, paraskiers				
up to 25 flights per annum	x	Std	Std	Std
over 25 flights per annum	x	x	2.00(x)	1.00(x)

## A (continued)

Pastime	IP/BE/PW	TPD	LC	CI
Aviation continued ...				
private flying				
student pilot				
0–75 hours per annum	Std	Std	Std	Std
75–250 hours per annum	10%(x)	x	2.50(x)	1.25(x)
over 250 hours per annum	15%(x)	x	2.50(x)	1.25(x)
licensed pilot				
0–100 hours per annum	Std	Std	Std	Std
101–250 hours per annum	10%(x)	x	2.50(x)	1.25(x)
over 250 hours per annum	15%(x)	x	2.50(x)	1.25(x)

## B

Pastime	IP/BE/PW	TPD	LC	CI
Boxing				
amateur	x	x	Std	Std
professional	NI	NI	2.50	NI

## C

Pastime	IP/BE/PW	TPD	LC	CI
Canoeing, kayaking				
recreational	Std	Std	Std	Std
competition	x	Std	Std	Std
professional	NI	NI	Std	Std



## D

Pastime	IP/BE/PW	TPD	LC	CI
Diving				
amateur or recreational—qualified				
0–40 metres	Std	Std	Std	Std
over 40 metres	R	R	R	R
amateur or recreational—unqualified	x	x	x	x
caving, potholing	x	x	5.00(x)	5.00(x)
night diving	R	R	Std	Std

## F

Pastime	IP/BE/PW	TPD	LC	CI
Football	No Short waiting period for accidental injury available under Income Protection Plus unless a full football exclusion applies			
League / Union / Australian Rules				
amateur AAA, ACT, ML, AA and A categories	25%(30x)	Std	Std	Std
amateur BBB, BB, B and C categories	25%(90x)	Std	Std	Std
professional	x	x	Std	Std
soccer				
amateur	Std	Std	Std	Std
professional	x	x	Std	Std
touch/tip/tag—amateur	Std	Std	Std	Std

# Pastime classification tables

## G

Pastime	IP/BE/PW	TPD	LC	CI
Gridiron—professional	x	x	Std	Std

## H

Pastime	IP/BE/PW	TPD	LC	CI
Hockey—grass, ice				
amateur	Std	Std	Std	Std
professional	x	x	Std	Std
Horse riding				
showjumping—amateur only	25%(x)	Std	Std	Std
recreation—including dressage—amateur only	Std	Std	Std	Std
rodeo—amateur only	x	x	Std	x
rodeo—professional	NI	NI	2.00(x)	1.00(x)
polo/polocrosse—amateur only	25%(x)	Std	Std	Std

## J

Pastime	IP/BE/PW	TPD	LC	CI
Judo, karate				
amateur	Std	Std	Std	Std
competition	x	x	Std	Std
professional	x	x	Std	Std

# M

Pastime	IP/BE/PW	TPD	LC	CI
Martial arts				
amateur	Std	Std	Std	Std
competition	x	x	Std	Std
professional	x	x	Std	Std
Motorcycle racing				
circuit racing	x	x	5.00(x)	2.50(x)
speedway	x	x	5.00(x)	2.50(x)
scramblers, hill climbs, trials, motocross	x	x	Std	Std
trail bike riding—non-competition	R	R	Std	Std
trail bike racing—competition	x	x	Std	Std
Motor racing	Income Protection and Total and Permanent Disability insurance are not available for motor racing professionals			
drag-racing				
funny cars	x	x	4.00(x)	2.00(x)
modified production, hot rod	NI	NI	2.00(x)	1.00(x)
pro stock, super stock, street altered	x	x	2.00(x)	1.00(x)
top fuel	x	x	5.00(x)	2.50(x)
karting				
recreational only	Std	Std	Std	Std
Enduro	x	x	5.00(x)	2.50(x)
Formula E—superkarting, 250 international	x	x	5.00(x)	2.50(x)
sprint	x	x	Std	Std

## M (continued)

Pastime	IP/BE/PW	TPD	LC	CI
Motor racing continued ...				
rallying				
national	x	x	2.00(x)	1.00(x)
restricted	x	Std	Std	Std
saloons—circuit racing only				
Group A—touring cars	x	x	3.00(x)	1.50(x)
HQ Holden	x	x	3.00(x)	1.50(x)
series production	x	Std	Std	Std
street sedans	x	Std	Std	Std
single seater				
Australian Formula 2	x	x	15.00(x)	7.50(x)
Formula Brabham	x	x	15.00(x)	7.50(x)
Formula Libre	x	x	5.00(x)	2.50(x)
Formula Vee	x	x	5.00(x)	2.50(x)
speedway				
midget	x	x	3.00(x)	1.50(x)
Nascar/Auscar	x	x	5.00(x)	2.50(x)
production	x	x	4.00(x)	2.00(x)
sprint	x	x	3.00(x)	1.50(x)
sports cars				
clubman sports	x	x	2.50(x)	1.25(x)
Group 2	x	x	7.50(x)	3.75(x)
production cars	x	x	4.00(x)	2.00(x)
sports sedans, super saloons	x	x	4.00(x)	2.00(x)
super modified, super stock	x	x	5.00(x)	2.50(x)

Pastime	IP/BE/PW	TPD	LC	CI
veteran, vintage, historic				
vintage events	Std	Std	Std	Std
other motorsports				
autocross	x	Std	Std	Std
cross country	x	Std	Std	Std
hill climbs, trials	Std	Std	Std	Std
marshals	R	Std	Std	Std
motocross, motorkhana	x	x	Std	Std
off-road racing	R	Std	Std	Std
rallycross	Std	Std	Std	Std
sand racing	x	Std	Std	Std
Motor, power boat racing				
up to 100 km/h	x	x	Std	Std
100 to 150 km/h	x	x	3.00(x)	1.50(x)
over 150 km/h	x	x	5.00(x)	2.50(x)
Mountain climbing— Australia and NZ	x	x	2.00(x)	1.00(x)
Mountain bike riding				
downhill	x	x	Std	Std
competitive	90x	x	Std	Std

## R

Pastime	IP/BE/PW	TPD	LC	CI
Rockclimbing				
indoors	Std	Std	Std	Std
outdoors	x	x	IC	IC

# Pastime classification tables

## S

Pastime	IP/BE/PW	TPD	LC	CI
Sailing				
Australian waters	Std	Std	Std	Std
other	R	R	R	R
Skiing—snow				
amateur	Std	Std	Std	Std
competition	x	x	Std	Std
professional	NI	NI	Std	Std

## W

Pastime	IP/BE/PW	TPD	LC	CI
Water skiing				
professional	NI	NI	Std	Std
regular competition	x	x	Std	Std
other	Std	Std	Std	Std
Wrestling				
amateur	x	Std	Std	Std
professional	NI	NI	Std	Std

# Financial Underwriting

# 7





# Contents

## Financial Underwriting

<b>Financial requirements: why financially underwrite?</b>	<b>121</b>	<b>Income Protection</b>	<b>128</b>
<b>Personal insurance: Life Cover, TPD and Critical Illness</b>	<b>122</b>	Agreed Value v Indemnity Option and Standard benefit	128
When is a Personal Financial Questionnaire required?	122	Calculating the monthly benefit	129
Homemakers and non-working applicants	123	Earnings	129
<b>Business insurance: Life Cover, TPD, Critical Illness and Business Safeguard Option</b>	<b>124</b>	Graduate insurance	134
Purpose of business insurance	124	Public service employee and employer insurance benefits	135
Joint and several liability	126	<b>Business Expenses</b>	<b>136</b>
Business Safeguard Option	127	Who can apply?	136
		Expenses covered	137

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# 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 MLC’s 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 protection / loan cover
  - revenue protection / key person insurance
  - ownership protection / share purchase / buy–sell insurance.

# Personal insurance: Life Cover, 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 cover requested is unclear
- the cover 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 MLC.

The financial requirements tables on page 28 show the maximum cover amounts available, the amounts at which financial evidence is mandatory and the types of financial evidence required.

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

## When is a Personal Financial Questionnaire required?

Most employed people are acceptable for up to \$1,000,000 of Life Cover, 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 MLC considers for personal insurance. We use a multiple of earnings to determine a reasonable sum insured. The multiples used are shown on page 29. We also take existing cover 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. However, we may still ask for a Personal Financial Questionnaire. You can pre-empt this by completing the Personal Financial Questionnaire in the Supplementary Underwriting Questionnaire Booklet.

MLC understands that individual circumstances vary. Should your recommendations based on the Fact Find and Statement of Advice exceed the multiples outlined below, please discuss this with one of our experienced underwriters, as additional financial evidence may be required.

Within the mandatory limits set out on page 28, you may submit the Fact Find or Statement of Advice in place of the Personal Financial Questionnaire if it contains the same information as requested in the Questionnaire.

Age next birthday	Multiple of earnings	
	Life Cover	Critical Illness / TPD
Up to 40	20	12
41 to 55	15	10
56 and over	10	8

### Example:

If a 40-year-old applicant with annual earnings of \$75,000 requests Life Cover of \$1,500,000 (20 x earnings) no additional information will be required. If the same applicant requests \$2,500,000 then we will ask for a Personal Financial Questionnaire.

## Homemakers and non-working applicants

Homemakers and non-working applicants may apply for personal insurance. The maximum sum insured depends on age and type of cover.

Age next birthday	Maximum sum insured	
	Life Cover / TPD	Critical Illness
Up to 46	\$1,000,000	\$750,000
47 and over	\$750,000	\$500,000

If cover beyond these levels is requested, a detailed report from the financial adviser must be provided with the application, including the specific need for cover and how the sum insured was calculated (eg calculations based on providing an income stream for a number of years based on number and age of dependants, funds required to discharge debts, etc).

# Business insurance: Life Cover, TPD, Critical Illness and Business Safeguard Option

The key to underwriting business insurance lies in understanding the purpose of the cover, how the level of cover 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 or buy/sell insurance

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

The cover 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 cover proposed reflects the value of the business as demonstrated by independent valuation, financial accounts and other supporting information available
- the level of cover reflects the percentage ownership of the Life to be Insured
- there is sufficient personal cover 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.

As supporting information, in addition to the financial requirements for the proposed Life Insured, you should provide a copy of:

- the business valuation including the method of valuation
- the buy/sell agreement, or draft agreement if not finalised.

Where the total business value is over \$10,000,000, regardless of the amount of cover an individual is requesting, please provide both of these documents.

## Revenue protection or key person 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 key person 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 cover proposed reflects the value of the key person
- that the method used to value the key person is reasonable
- the business structure, turnover, net profit
- the key person's financial interest / share in the business
- the key person's remuneration package

- any other cover that is in force on the key person
- that for an arm's length employee (a key person who does not have a financial interest / share in the business) cover will usually be restricted to 10 times the remuneration package.

## Asset protection or loan guarantee insurance

Asset 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 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.

# Business insurance: Life Cover, TPD, Critical Illness and Business Safeguard Option

## Joint and several liability

Where there is more than one business owner, liability for a business loan will often be shared. MLC has adopted a standard approach to determining the maximum amount insurable for each Life 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:

<b>Number of business owners</b>	<b>Percentage of debt covered</b>
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 is a facility for increasing sums insured under Life Cover and TPD for business purposes when the value of the insured asset increases. Where this option is applied for, an MLC Financial Questionnaire (form no. 01063) must accompany the application. In addition, depending on the purpose of the insurance, the client must supply the following:

<b>Purpose of insurance</b>	<b>Client to supply a copy of:</b>
Ownership protection / buy/sell agreement	Buy/Sell agreement and current valuation of the business
Asset protection / loan guarantee insurance	Loan deed or equivalent
Revenue protection / key person insurance	Current valuation of the key person's value/worth to the business

MLC is entitled to request any other contractual or financial evidence required to satisfy itself as to the value of the financial interest.

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.

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

# Income Protection

Income Protection insurance is designed to provide a regular income in the event of the Life Insured being unable to work due to illness or injury.

The financial evidence required for Income Protection Plus and Standard depends on the proposed monthly benefit, age, occupation class and employment status. Evidence required for Income Protection (Farmers Package), available to the principal owners of farms where the farm has been in operation a minimum of 2 years, depends on the proposed monthly benefit and benefit period. See the financial requirements tables on page 32 for details.

## Agreed Value v Indemnity Option and Standard benefit

### Income Protection Plus—Agreed Value

With an Agreed Value benefit, the benefit issued on Income Protection Plus will be the benefit paid at claim time, providing that, at the time of application, the information provided was accurate and complete and has been accepted by us. MLC does not always require financial evidence at application time. If we have done, generally we do not require the same information at claim time.

### Income Protection Plus—Indemnity Option

The Indemnity Option can lower the cost of Income Protection Plus by offering the features of Income Protection Plus on an indemnity basis. The only difference is that, like a Standard benefit, if the Life Insured's earnings have decreased since taking out the Income Protection Plus insurance we will reduce the monthly benefit at time of claim so that the amount the Life Insured receives is no more than 75% of their earnings before disability.

### Income Protection Standard

If the Life Insured's earnings decrease after taking out Income Protection Standard cover, we will reduce the monthly benefit at time of claim so that the amount they receive is no more than 75% of their earnings before disability.

Where Indemnity Option or Income Protection Standard has been proposed we may still request clarification of income. For an indemnity contract, we issue and accept premium for a benefit amount that the client's future income is likely to be able to support. The availability of this option is still subject to current earnings, earnings history and indications of future earnings.

## Calculating the monthly benefit

The maximum monthly benefit that MLC will consider, including cover with other insurers, is \$30,000.

Benefits are also limited as follows:

<b>Earned income</b>	<b>Maximum benefit available</b>
Up to \$240,000	75% of earnings
Over \$240,000	75% of the first \$240,000 of earnings, plus 50% of the next \$240,000 of earnings, plus 25% of the next \$240,000 of earnings

## Earnings

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 the gross trading profit.

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

# 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 3 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 3 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.

MLC will consider allowing inclusion of reasonable levels of depreciation as part of the earnings calculation. MLC will include depreciation of up to 10% of the gross profit from trading as earnings.

The client may request that depreciation be covered under concurrent Business Expenses cover. This is acceptable to MLC 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.

MLC 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.

# Income Protection

## 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 MLC allows 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, MLC has adopted a standard approach regardless of occupation:

Number of vehicles	Underwriting for vehicle expenses shown in accounts
1	MLC may apply a standard approach of including 30% of the expense as earnings, if 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 are for a tradesperson or professional in a single practice.  Expenses 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.

## 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, MLC requires information regarding investment and other unearned income where the proposed Income Protection monthly benefit exceeds \$15,000. This information can be provided on the MLC Personal Financial Questionnaire, which is in the Application Form. Information regarding assets is also required where the proposed monthly benefit exceeds \$20,000. An MLC Financial Questionnaire is required for this level of cover.

Below is a summary of MLC’s 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: $(\text{earned income} + 5\% \text{ of net asset value}) \times \text{replacement ratio} - 5\% \text{ of net asset value}$
	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

## Service pensions

Service pensions affect eligibility for Income Protection. A pension is unearned income and payment will continue even if the recipient is totally disabled, reducing the need for Income Protection benefits.

Eligibility will depend on the type and amount of the pension, so it is important to establish the type of pension (eg a person in receipt of an invalid type of pension would not usually be eligible for cover, whereas MLC may be able to provide cover on a restricted basis when a pension is based on years of service in the armed forces).

The formula for calculating the maximum benefit is:

Maximum monthly benefit = (earnings from full-time occupation plus pension) x 75% less pension.

## Graduate insurance

Doctors, accountants, solicitors, dentists, physiotherapists and pharmacists can apply for Income Protection provided that they have graduated within the last 12 months and they have been employed for at least 3 months prior to the proposal date. Graduates meeting these criteria are eligible to apply for the following monthly benefits, regardless of current income level, without providing proof of income at the time of application:

Occupation	Monthly benefit
Doctor	\$5,000
Accountant	\$3,000
Dentist	\$5,000
Solicitor	\$3,000
Physiotherapist	\$2,500
Pharmacist	\$2,500



## **Public service employee and employer insurance benefits**

Federal, state, territory and local government employees may be eligible for various forms of employer-sponsored disability benefits. Benefit entitlements vary widely between government organisations; some government superannuation schemes are particularly generous.

Some other employers also provide insurance benefits. We ask for details of those insurance benefits and whether there is more than 90 days accumulated sick leave.

An offset will apply so that combined benefits do not exceed 75% of pre-disability earnings.

If existing insurance and the proposed insurance with MLC overlap we may apply an offset or change the waiting period.

# Business Expenses

Business Expenses insures the normal operating expenses of the business whilst the client is totally disabled and unable to work due to injury or sickness. It covers those normal and customary business expenses actually incurred by the client in the operation of the client's office, business or practice.

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 those shown in the table below:

Age next birthday	Occupation class			
	AAA, ML, ACT	AA, A	BBB, BB, B	C
19 to 55	\$15,000	\$10,000	\$5,000	n/a
56 to 60	\$10,000	\$10,000	n/a	n/a

## 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. MLC 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

Up to 100% of eligible business expenses can be covered subject to underwriting requirements.

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)
- 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.

The following expenses are not covered:

- payment or other benefits of any kind to the Life Insured or the Life Insured's replacement in the business
- any expense that was not normally paid before the disability
- repayment of the principal of a loan or mortgage that started less than 12 months before the disability
- the cost of equipment or merchandise for the business.

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# Medical Underwriting





# Contents

## Medical Underwriting

### Medical requirements 143

New business	143
Increases	144
Business Safeguard Option	144

### Arranging medical requirements 145

MLC can arrange medical requirements	145
You can arrange medical requirements	145
What is a Mini Health Check?	145
What is a PMAR?	145
Does your client need to fast for a blood test?	145
Paramedical services at a glance	146

### Underwriting questionnaires 147

### Health pre-assessment 149

Health affects applications	149
-----------------------------	-----

Critical Illness Extra Benefits Option	149
Critical Illness—alternative terms for special cardiovascular and cancer risks	152
Body mass index: height and weight	155

### Underwriting medical conditions 158

Asthma	158
Back/Neck pain or disorders	159
Blindness	160
Cardiovascular disease	161
Diabetes	164
Family history	166
Genetics	167
Joint/Musculoskeletal disorders	170
Mental health	172
Skin lesions	173
Sleep apnoea	175
Smoking	176

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# 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**

Mandatory medical evidence based on age and sum insured are set out in the medical requirements tables on page 24.

For the purposes of determining the medical requirements, the sums insured for Life Cover, stand-alone Total and Permanent Disability (TPD) cover and stand-alone Critical Illness cover under all concurrent applications and all existing cover on the same Life with MLC must be added together.

Where an existing policy provides a decreasing death risk (eg with decreasing cover premium structure), the current sum insured should be used.

Requirements may be modified where your client has insurance in force with MLC and is applying to increase the amount of cover. Refer to the following section on 'Increases'.

# Medical requirements

## Increases

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

Medical evidence for an increase in cover is determined by adding the current total in force MLC cover 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 37-year-old effected \$1,000,000 Life Cover over 12 months ago. The medical requirement obtained at that time was a blood test for HIV antibodies, a multiple biochemical analysis (MBA) and Hepatitis B & C serology. The results were within normal limits and the cover was accepted on standard terms.

The client is now applying for an additional \$1,800,000 cover.

The medical requirement for \$1,800,000 is a personal statement only.

The medical requirements for the new total cover of \$2,800,000 are: medical examination by the client's usual doctor or paramedical examination and a blood test for HIV antibodies, a multiple biochemical analysis (MBA) and Hepatitis B & C serology (refer to the medical requirements table on page 24).

As the blood tests have already been provided and were within normal limits, these would not need to be repeated. The current requirements would be an Application for Increase (form no. 64201) and a medical examination or paramedical examination.

# Arranging medical requirements

## MLC can arrange medical requirements

MLC can arrange all the medical requirements for you. Please indicate on the Application Form if you wish MLC to arrange requirements.

MLC will arrange for Unified Healthcare Group (UHG), our third-party paramedical service provider, to contact your client to have requirements completed.

You can view the progress of this request online via My Work Tracker.

UHG, our third-party provider, obtains PMARs for MLC. Ensure you have had the medical authority completed so we can obtain this report if necessary.

## 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 Mini Health Check?

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

- measurements of height, weight, abdominal girth, pulse and blood pressure
- a urine examination (dip stick).

## What is a PMAR?

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

UHG, our third-party provider, obtains PMARs for MLC. Ensure you have had the medical authority completed so we can obtain this report if necessary.

## Does your client need to fast for a blood test?

Yes, unless pregnant or diabetic or they have 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 8 hours (ie no food or drink except water for 8 hours prior to the test).

# Arranging medical requirements

## Paramedical services at a glance

	<b>UHG</b>	<b>Lifescreen Australia</b>	<b>Other pathology collection centre or doctor</b>
<b>Using paramedical services</b>	You can telephone UHG to arrange requirements directly or authorise MLC in the Application Form to arrange medical requirements with UHG and UHG will contact your client	Telephone or fax referrals to Lifescreen Australia	
<b>Phone</b>	<b>1800 101 984</b>	<b>1800 686 000</b>	
<b>Fax</b>		<b>1800 804 758</b>	

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

<b>Medical Requirement:</b>	<b>UHG</b>	<b>Lifescreen Australia</b>	<b>Other pathology collection centre or doctor</b>
<b>Blood test</b>	Complete MLC 'Pathology Request for Insurance' form and leave it with your client to present Instruct client to fast at least 8 hours Phone UHG with request	Complete MLC '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 MLC 'Pathology Request for Insurance' form and leave it with your client to present Instruct client to fast at least 8 hours
<b>Paramedical Examination / Standard Health Evaluation</b>	Phone UHG to request a 'Standard Health Evaluation' (paramedical)	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 <b>mlc.com.au</b> or order from MLC EasyOrder for client to present
<b>Mini Health Check</b>	Phone UHG to request a 'Mini Check'	Complete and fax a Lifescreen Health Evaluation Request form, or phone Lifescreen to request an 'Express Check'	Print the 'Mini Health Check' form from <b>mlc.com.au</b> or order from MLC EasyOrder for client to present

# Underwriting questionnaires

MLC provides 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.

<b>Questionnaire description</b>	<b>Application Form</b>	<b>Adviser Switchboard</b>	<b>mlc.com.au</b>
Asthma	•	•	•
Aviation	•	•	•
Back/Neck Disorder	•	•	•
Blood Pressure / Cholesterol	•	•	•
Cyst / Mole / Skin Lesion	•	•	•
Epilepsy		•	•
Financial Questionnaire		•	•
Hazardous Sports and Recreation		•	•
Joint/Musculoskeletal	•	•	•
Mental Health	•	•	•
Mini Health Check			•
Motor Car / Cycle / Boat Racing	•	•	•
Personal Financial Questionnaire	•		•
Standard Medical Examination		•	•
Ulcer/Reflux		•	•
Underwater Diving	•	•	•

# Underwriting questionnaires

Other forms include:

Form description	Form	mlc.com.au	MLC EasyOrder
Alteration to Non-smoker	52196	•	
Application for Increase	64201	•	
Declaration of Changes	52195	•	
Application for Replacement	50897	•	•
Application for Increase without Medical Evidence	50170	•	

Hard copy items can be ordered via MLC EasyOrder on [easyorder.com.au](https://easyorder.com.au). New users to this service can register via the 'Become a registered user' link on this site. Refer to the MLC EasyOrder column in the above tables to see if the item is available in hard copy.

Soft copy items can be downloaded from [mlc.com.au](https://mlc.com.au) under 'Forms and Brochures', which can be accessed via the **Advisers** link in either the **I'm considering MLC** or **I'm with MLC** panels. Note: Soft copy items can no longer be downloaded via MLC EasyOrder.

# 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 your MLC 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.

MLC may offer fixed term cover or 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 16 in 'Underwriting Philosophy' and the exclusions for 'Critical Illness Extra Benefits Option' and 'Critical Illness—alternative terms for special cardiovascular and cancer risks' in this section.

## Critical Illness Extra Benefits Option

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

One or both of the following extra benefits can be added:

- additional critical conditions for which a partial benefit is payable
- an option to buy back the Critical Illness benefit.

Critical Illness Extra Benefits Option 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. MLC reserves the right to request additional medical evidence.

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

# Health pre-assessment

<b>Critical condition covered</b>	<b>Medical condition present or in history</b>	<b>Underwriting</b>
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	Endometriosis	Exclude
Carcinoma in situ—breast	Family history—breast cancer	Exclude
	Benign breast disease	Exclude
Chronic lymphocytic leukaemia	Acute leukaemia	Exclude/Decline
	Chronic leukaemia	Decline
	Unexplained lymphocytosis/lymphoedema	Decline
Congenital abnormalities of a Child	Pre-existing conditions are excluded as part of the critical condition definition	None
Deafness in one ear	Hearing loss—partial/total—due to disease	Exclude
	Hearing loss—partial/total—due to injury	Exclude for affected ear
Death of a Child	Pre-existing conditions are excluded as part of the critical condition definition	None
Diagnosed motor neurone disease	Motor neurone disease	Decline
Diagnosed multiple sclerosis	Multiple sclerosis	Decline
	Family history—multiple sclerosis	Exclude
Diagnosed muscular dystrophy	Family history—muscular dystrophy	Exclude
	Muscular dystrophy present or suspected	Decline
Diagnosed Parkinson's disease	Parkinson's disease present or suspected	Exclude/Decline
Facial reconstructive surgery and skin grafting	Facial reconstructive surgery / skin graft	Exclude
	Facial injury likely to require reconstructive surgery or skin graft	Exclude



<b>Critical condition covered</b>	<b>Medical condition present or in history</b>	<b>Underwriting</b>
Inability of a Child to gain independence	Pre-existing conditions are excluded as part of the critical condition definition	None
Loss of one foot / one hand	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	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
Melanoma	Melanoma	Exclude/Decline
	Non-melanocytic skin cancer	Exclude
Placement on waiting list for major organ transplant	Organ disease or failure likely to require transplant	Decline
Prostate cancer	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
	Eclampsia	Exclude
	Pre-eclampsia	Exclude
	Ectopic pregnancy	Exclude
	Hydatidiform mole	Exclude
	Stillbirth	Usually Standard

## **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.

MLC 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.

Three 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. cancer conditions without radiotherapy in the thoracic region
3. 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
- Critical Illness Extra Benefits Option
- Increase without Medical Evidence
- TPD as a Critical Condition.

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 conditions**

- Blindness
- Cardiomyopathy
- Coma
- Coronary artery angioplasty
- Coronary artery angioplasty—triple vessel
- Coronary artery bypass surgery
- Deafness
- Heart attack
- Intensive care
- Kidney failure
- Loss of independence
- Loss of speech
- Major organ transplant
- Open heart surgery
- Out of hospital cardiac arrest
- Paralysis
- Primary pulmonary hypertension
- Stroke

# Health pre-assessment

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

- Benign brain tumour
- Intensive care
- Loss of independence
- Malignant cancer
- Major organ transplant

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

- Aplastic anaemia
- Benign brain tumour
- Coronary artery angioplasty
- Coronary artery angioplasty—triple vessel
- Coronary artery bypass surgery
- Heart attack
- Intensive care
- Loss of independence
- Malignant cancer
- Major organ transplant

# 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:

$$\text{weight} = 88 \text{ kg}$$

$$\text{height squared} = 1.6 \text{ m} \times 1.6 \text{ m} = 2.56 \text{ m}^2$$

$$\begin{aligned} \text{BMI} &= \text{weight (kg)} \div \text{height}^2 \text{ (m)} \\ &= 88 \div 2.56 \\ &= 34.37 \end{aligned}$$

## BMI ranges—what do they mean?

Classification of BMI ranges	
BMI range	Weight classification
Up 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

If a medical examination is not already required based on age and sum insured, and the client has no other significant health problem (eg diabetes, heart complaint, cancer, kidney disease, liver disease, high cholesterol), the medical requirements based on BMI are:

BMI	Details	Medical requirements
Below 18		Medical examination
18 to 32		None
33 to 39	No other significant health problem including high cholesterol, diabetes, heart complaint, cancer, kidney disease, liver disease.	Mini health check (short form examination) + Multiple Biochemical Analysis (MBA) + Hepatitis B & C serology
	With other significant health problem including high cholesterol, diabetes, heart complaint, cancer, kidney disease, liver disease.	Medical examination or a paramedical examination + Multiple Biochemical Analysis (MBA) + Hepatitis B & C serology
40 and over		Medical examination with usual doctor + Multiple Biochemical Analysis (MBA) + Hepatitis B & C serology

The short form examination, Mini Health Check, is available from [mlc.com.au](http://mlc.com.au) under 'Forms and Brochures', which can be accessed via the **Advisers** link in either the **I'm considering MLC** or **I'm with MLC** panels or either of our major paramedical service providers—UHG ('Mini Check') or Lifescreen ('Express Check'). Refer to 'Paramedical services at a glance' on page 146 for contact details.

If in doubt please contact your MLC Service team.

## Height/weight table

The table below shows the height and weight measurements equivalent to a BMI of 33 and a BMI of 40.

Height			Weight					
			BMI 33			BMI 40		
cm	ft	in	kg	st	lb	kg	st	lb
150	4	11	74	11	9	89	14	0
152	5	0	76	12	0	92	14	7
155	5	1	79	12	6	96	15	2
157	5	2	81	12	11	98	15	6
160	5	3	84	13	3	102	16	1
163	5	4	87	13	10	106	16	10
165	5	5	89	14	0	108	17	0
167	5	6	91	14	5	111	17	7
170	5	7	95	14	13	115	18	2
173	5	8	98	15	2	119	18	10
175	5	9	100	15	10	122	19	3
178	5	10	104	16	5	126	19	7
180	5	11	106	16	10	129	20	4
183	6	0	110	17	5	133	20	13
185	6	1	112	17	9	136	21	6
188	6	2	116	18	4	140	22	11
191	6	3	120	18	13	145	22	12
193	6	4	122	19	3	148	23	4
196	6	5	126	19	12	152	23	13
198	6	6	128	20	2	156	24	8
201	6	7	132	20	11	160	25	3

# 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 C 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.

## 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.

# Underwriting medical conditions

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.

## 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 152 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 and High Cholesterol Questionnaire in the Supplementary Underwriting Questionnaire Booklet with the Application Form. MLC 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 4 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 4 years ago with initial readings of 160/100. Treatment commenced approximately 4 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

It is estimated that 800,000 Australians may have diabetes but not realise it.

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, or a fixed term may be offered.

Due to the range and incidence of potential complications, Income Protection and TPD insurance are often unavailable or, in extremely favourable cases, may only be available on a fixed term.

# 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 the MLC 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.

### IFSA Family History

As a member of IFSA (Investment and Financial Services Association), MLC follows IFSA 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

MLC's treatment of genetic testing complies with IFSA 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 MLC in the underwriting process to either confirm the client's predisposition or eliminate the possibility that a client will develop a particular disease.

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

- 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.

# Underwriting medical conditions

## 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. MLC 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.

## Frequently asked questions (continued)

**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.

## Fixed term cover

Fixed term cover may be considered where the Life to be Insured has a medical condition that presents an acceptable risk in the short term but over time will result in an insurance risk too high to cover only with a premium loading.

Fixed term cover may also be considered as an alternative offer where medical loadings are very high and may be reduced with a shorter contract term.

Options such as Income Protection Extra Benefits Option may not be available with fixed term cover offered due to medical history. These options will be underwritten on an individual basis.

For instance, fixed term cover may be offered as a result of a medical risk due to Type I diabetes mellitus, where cover would otherwise be declined. The risk of developing health complications increases the longer a person has diabetes mellitus.

### Example:

A 28-year-old client who was diagnosed with diabetes mellitus 7 years ago, maintains optimal control of his condition and has had no complications and no other risk factors, may be considered for Income Protection cover for a 20 year term. The insurance cover would terminate 20 years from the Date of Commencement. A premium loading would still apply to cover the increased risk within the 20 year period of coverage.

# 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.

# Underwriting medical conditions

## 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.

About 800,000 Australians experience depression each year. One in five people are likely to experience depression or anxiety in their lifetime. Almost 80% of those with a diagnosed depressive disorder also have an underlying anxiety problem.

## 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 MLC can offer cover with exclusions. MLC 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).

## **IFSA 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 MLC 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), Investment and Financial Services Association (IFSA) 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. The MLC 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.

## **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.

# Underwriting medical conditions

## 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

MLC's 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 waking.

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, a minimal loading can be considered for all types of cover for mild sleep apnoea. Income Protection will only be offered with a minimum 1 month 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.

# 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

MLC offers 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 past 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 Nicorettes®, nicotine patches) in the last 12 months, they may apply to MLC to alter the premium to non-smoker rates.

Application for non-smoker rates may be made by completing form 52196 MLC (Alteration to Non-Smoker). 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

9

## New Business and Policy Alterations

# Contents

## New Business and Policy Alterations

<b>Application process</b>	<b>181</b>	Is your client an Australian citizen living and working overseas?	188
PDS and Application Form	182		
<b>Underwriting service</b>	<b>183</b>	<b>General information for applications</b>	<b>189</b>
Your underwriting team	183	Does your client read and understand English?	189
How MLC facilitates underwriting	183	Is your client having a break in employment?	189
Large case specialists	184	Does your client have a disability claim pending?	189
How you can help	184	What if your client has a birthday before the policy completes?	190
<b>Online services</b>	<b>185</b>	Backdating applications	190
MLC Online Applications	185	<b>Replacement business</b>	<b>191</b>
My Work Tracker	185	Eligibility	191
Need access?	186	<b>New business follow-up procedures</b>	<b>193</b>
<b>Travel and residency</b>	<b>187</b>		
Must your client be a permanent resident of Australia?	187		
Does your client plan to travel overseas?	187		

# Contents

## New Business and Policy Alterations

<b>Reinstating</b>	<b>194</b>	<b>Financial advisers' commission</b>	<b>210</b>
Reinstating cancelled applications	194	Change of servicing adviser or licensee	210
Reinstating lapsed policies	194	Remuneration on Buy Back benefits	211
<b>Continuation options for Group Insurance, MasterKey Business Super and MasterKey Custom</b>	<b>195</b>	Remuneration on rewritten business	211
What are the terms of eligibility?	195	Substitute business rules	211
What cover options are available?	195	Changing the level of cover, adding extra cost options or altering options which affect premiums	215
Requirements	196	Remuneration for special cases	215
<b>Alterations to existing policies</b>	<b>197</b>	Responsibility period	215
		Premium discount on commission	215

# Application process

The MLC Service Centre processes new business applications for MLC Life Cover Super and MLC Personal Protection Portfolio as follows:

<b>Original new business application</b>		
<b>Send application to MLC</b>	<b>Post</b>	MLC Service Centre, PO Box 200, North Sydney NSW 2059
	<b>Fax</b>	<b>1800 550 081</b>
	<b>Email</b>	<b>insurance_mlc@mlc.com.au</b>
	<b>Online</b>	Submit application via <b>mlc.com.au</b>
<b>MLC receives application</b>	<p>Application scanned onto workflow system.</p> <p>Application indexed to a designated service team.</p> <p>Proposal set up on MLC registry system— can be tracked on <b>mlc.com.au</b> through 'My Work Tracker'.</p>	
<b>Underwriting assessment</b>	<p>Initial underwriting assessment performed.</p> <p>Phone calls made to you or your client if more information is required.</p>	
<b>Completions or requirements</b>	<b>Completions</b>	Policy issued for accepted applications.
	<b>Further requirements</b>	<p>PMARs requested from Unified Health Care Group (UHG) where applicable.</p> <p>Other outstanding requirements requested from you via <b>mlc.com.au</b> and notification email or arranged by MLC through UHG.</p> <p>Applications placed in suspense and followed up by you, MLC and UHG.</p>

# Application process

Outstanding requirements		
Send requirements	<b>Post</b>	MLC Service Centre, PO Box 200, North Sydney NSW 2059
	<b>Fax</b>	1800 550 081
	<b>Email</b>	insurance_mlc@mlc.com.au
MLC receives requirement	<p>Requirement scanned onto workflow system.</p> <p>Requirement indexed to a designated service team.</p> <p>Requirement marked off as received on MLC registry system.</p> <p>Requirement information updated on 'My Work Tracker' on <a href="http://mlc.com.au">mlc.com.au</a>.</p>	
Underwriting assessment	<p>Further underwriting assessment performed.</p> <p>Phone calls made to you or your client to clarify any issues.</p> <p>Case potentially referred to a Senior Underwriter, Chief Medical Officer or reinsurer as part of the assessment process.</p>	
Completions or requirements	<b>Completions</b>	Policy issued for accepted applications.
	<b>Amended terms</b>	Notification sent to you.
	<b>Further requirements</b>	Other outstanding requirements requested from you via <a href="http://mlc.com.au">mlc.com.au</a> and notification email.
	<b>Application declined</b>	Notification sent to you.

## PDS and Application Form

All insurances for a Life Insured can be applied for on the Application Form contained in the Product Disclosure Statement (PDS) or online using the Online Application facility which can be accessed via the **Advisers** link in the **I'm with MLC** panel on [mlc.com.au](http://mlc.com.au). For PPP Supplementary Application Forms are available for additional Lives Insured.

The PDS and PPP Supplementary Application Form can be downloaded from [mlc.com.au](http://mlc.com.au) under 'Forms and Brochures', which can be accessed via the **Advisers** link in either the **I'm considering MLC** or **I'm with MLC** panels.



# Underwriting service

## Your underwriting team

MLC is dedicated to delivering a superior underwriting service. As part of this commitment we have:

- State Underwriting Managers in all Underwriting teams
- a technical Underwriting team
- large case specialists to support all states
- Field Development Underwriters supporting all states.

## How MLC facilitates underwriting

We can provide:

- a unique underwriting reference number to record on your client's Application Form when we perform a pre-assessment advice
- expert technical knowledge and advice
- assistance in arranging medical evidence at your request
- simplified telephone underwriting for follow-up enquiries
- decisions and the reasoning 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.

The underwriter can obtain PMARs, blood tests, medical examination reports, ECGs, tax returns, financial accounts, questionnaires and any other test or requirement based on the sum insured or the disclosed or known history to help assess your client's application.

The underwriter considers the cover applied for, the conditions and terms attached to it, and the applicant's overall status to assess the actual risk presented, given that the risk may increase or decrease depending on the benefit and/or policy applied for.

All personal, medical, financial and other sensitive information will be secured and remain strictly confidential. MLC will observe IFSA's underwriting guidelines and standards and federal, state and territory legislation affecting underwriting.

## Large case specialists

MLC's large case specialists provide:

- large case support across states, with teams located in NSW, VIC, QLD and WA
- specialisation in large cases for business insurance
- highly trained underwriters offering expert advice and support
- Field Development Underwriter support
- accounting support
- reinsurance support.

A 'large case' is defined as an application that requires an annual premium greater than \$10,000 for individual Lives, \$10,000 combined premium for multiple Lives, or proposes a sum insured greater than those listed below:

Type of insurance	Minimum sum insured for large case services
Life Cover	\$2,000,000
Total and Permanent Disability	\$1,500,000
Critical Illness	\$1,000,000
Income Protection	\$15,000 per month
Business Expenses	\$15,000 per month

It is important, for easy identification purposes, that multiple applications that fit into these criteria are cross referenced.

## How you can help

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

- authorising telephone underwriting so our underwriters may call your clients 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 Adviser Switchboard (ASB) quote or the requirement tables in this guide.

Visit the MLC website [mlc.com.au](http://mlc.com.au), click on the **Advisers** link in the **I'm with MLC** panel and log in to access MLC's online services. As well as online applications, application tracking and client reporting, we offer a range of useful calculators, platforms and products to support your business. Instructions and help are available online. For information on our premium quoting software, Adviser Switchboard (ASB), please see the 'Premium Information' section of this guide.

## MLC Online Applications

MLC Online Applications is a web-based service that allows you to submit applications via the secure Adviser site of [mlc.com.au](http://mlc.com.au). 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 the application
- **improved accuracy**—whatever you type into the online application is automatically entered into MLC's 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**—MLC receives the application straight into its workflow, removing up to 3 day's postage and sorting time
- **secure delivery**—the secure website removes the worry of paper applications being lost or opened before arriving at MLC
- **application tracking**—MLC will confirm receipt of the online application form and you can view and track its progress via My Work Tracker within hours.

## My Work Tracker

Use My Work Tracker to access information on all of your clients' new business applications in real time, not only for insurance business, but also for personal superannuation and retirement income products. You can view or create reports to help minimise the time your clients' applications are in suspense.

You can also use My Work Tracker to view all of your clients' existing MLC insurance, personal superannuation and retirement income business in one place, where you are the servicing adviser (the first adviser listed against an account, policy or application). You can track requests and view or create reports to help you optimise your client's portfolio.

My Work Tracker features:

- **up-to-date information**—for existing insurance business the information is updated daily as at close of business the previous day, and for new business applications you can see the information on **mlc.com.au** as soon as it is entered into our system
- **quick search functionality**—you can go directly to your client of choice from the adviser homepage—log in, enter your client's name and account, policy or customer number into the search box located on the right hand side of the homepage
- **reporting**—view a selection of online reports or create PDF and Excel reports
- **download option**—tailor the format of your reports for your client, a group of clients or your business
- **consolidated view**—see your selected client's portfolio in one place, including their existing accounts, policies and new applications for personal superannuation, retirement income and insurance, where you are the servicing adviser
- **centralised report retrieval centre**—you can retrieve all your reports ordered on the **mlc.com.au** adviser website from one central area by accessing the retrieval centre from the 'Reporting' menu and from various areas on the site where you request reports

- **identification of your client's unmet needs**—using the detailed search facility by searching the 'Client Profile' and 'Policy Details—Insurance' reports.

## Need access?

### New users

To access the secure Adviser site on **mlc.com.au**, a user name and valid password are required. Call the Adviser Service Centre on **133 652 option 6** to obtain a password and an MLC customer service representative will guide you through your first login. You will need your adviser number.

### Existing users

1. Go to the MLC website—**mlc.com.au**
2. Click on the **Advisers** link in the **I'm with MLC** panel.
3. In the **Login** page, enter your user name and password.
4. Click on the **Login** button to display the Adviser home page.

For security reasons, if your website password is entered incorrectly three times your website account will be locked. To obtain a new password, simply follow the online instructions and your new temporary password will be emailed to you.

## Must your client be a permanent resident of Australia?

MLC usually limits 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 your MLC 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.

MLC does 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, MLC may offer cover subject to special conditions such as a premium loading, war and terrorism exclusion or exclusion of cover in certain regions, or MLC may decline the cover outright for high risk locations.

In order to maintain a consistent approach in assessing overseas risks, MLC closely monitors 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:

- <http://www.smartraveller.gov.au/zw-cgi/view/Advice/Index>
- <http://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 your MLC Underwriting team.

MLC 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 187, 'Does your client plan to travel overseas?', for further information relating to overseas travel.

MLC 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.

# 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 your MLC 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 (3 months or more), for any reason, within 3 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 the '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 your MLC Underwriting team before submitting the application to discuss the circumstances and whether cover can be considered.

# General information for applications

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

If your client has a birthday after the application has been submitted, MLC 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.

## Backdating applications

Requests to backdate applications will be considered on their merits and will be granted at MLC's 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 3 month waiting period has been waived on replacement business.

If MLC agrees 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.



# Replacement business

MLC 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 the MLC policy will be waived to the extent that these conditions are covered under the policy being replaced.

The existing policy must be cancelled once the MLC 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 5 years
- subject to MLC 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

# Replacement business

## Evidence requirements

1. Completed Application for Replacement (form no. 50897). If there are two or more Lives to be Insured, separate Applications for Replacement are required.
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 6 months. Note that proof of currency is needed for MLC to consider waiving the 13 month suicide exclusion on Life Cover.
3. Replacement Statement of Advice.
4. A Personal Medical Attendant's Report (PMAR) will be requested and financial evidence may also be required for Income Protection sums insured over \$10,000 per month.

**Financial advisers:** Where the exact cover has been held with MLC within the previous 5 years, level commission may apply. Please refer to your Business Development Manager.

# New business follow-up procedures

Applications are not held as work in progress for more than 90 days pending outstanding requirements. The following procedures occur where an application has outstanding requirements:

<b>Requirement</b>	<b>Follow-up</b>	<b>Cancellation</b>
PMAR (also known as UMAR)	Follow-ups for PMARs are conducted by our outsourcing company Unified Healthcare Group (UHG).	60 days
Medical examination	Follow-up by MLC, monthly, with financial adviser	60 days
Pathology	Follow-up by MLC, monthly, with financial adviser	60 days
ECG	Follow-up by MLC, monthly, with financial adviser	60 days
Underwriting Signed Statement (UWST)	Follow-up by MLC, monthly, with financial adviser	60 days
New Business Signed Statement (NBST)	Follow-up by MLC, monthly, with financial adviser	60 days
Questionnaires	Follow-up by MLC, monthly, with financial adviser	60 days
Quote	Follow-up by MLC, monthly, with financial adviser	60 days
Direct debit / Credit card / MasterKey account details	Follow-up by MLC, monthly, with financial adviser	60 days
Premium	Follow-up by MLC, monthly, with financial adviser	60 days
Letter of Offer	Follow-up by MLC, monthly, with financial adviser	21 days
Declaration of Changes form	Follow-up by MLC, monthly, with financial adviser	30 days

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 or PMAR, 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 the application will be cancelled.

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

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

## Reinstating lapsed policies

A lapsed policy will be automatically reinstated without medical evidence upon payment of outstanding premiums within 2 months of the premium due date (ie the paid-to date of the lapsed policy).

After 65 days from the premium due date, the policy may be reinstated upon submission of an Application for Increase/Reinstatement/Alteration (form no. 64201) with the Reinstatement box checked and payment of the outstanding premiums.

After 6 months policies cannot be reinstated. However, the client can reapply for a new policy, for which full underwriting will be required.

# Continuation options for Group Insurance, MasterKey Business Super and MasterKey Custom

Continuation options entitle the member to continue insurance under an individual MLC 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 MLC otherwise. The client is eligible to take up the continuation option 60 days from when the employer notifies MLC that the member has left employment.

### MasterKey Custom

MasterKey Custom 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 (ie Income Protection Plus with the Indemnity Option).
- Buy Back option
- Premium Waiver.

# Continuation options for Group Insurance, MasterKey Business Super and MasterKey Custom

## 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, MLC requires:

- a current Continuation Option Form (issued by MLC Group Insurance, MasterKey Business Super or MasterKey Custom Administration) completed, signed and dated by the client
- an MLC Premium Quotation
- a current Application Form from the relevant 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
<b>Change your client's range of cover</b>		
Add a Life Insured	<ul style="list-style-type: none"> <li>• PDS Application Form (current issue)</li> </ul>	Yes
Add a new benefit	<ul style="list-style-type: none"> <li>• complete the Personal Questionnaire in the Application Form</li> </ul>	Yes
Add the following benefit option(s): <ul style="list-style-type: none"> <li>• Buy Back Option</li> <li>• Business Safeguard Option</li> <li>• Terminal Illness Support Insurance</li> <li>• Critical Illness—Extra Benefits Option (applicable to Critical Illness Plus as an extension to Life Cover and stand-alone, but not available for Critical Illness Standard as an extension to Life Cover)</li> <li>• Short waiting period for accidental injury option (this option is only available as part of Income Protection Plus that has either a 14 or 30 day waiting period; eligibility requirements apply)</li> <li>• Indexed Claim Benefits Option</li> <li>• Extra Benefits Option</li> <li>• Occupational HIV, Hepatitis B or C Lump Sum Benefit</li> <li>• Inflation Linked Option—see also under 'Change CPI election'</li> </ul>	<ul style="list-style-type: none"> <li>• complete all relevant supplementary underwriting questionnaires within the Application Form</li> <li>• tick the 'Addition of a new insurance to an existing policy' box on the front page of the Application Form</li> <li>• ALL existing policy owners to sign and date the Application Form</li> <li>• where applicable provide client with the Supplementary PDS (SPDS) which modifies/updates the current PDS</li> <li>• MLC Premium Quotation</li> <li>• for Inflation Linked Option, instruct whether to apply the CPI to the whole policy or to individual benefit</li> <li>• covering letter (optional)</li> </ul>	Yes
Remove the HIV/AIDS Exclusion Discount Option		Yes
Change existing benefits from 'Standard' to 'Plus'		Yes

# Alterations to existing policies

Type of policy alteration	Requirements	Underwriting required
Change an existing benefit from 'Plus' to 'Standard'	<ul style="list-style-type: none"> <li>• PDS Application Form (current issue) without the Personal Questionnaire</li> <li>• tick the 'Addition of a new insurance to an existing policy' box on the front page of the Application Form</li> <li>• ALL existing policy owners to sign and date the Application Form</li> <li>• where applicable provide client with the SPDS which modifies/updates the current PDS</li> <li>• MLC Premium Quotation</li> <li>• covering letter (optional)</li> </ul>	No
Review a loading or exclusion	<ul style="list-style-type: none"> <li>• Application for Increase/Alteration/ Reinstatement Form 64201</li> <li>• covering letter (optional)</li> <li>• complete appropriate questionnaire if available for exclusion review (for example, the client needs to complete the Back Questionnaire to review a back exclusion)</li> </ul>	Yes



Type of policy alteration	Requirements	Underwriting required
<b>Alteration to Non-Smoker</b>		
Alteration to Non-Smoker	<ul style="list-style-type: none"> <li>• Alteration to Non-Smoker Form 52196, or</li> <li>• policy owner to contact MLC: a declaration will be read to the Life Insured, who will be required to provide information at the time of the call</li> <li>• 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</li> </ul> <p><b>Note:</b> 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
<b>Change occupation class</b>		
Change the occupation class from: <ul style="list-style-type: none"> <li>• C, BBB, BB, B to A, AA, AAA, ACT, ML</li> <li>• C to BBB, BB, B</li> <li>• A to AA, AAA, ACT, ML</li> <li>• AA to AAA, ACT, ML</li> <li>• AAA to ACT</li> <li>• ML to AAA</li> </ul>	<ul style="list-style-type: none"> <li>• Application for Increase/Alteration/ Reinstatement Form 64201</li> <li>• MLC Premium Quotation</li> <li>• covering letter (optional)</li> <li>• 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)</li> </ul> <p><b>Note:</b> The client MUST have worked at least 12 months in the new occupation class.</p>	Yes

# Alterations to existing policies

Type of policy alteration	Requirements	Underwriting required
Change TPD occupation class from 'Any' to 'Own'	<ul style="list-style-type: none"> <li>• PDS Application Form (current issue)</li> <li>• complete the Personal Questionnaire in the Application Form</li> <li>• complete all relevant supplementary underwriting questionnaires within the Application Form</li> <li>• tick the 'Addition of a new insurance to an existing policy' box on the front page of the Application Form</li> <li>• ALL existing policy owners to sign and date the Application Form</li> <li>• where applicable provide client with the SPDS which modifies/updates the current PDS</li> <li>• MLC Premium Quotation</li> <li>• covering letter (optional)</li> </ul>	Yes
Change TPD occupation class from 'Own' to 'Any'	<ul style="list-style-type: none"> <li>• ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes</li> <li>• MLC Premium Quotation (optional and/or where applicable)</li> </ul>	No
<b>Change waiting period</b>		
Reduce the waiting period on Income Protection and/or Business Expenses from: <ul style="list-style-type: none"> <li>• 24 months to 14 days or 1, 3 or 12 months</li> <li>• 12 months to 14 days or 1 or 3 months</li> <li>• 3 months to 14 days or 1 month</li> <li>• 1 month to 14 days</li> </ul>	<ul style="list-style-type: none"> <li>• Application for Increase/Alteration/ Reinstatement Form 64201</li> <li>• MLC Premium Quotation</li> <li>• covering letter (optional)</li> <li>• 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)</li> </ul>	Yes

Type of policy alteration	Requirements	Underwriting required
Increase the waiting period on Income Protection and/or Business Expenses from: <ul style="list-style-type: none"> <li>• 14 days to 1, 3, 12 or 24 months</li> <li>• 1 month to 3, 12 or 24 months</li> <li>• 3 months to 12 or 24 months</li> <li>• 12 months to 24 months</li> </ul>	<ul style="list-style-type: none"> <li>• ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes</li> <li>• MLC Premium Quotation (optional and/or where applicable)</li> </ul>	No
<b>Change benefit period</b>		
Increase the benefit period for Income Protection from: <ul style="list-style-type: none"> <li>• 2 years to age 65</li> <li>• 5 years to age 65</li> <li>• 2 years to 5 years</li> </ul>	<ul style="list-style-type: none"> <li>• Application for Increase/Alteration/ Reinstatement Form 64201</li> <li>• MLC Premium Quotation</li> <li>• covering letter (optional)</li> <li>• 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)</li> </ul>	Yes
Reduce the benefit period for Income Protection from: <ul style="list-style-type: none"> <li>• age 65 to 5 years</li> <li>• age 65 to 2 years</li> <li>• 5 years to 2 years</li> </ul>	<ul style="list-style-type: none"> <li>• ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes</li> <li>• MLC Premium Quotation (optional and/or where applicable)</li> </ul>	No
<b>Change premium structure</b>		
Change the premium structure from decreasing to level or stepped	<ul style="list-style-type: none"> <li>• Application for Increase/Alteration/ Reinstatement Form 64201</li> <li>• MLC Premium Quotation</li> <li>• covering letter (optional)</li> <li>• 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)</li> </ul>	Yes

# Alterations to existing policies

Type of policy alteration	Requirements	Underwriting required
Change the premium structure from: <ul style="list-style-type: none"> <li>• stepped to level or decreasing</li> <li>• level to stepped or decreasing</li> </ul>	<ul style="list-style-type: none"> <li>• ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes</li> <li>• MLC Premium Quotation (optional and/or where applicable)</li> </ul>	No
Transfer cover between stepped and level premium (or vice versa)	<ul style="list-style-type: none"> <li>• signed and dated statement/letter from the client with their instructions that they want to transfer from stepped premium to level premium (or vice versa)</li> </ul> or <ul style="list-style-type: none"> <li>• Application for Increase/ Reinstatement/Alteration Form 64201 (without the personal statement section, Section 2 'Personal Questionnaire')</li> <li>• MLC Premium Quotation</li> </ul>	No
Transfer level premium cover between products—see under 'Major policy changes'		No
<b>Change sum insured</b>		
Increase the sum insured on a benefit	<ul style="list-style-type: none"> <li>• Application for Increase/Alteration/ Reinstatement Form 64201</li> <li>• MLC Premium Quotation</li> <li>• covering letter (optional)</li> <li>• 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)</li> </ul>	Yes

Type of policy alteration	Requirements	Underwriting required
Reduce the sum insured on a benefit	<ul style="list-style-type: none"> <li>• ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes</li> <li>• MLC Premium Quotation (optional and/or where applicable)</li> </ul>	No
<b>Change beneficiaries</b>		
Delete a non-binding nominated beneficiary	<ul style="list-style-type: none"> <li>• ALL existing policy owners to sign and date a letter specifically requesting and detailing the necessary changes</li> <li>• MLC Premium Quotation (optional and/or where applicable)</li> </ul>	No
<b>Change CPI election</b>		
Reject CPI permanently	<p>Request by phone: policy owner to contact MLC (all policy owners may be required to describe some information for security purposes)</p> <p>or</p> <p>request by post: a letter, signed and dated by ALL policy owners, containing:</p> <ul style="list-style-type: none"> <li>• date</li> <li>• policy number(s)</li> <li>• full name of policy owner(s)</li> <li>• date of birth of policy owner(s)</li> <li>• mailing address of policy owner(s)</li> <li>• specific instructions advising if the CPI is to apply to the whole policy and/or individual benefits</li> <li>• specific instruction advising that the rejection is 'permanent'</li> </ul>	No

# Alterations to existing policies

Type of policy alteration	Requirements	Underwriting required
<p>Reject CPI for one year</p> <p><b>Note:</b> 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).</p>	<p>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> <p>or</p> <p>request by post: a letter, signed and dated by ALL policy owners, containing:</p> <ul style="list-style-type: none"> <li>• date</li> <li>• policy number(s)</li> <li>• full name of policy owner(s)</li> <li>• date of birth of policy owner(s)</li> <li>• mailing address of policy owner(s)</li> <li>• specific instructions advising if the CPI is to apply to the whole policy and/or individual benefits</li> <li>• specific instruction advising that the rejection is for 'one year' only</li> </ul>	<p>No</p>
<p><b>Major policy changes</b></p>		
<p>Cancel whole policy or part of a policy</p>	<p>A letter, signed by ALL policy owners, containing:</p> <ul style="list-style-type: none"> <li>• date</li> <li>• policy number(s)</li> <li>• full name of policy owner(s)</li> <li>• date of birth of policy owner(s)</li> <li>• mailing address of policy owner(s)</li> <li>• request to cancel whole or part of the policy (if cancelling part, MLC requires the details of which Life Insureds and/or benefits are to be cancelled)</li> <li>• reason for cancellation (optional)</li> </ul>	<p>No</p>

Type of policy alteration	Requirements	Underwriting required
Exercise the Life Cover Buy Back Option	<ul style="list-style-type: none"> <li>• customer receives a letter 12 months after a Critical Illness claim or 14 days after a TPD claim offering to reinstate Life Cover</li> <li>• customer returns this letter to MLC with acceptance</li> <li>• Life Cover Standard can only be issued at the new applicable rates</li> <li>• client completes a new Application Form and receives a PDS</li> </ul>	No
Exercise the Critical Illness Buy Back Option	<ul style="list-style-type: none"> <li>• customer receives a letter 12 months after a Critical Illness claim offering to reinstate Critical Illness</li> <li>• customer returns this letter to MLC with acceptance</li> <li>• Critical Illness can only be issued at the new applicable rates</li> <li>• client completes a new Application Form and receives a PDS</li> </ul> <p><b>Note:</b> This option is only available after MLC pays the full Critical Illness benefit.</p>	Yes
Reinstate a policy	<ul style="list-style-type: none"> <li>• Application for Increase/Alteration/ Reinstatement Form 64201</li> <li>• MLC Premium Quotation</li> <li>• covering letter (optional)</li> <li>• 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)</li> </ul>	Yes

# Alterations to existing policies

Type of policy alteration	Requirements	Underwriting required
Separate policies	<ul style="list-style-type: none"> <li>• PDS Application Form (current issue) without the Personal Questionnaire if the sum insured and/or benefits are being maintained (if there is any increase in risk, completion of full Application Form is required)</li> <li>• ALL policy owners to sign and date Application</li> <li>• 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</li> <li>• full MLC Premium Quotation</li> </ul>	No
Transfer of ownership <b>Note:</b> If the ownership of a PPP policy is to be transferred from individual ownership to a self-managed super fund (or vice versa), 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"> <li>• Transfer of Ownership Form</li> <li>• original policy document, or Application for Replacement Policy form to be completed if policy document is lost or destroyed</li> <li>• cheque for \$60.00 made payable to MLC Limited if replacement document required</li> <li>• cheque for stamp duty if applicable</li> </ul>	No



Type of policy alteration	Requirements	Underwriting required
Transfer of Cover from: <ul style="list-style-type: none"> <li>• PPP to LCS (or vice versa), eg:               <ul style="list-style-type: none"> <li>– Life Cover, TPD or Income Protection from PPP to LCS (or vice versa)</li> <li>– TPD or Critical Illness from stand-alone in PPP to an Extension as a Connected Benefit in another PPP policy</li> </ul> </li> </ul>	To transfer existing cover without underwriting, provided that there is no increase in benefits: <ul style="list-style-type: none"> <li>• signed and dated client statement/letter</li> <li>• PDS Application Form without the personal statement section</li> <li>• financial advisers to note in the 'Special Instructions' that this is a transfer of cover</li> <li>• MLC Premium Quotation</li> </ul>	No
	To transfer existing cover with an increase in benefits: <ul style="list-style-type: none"> <li>• signed and dated client statement/letter or</li> <li>• PDS Application Form with the personal statement section completed in full</li> <li>• financial advisers to note in the 'Special Instructions' that this is a transfer of cover</li> <li>• MLC Premium Quotation</li> </ul>	Yes

# Alterations to existing policies

Type of policy alteration	Requirements	Underwriting required
<p>Transfer cover between LCS and PPP Set up insurance under a self-managed superannuation fund</p> <p><b>Note:</b> If the cover being transferred is level premium, please refer to the 'Transfer level premium cover between products' requirements below.</p>	<p>All of the following are required:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• complete a new PDS Application Form without the personal statement section (Section D 'Personal Questionnaire' on page 8).</li> <li>• MLC Premium Quotation</li> <li>• note in the 'Special Instructions' section on Application Form page 4 that this is a transfer of cover</li> </ul>	<p>No</p>
<p>Transfer level premium cover between products</p>	<ul style="list-style-type: none"> <li>• Request to Transfer Level Premium Insurance Form, completed and signed by the client</li> <li>• new PDS Application Form, completed without the personal statement section (Section D 'Personal Questionnaire' on page 8)</li> <li>• note in the 'Special Instructions' section on Application Form page 4 that this is a transfer of level premium cover</li> </ul>	<p>No</p>
<p>Transfer cover between premium structures—see under 'Change policy structures'</p>		

Type of policy alteration	Requirements	Underwriting required
<b>Change policy and payment details</b>		
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"> <li>• marriage certificate</li> <li>• decree nisi (divorce decree)</li> <li>• deed poll</li> <li>• a copy of their passport or drivers licence</li> </ul>	No
Change of address	By phone: ALL policy owners and/ or their adviser to request, subject to security checking procedures or By post: a letter from the policy owner(s)	No
Change the payment method on a Life Cover Super policy to draw premiums from an existing MasterKey Super policy <b>Note:</b> Payments can only be deducted from a MasterKey Personal Super policy, NOT a MasterKey Business Super policy, due to LCS being a personal product.	An MLC MasterKey Deduction Authority completed by the client.	No
Change payment frequency for MasterKey Deductions	<ul style="list-style-type: none"> <li>• Client letter (signed and dated)</li> </ul>	No

## 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.

## 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 5 years, remuneration will be calculated on a Level Commission basis.

## Substitute business rules

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

A transfer of MLC insurance cover occurs when a client applies for and obtains an interest in one MLC product (Replacement Product) (eg MLC Life Cover Super) followed by cancelling the interest in another (Initial Product) (eg MLC Personal Protection Portfolio).

For transfers in MLC insurance cover or where a different type of MLC insurance cover is replacing the existing cover:

- If the premium of the Replacement Product is the same or less than the Initial Product, only renewal remuneration will be paid. The remuneration type nominated for the Initial Product will apply to the Replacement Product. This means that if the Initial Product has Up Front remuneration and Level remuneration has been nominated for the Replacement Product, remuneration for the Replacement Product will be paid on the Up Front renewal remuneration basis.
- 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. This means that if the Initial Product has Up Front remuneration, and either Hybrid or Level remuneration has been nominated for the Additional Premium on the Replacement Product, remuneration for the Additional Premium on the Replacement Product will be paid on the Hybrid or Level initial remuneration basis and remuneration for the balance of the premium will be paid on the Up Front renewal remuneration basis.

- 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. If a policy lapses or is cancelled by the policy owner before MLC has received the full 12 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 full 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.

## Remuneration on substitute business

The tables below give examples of how commission will be treated where cover is being rewritten:

<b>Scenario</b> <b>Transferring between products</b>	<b>Ruling using remuneration treatment</b>
\$100,000 Life Cover is transferred from PPP to LCS.	As the same premium applies because there is the same level of cover, initial commission will not be payable. Renewal commission will continue to be paid on the premium of the transferred benefit.
\$100,000 Life Cover is transferred from PPP to LCS and an additional \$50,000 Life Cover is added.	Initial commission will be payable on the premium for the \$50,000 cover increase. Renewal commission will continue to be paid on the existing premium for the transferred benefit (a similar situation to when an additional benefit or Life is added under PPP).
\$100,000 Life Cover is transferred from National Protection Plan (NPP) to PPP.	Initial commission will be payable on any premium increase. Renewal commission will continue to be paid on the premium of the transferred benefit.

<b>Scenario</b> <b>Transferring within a product</b>	<b>Ruling using remuneration treatment</b>
\$100,000 Life Cover is transferred from a Plus to a Standard product.	Initial commission will not be payable. Renewal commission will continue to be paid on the premium of the transferred benefit (at the Standard commission rate and on the lower premium basis).
\$100,000 Life Cover is transferred from a Standard to a Plus product and \$50,000 extra Life Cover is added.	Initial commission will be payable on the premium increase. Renewal commission will continue to be paid on the premium of the transferred benefit (at the Plus commission rate and on the higher premium basis).
\$100,000 cover is transferred from a Plus to a Standard product and TPD is added (the new premium is the same as the original premium payable).	Initial commission will be payable on the premium for the TPD benefit. Renewal commission will continue to be paid on the premium of the transferred benefit (at the Standard commission rate and on a lower premium basis).
An Income Protection monthly benefit of \$2,500 is transferred from stepped to level premium.	Initial commission will be payable on the amount of the premium increase only. Renewal commission will continue to be paid on the premium of the transferred benefit.

Scenario	Ruling using remuneration treatment
<b>Transferring within a product</b>  \$100,000 Critical Illness (Extension) is transferred and replaced with stand-alone Critical Illness.	Initial commission will not be payable (unless an increase in premium occurs). Renewal commission will continue to be paid on the premium of the transferred benefit (on a lower premium basis if applicable).
\$100,000 stand-alone TPD is transferred from PPP to \$100,000 TPD Extension as a Connected Benefit to another PPP policy.	Initial commission will not be payable (unless an increase in premium occurs). Renewal commission will continue to be paid on the premium of the transferred benefit (on a lower premium basis if applicable).



## **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:

- fixed term contracts for a 5 to 10 year term
- Income Protection policies for all Special Risk occupations (class C)
- 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 condition) and Terminal Illness Support where the Life Insured is aged over 55 next birthday at entry
- a new MLC policy that replaces an existing policy, issued by another insurer, for a Life Insured to whom MLC has issued similar insurance within the last 5 years.

## **Responsibility period**

If a policy lapses or is cancelled in whole or in part by the policy owner before MLC has received the full 12 months of new business premium, the MLC Payer may clawback initial commission paid—refer to the Remunerations 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 and Premium Waiver benefit 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 discounts cannot be applied in conjunction with any other discount.

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**Premium  
Information**

**10**



# Contents

## Premium Information

<b>Premium rates</b>	<b>221</b>	<b>How clients can pay premiums</b>	<b>225</b>
Minimum premium	221	What payment options are available?	225
<b>Benefit and premium structure</b>	<b>222</b>	Which payment form is required?	225
Level premium	222	Direct debit system	226
Stepped premium	223	Credit card deductions	226
Decreasing cover	223	Cheque	226
Level premium rates guaranteed for 5 years for Life Cover and TPD Extension	224	BPAY® facility	227
Split premium structures	224	MLC MasterKey deductions	227
		<b>Adviser Switchboard quoting software</b>	<b>228</b>

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# Premium rates

For full details of MLC's insurance premium rates refer to the 'Premium Information for MLC Life Cover Super and MLC Personal Protection Portfolio' pdf, located under 'Forms and Brochures', which can be accessed via the **Advisers** link in the **I'm with MLC** panel on **mlc.com.au**.

Please refer to page 215 of 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 is averaged over all Lives and does not include the policy fee.

If, for instance, there are three Lives insured under one policy and the annual premium for just one of those Lives Insured is \$750, the minimum premium requirement for the other two Lives will have been satisfied. For those two Lives, only minimum sum insured requirements would then need to be met.

# Benefit and premium structure

The premium structure can differ for each insurance benefit. Extensions (ie TPD or Critical Illness taken as part of Life Cover or as a Connected Benefit), however, must be the same structure as the Life Cover benefit to which they attach. The benefit increases each year in line with the Consumer Price Index (CPI). The client may choose whether to accept this increase.

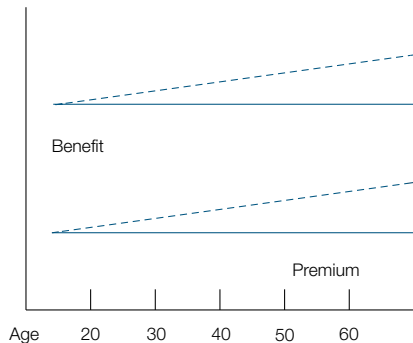
MLC's premiums are based on rates which differ according to the type of insurance, the Life Insured's gender, smoker status and occupation category, and other factors that are applied to the premium depending on the options selected.

The available structures are:

## Level premium

The insured benefit stays the same and the premium is based on age at the time the policy is taken out. When a policy is renewed, the premiums will only vary if a change is made to MLC's premium rates. Level premium rates are subject to any Inflation Linked Option CPI variations and other increases to the level of benefits.

### Level premium (solid line) and level premium with Inflation Linked increases (dashed line)

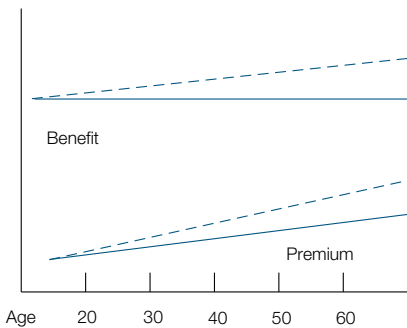




### Stepped premium

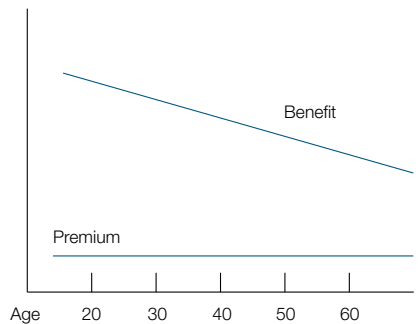
The insured benefit stays the same, while the premiums vary each year with the age of those insured and MLC's premium rates at the time a policy is renewed. Stepped premium rates are subject to any Inflation Linked Option CPI variations and other increases to the level of benefits.

#### Stepped premium (solid line) with Inflation Linked increases (dashed line)



### Decreasing cover

The premium stays the same, while the insured benefit varies each year with the age of those insured and MLC's premium rates at the time a policy is renewed. Inflation Linked benefits are not available for this structure.



# Benefit and premium structure

## Level premium rates guaranteed for 5 years for Life Cover and TPD Extension

On 1 October 2009, this offer ceased to be available for new business.

For Life Cover insurance and for TPD Extension insurance taken out as part of Life Cover or as a Connected Benefit under a level premium structure before 30 September 2009, MLC guarantees not to increase the level premium rate that applies to these insurances for a period of 5 years. The premium will still increase due to:

- CPI increases for the policy fee
- CPI increases for insurance increases under the Inflation Linked Option
- voluntary increases in the sum insured.

It applies to:

- level premium rates (including Business Safeguard Option and TPD Buy Back for Life Cover) for Life Cover and TPD Extension
- both new and existing level premium Life Cover and TPD Extension policies, including policies taken as Connected Benefits
- the level premium portion if the Life Cover and TPD Extension has been split between level premium and stepped premium or decreasing cover.

It does not apply to:

- the policy fee
- Terminal Illness Support Option.

If the Inflation Linked Option has been selected, premium will still go up by CPI. The premium for CPI increases is calculated using the premium rate for the current age at each policy anniversary.

## Split premium structures

MLC also provides clients with greater flexibility by allowing these premium structures to be used in combination to assist with short term and long term affordability. For example, where a client requires \$1,000,000 of Life Cover, \$500,000 can be taken on a stepped premium basis and \$500,000 on a level premium basis.

# 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. MLC can change these percentages at any time and will notify you and your client of any change.

Frequency of premium payments	Payment methods available					Current loading on frequent payments
	direct debit	credit card	cheque	BPAY®	MLC MasterKey (LCS only)	
Monthly	•	•			•	yearly plus 7%
Half-yearly	•	•	•	•	•	yearly plus 4%
Yearly	•	•	•	•	•	yearly

## Which payment form is required?

Instructions for completion of these forms are printed on the forms.

Payment method	Required form	Location of forms	How to obtain forms
Direct debit	Direct Debit Request	Product Disclosure Statement (PDS) Change of Policy Details Form	Order from MLC EasyOrder on the secure Adviser site via the <b>Advisers</b> link in the <b>I'm with MLC</b> panel on <a href="http://mlc.com.au">mlc.com.au</a>
Credit card	Credit Card Deduction Authority		
Cheque / Money order	Direct Payment of Premiums		
MLC MasterKey	MLC MasterKey Deduction Authority		

BPAY® is available for subsequent premiums paid directly to MLC 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 MLC 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 MLC by cheque or money order.

MLC 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<sup>®</sup> facility**

BPAY<sup>®</sup> 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<sup>®</sup> 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 MLC by cheque or money order.

The BPAY<sup>®</sup> 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.

## **MLC MasterKey deductions**

Clients who hold a MasterKey Super Fundamentals, MasterKey Super, or MasterKey Superannuation Gold Star or Five Star account can arrange to pay their LCS premiums by a regular deduction from one of these accounts. Only one deduction may operate between any one of these accounts and the LCS policy (ie LCS deductions cannot be split between these MasterKey super accounts).

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

# Adviser Switchboard quoting software

Adviser Switchboard (ASB) contains the quoting software for MLC Life Cover Super and MLC Personal Protection Portfolio.

You can download the current version of ASB via the **Advisers** link in the **I'm with MLC** panel on **mlc.com.au** or from AdviserPoint (for MLC aligned licensees). A password is required for each of these sites.

To obtain a password for these sites, please have your adviser number ready and contact:

- the Adviser Service Centre on **133 652 option 6** for **mlc.com.au**
- ThreeSixty on **134 360 option 1**, then **option 3**, for AdviserPoint.

NAB advisers will have ASB software directly updated via NAB's technology network.

Instructions for downloading ASB from the internet can be found on the above sites.

An Adviser Switchboard User Guide is also available for download from the 'Forms and Brochures' section of the **Advisers** sites on **mlc.com.au**

# Claims Procedures

11





# Contents

## Claims Procedures Information

### **Claims process and contacts** 233

### **Claims procedures** 235

Claims philosophy 235

Notification 235

Time limits on claims 236

Submission of completed claim forms / Proof of Loss 236

### **How do claims affect ongoing insurance?** 237

Claims under Life Cover 237

Claims under TPD 238

Claims under Critical Illness 239

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# Claims process and contacts

MLC Insurance claims workflow summary	
Notify MLC of claim by phone or in writing	<p><b>Please provide:</b></p> <ul style="list-style-type: none"> <li>• policy number</li> <li>• claimant's contact details</li> <li>• cause and date of event, for death or disability claims</li> <li>• nature of medical condition, for Critical Illness claims.</li> </ul>
MLC issues claim form	<p>Claim forms are posted to the policy owner or Life Insured, or via the financial adviser on specific prior request.</p> <p>Critical Illness claim forms are specific to Critical Illness conditions.</p>
MLC receives claim form and all supporting documents	<p><b>Supporting documents required in addition to the claim form include:</b></p> <p><b>Death claims:</b></p> <ul style="list-style-type: none"> <li>• claim form (a Trustee may request additional documents for Super claims)</li> <li>• death certificate</li> <li>• certified proof of age</li> <li>• original policy document.</li> </ul> <p><b>TPD and Critical Illness claims:</b></p> <ul style="list-style-type: none"> <li>• two Treating Doctor's Reports</li> <li>• certified proof of age</li> <li>• original policy document.</li> </ul> <p><b>Income Protection and Business Expenses claims:</b></p> <ul style="list-style-type: none"> <li>• Treating Doctor's Report</li> <li>• financial documents.</li> </ul> <p>We will advise you if any other information is required.</p>
MLC assesses the claim	<p>Assessment of the claim commences on receipt of a fully and accurately completed claim form and any other supporting documentation required.</p> <p>The average turnaround for reviewing the claim paperwork is 5 working days from receipt.</p>
MLC advises policy owner of assessment decision	<p>MLC will contact the policy owner and financial adviser to advise whether the claim is admitted or declined, or otherwise if further information is required.</p> <p>For ongoing Income Protection and Business Expenses claims, ongoing eligibility for benefits is assessed monthly on receipt of continuing claim forms.</p>

# Claims process and contacts

## MLC Insurance claims workflow summary

<b>Payment of claim (if eligible)</b>	Lump sum payments, or monthly Income Protection payments, may be made by cheque or by electronic funds transfer into the policy owner's bank account.
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## Claims notification and further information

<b>Melbourne Claims</b>	<b>1300 857 113</b>	MLC Claims, GPO Box 4397, Melbourne VIC 3001
		For policies arranged through National Australia Group and Victorian/Tasmanian advisers.
<b>Sydney Claims</b>	<b>1300 135 241</b>	MLC Claims, PO Box 200, North Sydney NSW 2059
		For all other policies.

# Claims procedures

## Claims philosophy

We recognise that a time of claim is a time of need. We will manage claims fairly, ethically and in a timely manner whilst observing principles of privacy and confidentiality.

MLC will:

- strive to ensure that making a claim with MLC is simple and convenient
- treat all claimants with empathy and understanding
- assess claims in a timely and efficient manner
- maintain open and honest communication with our claimants regarding issues of concern
- manage claims in the interests of all MLC insurance policyholders—sound and consistent management techniques will never be compromised.

## Notification

MLC must be notified in writing or by phone that a claim is to be made. The following details should be provided to MLC 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.

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

# Claims procedures

## Time limits on claims

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

For Income Protection or Business Expenses insurance, MLC 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 MLC 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 MLC.

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, MLC 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 MLC, we will pay the associated costs.

# How do claims affect ongoing insurance?

## Claims under Life Cover

The table below shows how other insurances are affected by particular types of claims under Life Cover:

Affected insurance		Effect of claims under Life Cover	
		Death/Terminal Illness claim	Accidental Injury claim
Life Cover	<b>Life Cover / Death</b>	Full Life Cover benefit paid	Life Cover reduced by the amount of any payment
	<b>Accidental Injury</b>	Accidental Injury benefit ceases	Accidental Injury benefit paid (according to definition)
	<b>Terminal Illness</b>	Terminal Illness benefit ceases	Terminal Illness benefit reduced by the amount of any payment
	<b>Terminal Illness Support Option</b>	Terminal Illness Support Option benefit ceases	Terminal Illness Support Option benefit reduced by the amount of any payment
	<b>TPD Extension</b>	TPD Extension benefit ceases	TPD Extension reduced by the amount of any payment; any excess reduces any Critical Illness benefit
Other	<b>Critical Illness Extension</b>	Critical Illness Extension benefit ceases	Critical Illness Extension reduced by any excess over the TPD amount
	<b>Other</b>	Other types of insurance in a policy such as stand-alone TPD, stand-alone Critical Illness or Income Protection are not affected whilst the policy is in force (except where they terminate on death).	

‘**Extension**’ means the insurance has been taken as part of Life Cover insurance or as a Connected Benefit.

If the client holds a **Life Cover Buy Back Option**, MLC will restore the Life Cover insurance up to the original insurance amount if the Life Insured:

- survives 14 days after MLC pays the full TPD or Loss of Independence benefit
- survives 14 days after MLC pays the full Critical Illness benefit due to TPD as a Critical Condition
- applies 1 year after MLC has paid the full Critical Illness benefit where the benefit is not paid due to TPD as a Critical Condition (the client must apply within 30 days after the 1 year waiting period ends).

For full details please refer to the current LCS and PPP PDS.

# How do claims affect ongoing insurance?

## Claims under TPD

The table below shows how a TPD Extension or Loss of Independence claim affects other insurances:

<b>Affected insurance</b>	<b>Effect of TPD Extension claim</b>
<b>Life Cover</b>	Life Cover benefit reduced by the amount of any payment
<b>Accidental Injury</b>	Accidental Injury benefit reduced by the amount of any payment
<b>Terminal Illness</b>	Terminal Illness benefit reduced by the amount of any payment
<b>Terminal Illness Support Option</b>	Terminal Illness Support Option benefit reduced by the amount of any payment
<b>TPD or Loss of Independence</b>	Benefit ceases
<b>Critical Illness Extension without TPD</b>	Benefit may continue attached to any remaining Life Cover unless the claim also involves a critical condition
<b>Critical Illness Extension with TPD</b>	Benefit ceases

'Extension' means the insurance has been taken as part of Life Cover insurance or as a Connected Benefit.



## Claims under Critical Illness

The table below shows how a Critical Illness Extension claim affects other insurances:

Affected insurance	Effect of Critical Illness Extension claim
<b>Life Cover</b>	Life Cover benefit reduced by the amount of any payment
<b>Accidental Injury</b>	Accidental Injury benefit reduced by the amount of any payment
<b>Terminal Illness</b>	Terminal Illness benefit reduced by the amount of any payment
<b>Terminal Illness Support Option</b>	Terminal Illness Support Option benefit reduced by the amount of any payment
<b>TPD or Loss of Independence Extension</b>	Benefit may continue attached to any remaining (as a rider to Life Cover) Life Cover unless the claim involves TPD or Loss of Independence
<b>TPD or Loss of Independence Extension—as a Critical Illness condition</b>	Benefit ceases
<b>Critical Illness Extension</b>	Benefit ceases or is reduced if a partial payment is made

'Extension' means the insurance has been taken as part of Life Cover insurance or as a Connected Benefit.

If the client holds a **Critical Illness Buy Back Option** under the Extra Benefits Option for Critical Illness Plus, MLC will restore the Critical Illness insurance up to the original insurance amount if the Life Insured applies to restore their original Critical Illness insurance 1 year after MLC pays the full Critical Illness benefit. The Life Insured may restore up to 100% of the original Critical Illness insurance but they must apply within 30 days after the 1 year waiting period ends.

For full details please refer to the current LCS and PPP PDS.

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# Product Information

# 12



# Contents

## Product Information

<b>Policy structures</b>	<b>245</b>	<b>Key features</b>	<b>257</b>
MLC Life Cover Super —insurance inside super	245	One policy fee	257
MLC Personal Protection Portfolio—insurance outside super	245	Flexibility to change	257
Policy Ownership	246	Inflation Linked Option	257
Standard or Plus—a choice of insurances	248	Plain talk	257
Packaging insurance within a PPP policy for multiple Lives Insured	249	Interim Accident Insurance	258
Structuring insurance between policies using Connected Benefits	253	Cooling-off period: 14 days	259
		<b>Types of insurance</b>	<b>260</b>
		Life Cover insurance	260
		Total and Permanent Disability insurance	264
		Critical Illness insurance	266
		Income Protection insurance	273
		Business Expenses insurance	283
		Premium Waiver insurance	285

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# Policy structures

## MLC Life Cover Super—insurance inside super

MLC Life Cover Super (LCS) 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 MLC Nominees Pty Limited as the Trustee of the Scheme. Clients can select from:

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

### Number of Lives Insured

LCS allows only one person to be insured under each policy.

### Policy ownership

If a client takes LCS, they become a member of The Universal Super Scheme (TUSS, or 'the Scheme'). The Trustee of the Scheme 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 Scheme and subject to superannuation laws and restrictions.

## MLC Personal Protection Portfolio—insurance outside super

MLC Personal Protection Portfolio (PPP) 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.

### Number of Lives Insured

PPP allows up to six people to be insured under the one policy for any number of insurances and insurance types. Each Life Insured can have different types of insurance and levels of cover. Insurable interest guidelines apply.

# 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 nor can any other Income Protection insurance be included for another Life Insured.

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

- a company (as a guide the person(s) 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 page 247.

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

Third-party ownership is subject to insurable interest satisfactory to MLC and underwriting approval.

The same rules apply for Business Expenses.

### Example: Third-party ownership for a couple with Income Protection

Mr and Mrs Jones both work and require the cover shown here:

	Life Cover	Critical Illness	Income Protection
Mr Jones	\$300,000	\$200,000	\$8,000/month
Mrs Jones	\$150,000	\$90,000	\$4,000/month

Normally, Mr Jones would have to own the policy as the Income Protection is on his life, and Mrs Jones could not take Income Protection under the same policy—unless the policy is owned by a company, a partnership or the trustee(s) of a family trust or superannuation fund.



Mr and Mrs Jones can both have Income Protection under the same policy if the policy is owned by:

- their company, if they are incorporated as a company
- the trustees of their family trust (or family company), if one is established
- their partnership, if they have a partnership agreement.

Mr Jones can nominate Mrs Jones as his beneficiary for the Life Cover insurance (see details in the Life Cover section).

## Ownership by a trust or self-managed super fund

Unlike an individual or a company, a trust is not a legal entity (note that a self-managed super fund (SMSF) is a form of trust) 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, PPP 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 PDS 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 PPP can be applied for when it is proposed that the owner(s) of the policy will be the trustee(s).

# Policy structures

## Standard or Plus —a choice of insurances

Both LCS and PPP offer a choice of insurances for Life Cover, TPD, Critical Illness (PPP only) and Income Protection:

- Standard version—basic cover at an affordable price
- Plus version—incorporating a wider range of benefits and options.

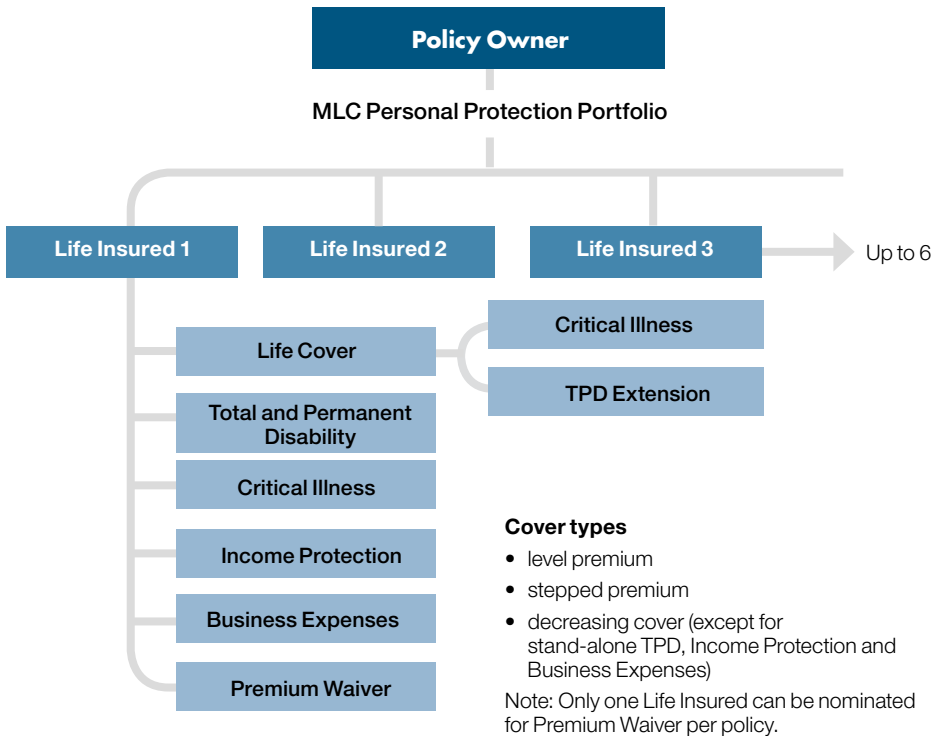
The differences between Standard and Plus are indicated in the summary descriptions of each insurance in this section of the guide and in the PDS.

You can ‘mix and match’ the Standard and Plus versions within the one policy, providing even more flexibility to tailor insurance packages to your clients’ needs and budget.

# Packaging insurance within a PPP policy for multiple Lives Insured

## How the package concept works

The policy structure and benefit relationships for PPP are shown in the diagram below.



# Policy structures

## Typical PPP packages

The following examples illustrate the flexibility of the package.

Each of the following examples can be set up under one PPP policy using one Application Form, and with only one policy fee payable.

### Example 1: One Life Insured with a range of Standard and Plus insurances

John, a single 34-year-old self-employed butcher, buys a package consisting of:

John	Life Cover Standard	Critical Illness Plus	Income Protection Plus
	\$250,000	\$90,000 with TPD option	\$4,000/month

### Example 2: Two Lives Insured as joint owners with Standard, Plus and Extension insurances

Bill (a Systems Manager) and his wife, Mary (a salesperson), buy a package consisting of:

Bill	Life Cover Standard	Critical Illness Plus	TPD Extension
	\$200,000	\$100,000	\$60,000
Mary	Life Cover Plus	Critical Illness Standard	TPD Extension
	\$150,000	\$100,000	\$50,000

Bill and Mary can be joint owners of the policy. If either dies, the Life Cover benefit will be made payable to the surviving joint owner, avoiding probate. The other types of insurance will continue for the surviving Life Insured.

### **Example 3: Two Lives Insured with a policy owned by the Life Insured with Income Protection**

Mr Jones and Mrs Jones (a homemaker) buy a package consisting of:

<b>Mr Jones</b>	<b>Life Cover Plus</b>  \$300,000	<b>Critical Illness Plus</b>  \$200,000 with TPD option	<b>TPD Extension</b>  –	<b>Income Protection Plus</b>  \$8,000/month
<b>Mrs Jones</b>	<b>Life Cover Standard</b>  \$150,000	<b>Critical Illness Plus</b>  \$90,000	<b>TPD Extension</b>  \$60,000	<b>Income Protection</b>  –

In this example, the policy owner must be Mr Jones as he has Income Protection insurance on his own life. (Refer to Income Protection third-party ownership on page 247).

To avoid probate delays, Mr Jones nominates Mrs Jones as the beneficiary for his Life Cover benefit.

# Policy structures

## Example 4: Up to six Lives Insured under a policy owned by a company/partnership

XYZ & Associates, a legal firm with six partners, buys a package consisting of:

<b>Malcolm</b>	<b>Life Cover Plus</b>  \$1,000,000	<b>Critical Illness Plus</b>  \$600,000 with Buy Back and TPD option	<b>TPD Extension</b>  –	<b>Income Protection Plus</b>  \$8,000/month
<b>Jeanette</b>	<b>Life Cover Plus</b>  \$1,000,000	<b>Critical Illness Plus</b>  \$600,000 with Buy Back	<b>TPD Extension</b>  \$400,000 with Buy Back	<b>Income Protection Plus</b>  \$10,000/month
<b>Bruce</b>	<b>Life Cover Standard</b>  \$500,000	<b>Critical Illness Standard</b>  \$250,000	<b>TPD Extension</b>  \$100,000	<b>Income Protection Standard</b>  \$5,000/month
<b>Anne</b>	<b>Life Cover Standard</b>  \$500,000	<b>Critical Illness Plus</b>  \$90,000 with TPD option	<b>TPD Extension</b>  –	<b>Income Protection Plus</b>  \$4,500/month
<b>Sam</b>	<b>Life Cover Standard</b>  \$300,000	<b>Critical Illness Standard</b>  \$180,000	<b>TPD Extension</b>  –	<b>Income Protection Standard</b>  –
<b>Chris</b>	<b>Life Cover Plus</b>  \$300,000	<b>Critical Illness Standard</b>  \$180,000	<b>TPD Extension</b>  –	<b>Income Protection Plus</b>  –

In this example, the policy owner will be XYZ & Associates. XYZ & Associates could also purchase Business Expenses insurances for each partner's share of expenses.

## Structuring insurance between policies using Connected Benefits

Clients wishing to purchase Life Cover within superannuation and Critical Illness and/or TPD insurance outside superannuation have historically had the following options that limited the cost-effectiveness of their cover:

- **Option 1:** apply for Life Cover under LCS and apply for Critical Illness or TPD under PPP as full-cost stand-alone insurances
- **Option 2:** apply for Life Cover under LCS and apply for additional Life Cover under PPP in order to apply for lower-cost Critical Illness or TPD Extensions under PPP, potentially 'overinsuring'
- **Option 3:** apply for some Life Cover needs under LCS and the remainder under PPP in order to apply for Critical Illness or TPD Extensions under PPP, not meeting the client's needs.

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.

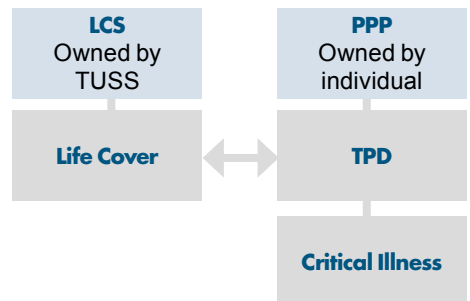
The examples on the following pages illustrate how this concept works.

### 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 LCS policy owned by the Scheme, and owns TPD and Critical Illness insurances under PPP which are connected to the Life Cover.

### Connected Benefits between LCS and PPP policies



# Policy structures

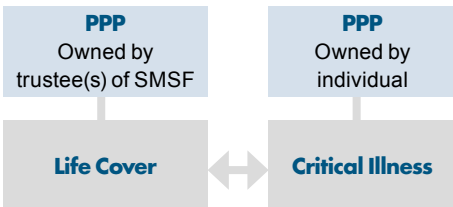
## Example 2: Structuring insurance inside and outside superannuation (with an external trustee)

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.

## Example 3: Structuring insurance for business and personal purposes

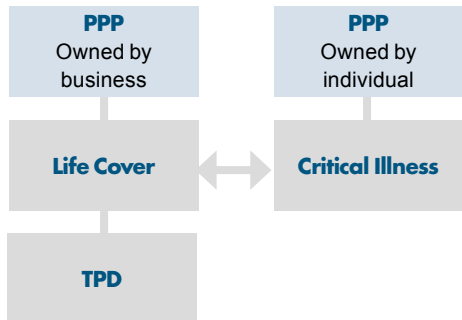
David, a single 36-year-old company director, can own Critical Illness insurance as part of his Life Cover but have the Life Cover and TPD insurance owned by the business if the Critical Illness insurance is issued as a Connected Benefit under his own name.

## Connected Benefits between PPP policies



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

## Connected Benefits between PPP 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.



## **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.

If the connected Life Cover policy is cancelled and the connected policy remains in force the policy fee applicable at the time will be reinstated.

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 policy owner.

## **Setting up Connected Benefits**

Connected Benefits is not available with decreasing cover.

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.

A Connected Benefit can only be connected to one Life Cover benefit.

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.

# Policy structures

## 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 policies with Life Cover have 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
- availability of fixed term contracts
- Substitute Business Rules.

# Key features

## One policy fee

Only one policy fee is charged per policy whether there is one Life Insured with one benefit or many Lives Insured with many benefits on the policy.

A policy fee applies to each policy. However, if TPD and/or Critical Illness insurance are purchased as Connected Benefits where the Life Cover is issued on a separate policy, only one policy fee will apply and the policy fee will be applied to the policy with the Life Cover. If the connected Life Cover policy is cancelled and the connected policy remains in force, the policy fee applicable at the time will be reinstated.

The policy fee will be increased annually with inflation, effective 1 October each year. The new policy fee will apply to the policy on the review date on or after 1 October.

## Flexibility to change

Clients have the flexibility to change the amount of cover and the Lives Insured as their circumstances change.

## Inflation Linked Option

CPI indexation of the sum insured is automatically available. A minimum increase of 3% per year applies to Life Cover, TPD and Critical Illness insurances.

Clients may reject CPI indexation for a particular year and it will still be offered to them in subsequent years. If they do not want indexation in the future, either you or the client should let us know.

**Note:** CPI indexation is NOT available for decreasing cover premium structure or for Terminal Illness Support insurance.

## Plain talk

MLC has adopted a 'plain talk' approach for its products. Documentation has been written in simple English that can be understood easily by clients.

# Key features

## Interim Accident Insurance

All clients are automatically provided with the following Interim Accident Insurance on submission of the application:

- up to the amount of Life Cover and TPD insurance applied for but not exceeding \$1,000,000, if the Life Insured dies or is totally and permanently disabled as a result of an accident
- up to the amount of Critical Illness insurance applied for but not exceeding \$600,000, if the Life Insured suffers coma, major brain injury, paralysis, major burns, blindness or loss of independence, as a result of bodily injury which is caused by accidental means
- up to the amount of Income Protection applied for but not exceeding \$10,000 per month, where the Life Insured suffers an accidental injury and is unable to work.

If your client or the Life Insured is applying to replace an existing policy, the amount of any benefit will be limited to the amount (if any) by which the sum proposed to be insured under the LCS or PPP application exceeds the sum insured under the policy to be replaced.

Interim Accident Insurance starts when MLC (or the Trustee for LCS) receives an application with one full instalment of premium or a fully completed Direct Debit Request Schedule, Credit Card Deduction Authority or a MasterKey Superannuation Deduction Authority (for LCS). The Interim Accident Insurance is void if the premium payment is dishonoured. If the application is submitted electronically, Interim Accident Insurance will start upon submission.

Interim Accident Insurance ceases on whichever date is earlier: the start date of the policy following acceptance of the application, or 90 days from the date the application is received by MLC. Other conditions also apply. Please refer to the current LCS and PPP PDS for full details.

## **Cooling-off period: 14 days**

The client can cancel the policy or part of the policy within the 14 days after receipt of the policy document and receive a refund of the premiums paid, less any government fees and charges.

LCS premium contributions are not generally refunded because the money is typically preserved under superannuation law.

Please read the MLC Life Cover Super and MLC Personal Protection Portfolio PDS for more details.

# Types of insurance

The following pages summarise product information for each type of insurance. Please refer to the Product Disclosure Statement (PDS) and the policy document for full details of the conditions and definitions of benefits and for more information on options, features and insurance procedures.

The effects of claims under Life Cover, TPD and Critical Illness on other insurance are listed on pages 237 and 239 of the 'Claims Procedures' section of this guide.

## Life Cover insurance

Life Cover pays an agreed lump sum if the Life Insured dies or is diagnosed with a terminal illness. Life Cover insurance is guaranteed yearly renewable, and provides clients with the flexibility to change their cover as their needs change.

Life Cover at a glance		LCS		PPP	
		Standard	Plus	Standard	Plus
What are clients covered for?	Death	•	•	•	•
	Terminal Illness	•	•	•	•
What features are built in?	Advance Death Benefit			•	•
	Accidental Injury		•		•
	Financial Planning Benefit			•	•
	Continuation Option for level premium	•	•	•	•
	Increases without Medical Evidence		•		•
	Conversion option to non-super up to age 75	•	•		

Life Cover at a glance		LCS		PPP	
		Standard	Plus	Standard	Plus
<b>What options can clients choose at an additional cost?</b>	Terminal Illness Support Option	•	•	•	•
	Business Safeguard Option	•	•	•	•
	Total and Permanent Disability (TPD) and Loss of Independence (Extension) as part of Life Cover or as a Connected Benefit (not available with decreasing cover)	•	•	•	•
	Critical Illness (Extension) as part of Life Cover			•	•
	Critical Illness (Extension) as a Connected Benefit with Life Cover (not available with decreasing cover)	•	•	•	•
<b>At what age can clients apply for Life Cover insurance?</b>	Level premium	16–60 next birthday		16–60 next birthday	
	Stepped premium or decreasing cover	16–65 next birthday		11–70 next birthday	
	Terminal Illness Support Option (stepped and level premium)	19–60 next birthday		19–60 next birthday	
<b>To what age can clients renew their insurance?</b>	Level premium	guaranteed renewable up to age 65 (then stepped premium is offered under Continuation Option)			
	Stepped premium or decreasing cover	renewable up to age 75 (then convertible to non-super, renewable up to age 100)		guaranteed renewable up to age 100	
<b>What amount can your client apply for?</b>	Minimum amount insurable	\$25,000			
	Maximum amount insurable	no general maximum (special terms may apply for amounts greater than \$15,000,000)			

## Nominating a beneficiary

Your client may nominate up to six people to receive a share of the benefit payable on the death of the Life Insured.

### PPP

To ensure your client's nomination is effective only a named person or legal personal representative should be nominated.

A company or a charity cannot be nominated as a beneficiary.

**Note:** For PPP, nominations cannot be made by trustees of a trust or self-managed super fund.

### LCS

There are four options for beneficiary nominations under MLC Life Cover Super:

1. Non-binding death benefit nomination (trustee discretion)
2. Non-lapsing binding death benefit nomination
3. MLC Super Estate Optimiser (SEO) category selection
4. No nomination (trustee discretion)



<b>Features</b>	<b>Option 1 Non-binding death benefit</b>	<b>Option 2 Non-lapsing binding death benefit</b>	<b>Option 3 SEO category selection</b>	<b>Option 4 No nomination</b>
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.	The Trustee must pay the benefit according to the rules set out in the category of membership selection under the SEO facility. Trustee discretion applies when nomination expires.	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).	Enables the death benefit to be paid more tax-efficiently by paying the benefit as either a lump sum or pension payment.	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.	Valid until cancelled or modified by the client.

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

- the SEO facility is only available to those members of The Universal Super Scheme that have an interest in MLC Life Cover Super
- a binding beneficiary nomination on any other product will not affect the category selection under the SEO facility for MLC Life Cover Super
- 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.

## Total and Permanent Disability insurance

Until the policy review date after age 65, Total and Permanent Disability (TPD) insurance pays a lump sum benefit if the Life Insured suffers total and permanent disability resulting from injury or sickness.

After age 65 (from the policy review date after age 65 until the policy expires) this becomes Loss of Independence insurance.

TPD and Loss of Independence at a glance			LCS	PPP
How can this insurance be structured?	either	TPD and Loss of Independence (Extension) as part of Life Cover	•	•
	or	TPD and Loss of Independence (Extension) as a Connected Benefit (not available with decreasing cover)	•	•
	or	TPD and Loss of Independence as stand-alone insurance (not available with decreasing cover)		•
What features are built in?	Financial Planning Benefit			•
	Continuation Option for level premium		•	•
	Increases without Medical Evidence		•	•
What options can clients choose at an additional cost?	'Own Occupation' definition (eligible occupations only)		•	•
	Life Cover Buy Back (not applicable to stand-alone)		•	•
	Business Safeguard Option		•	•
At what age can clients apply for TPD insurance?	Level premium		16–55 next birthday	
	Stepped premium or decreasing cover		16–60 next birthday	

<b>TPD and Loss of Independence at a glance</b>		<b>LCS</b>	<b>PPP</b>
<b>To what age can your client renew their insurance?</b>	Level premium	guaranteed renewable up to age 65 (then stepped premium is offered under Continuation Option)	
	Stepped premium or decreasing cover	renewable up to age 75 (then convertible to non-super, renewable up to age 100)	guaranteed renewable up to age 100
<b>What amount can clients apply for?</b>	Minimum amount insurable	\$25,000	
	Maximum amount insurable for TPD ('Own Occupation' and 'Any Occupation' TPD combined)	\$3,000,000	
	Maximum amount insurable for Loss of Independence	\$500,000	

TPD Extension (as part of Life Cover or as a Connected Benefit to the Life Cover) can be taken for any amount up to the amount insured under the Life Cover.

When TPD Extension is purchased with Critical Illness Extension, the combined benefit total may not exceed the Life Cover benefit amount.

If TPD insurance is taken as a Connected Benefit, only the Life Cover on a separate policy will be charged a policy fee.

## Critical Illness insurance

Critical Illness insurance pays a lump sum benefit if the Life Insured is diagnosed with a critical condition defined under this insurance.

Critical Illness at a glance			PPP	
			Standard	Plus
How can this insurance be structured?	either	Critical Illness (Extension) as part of Life Cover	•	•
	or	Critical Illness (Extension) as a Connected Benefit (not available with decreasing cover)	•	•
	or	Critical Illness as stand-alone insurance		•
What are clients covered for?		A range of critical conditions	limited	wide
	and	Critical conditions and definitions on renewal	may change	cannot be changed
What features are built in?		Financial Planning Benefit	•	•
		Continuation Option for level premium	•	•
		Increases without Medical Evidence		•
What options can clients choose at an additional cost?		Total and Permanent Disability (TPD) as a Critical Condition (not applicable to stand-alone)	•	•
		Life Cover Buy Back (not applicable to stand-alone)	•	•
		Extra Benefits Option: <ul style="list-style-type: none"> <li>• Coverage for 20 additional critical conditions for which a partial benefit is payable</li> <li>• Critical Illness Buy Back</li> </ul>		•
At what age can clients apply for Critical Illness insurance?		Level premium, stepped premium or decreasing cover	19–60 next birthday	
		With TPD as a Critical Condition (if level premium)	19–55 next birthday	

Critical Illness at a glance		PPP	
		Standard	Plus
To what age can clients renew their insurance?	Level premium	guaranteed renewable up to age 65 (then stepped premium is offered under Continuation Option)	
	Stepped premium or decreasing cover	guaranteed renewable up to age 75	
What amount can clients apply for?	Minimum amount insurable	\$25,000	
	Maximum amount insurable	\$2,000,000	

Critical Illness Extension (as part of Life Cover or as a Connected Benefit to the Life Cover) can be taken for any amount up to the amount insured under the Life Cover.

When Critical Illness Extension is purchased with TPD Extension, the combined benefit total may not exceed the Life Cover benefit amount.

If the Critical Illness insurance is taken as a Connected Benefit, only the Life Cover on a separate policy will be charged a policy fee.

# Types of insurance

## Stamp duty for stand-alone Critical Illness insurance

The Offices of State Revenue have stated that the stamp duty basis for stand-alone Critical Illness should be the General Insurance stamp duty rates (similar to Income Protection). This means that MLC pays stamp duty calculated as a percentage (varying by State) of all premiums received for this type of cover. However, currently, MLC's premium basis does not reflect this stamp duty basis.

It may be that MLC will change its premium formula to more correctly reflect the stamp duty basis. More information would be sent to you regarding how this will affect your clients before this calculation change is made.

Critical Illness Extension is subject to stamp duty on a different (less costly) basis. For this reason stand-alone Critical Illness may be relatively expensive, and you should bear in mind that in some cases stand-alone Critical Illness may be more expensive for your client than combined Life Cover and Critical Illness Extension.

## Qualifying periods

Some critical conditions are covered only after a period of time known as a qualifying period. This means that clients are not covered for those conditions when they first appear, first happen or are first diagnosed within the qualifying period after this insurance began, was last reinstated or increased.

For surgical procedures this means that clients are not covered when the underlying condition requiring the surgical intervention first appears, first happens or is first diagnosed within the qualifying period.

However, MLC will cover clients for a future occurrence of those critical conditions if they appear, happen or are diagnosed after the qualifying period and are independent of, and not related to, the earlier occurrence of the conditions.

If the policy replaces similar insurance, the qualifying period will be waived for the amount of benefit that would have applied under the replaced policy had it continued. For increases, only the increased portion is subject to a qualifying period.

## Conditions insured under Critical Illness

Although Critical Illness Standard appears to cover few conditions compared to Critical Illness Plus, four of these conditions (heart attack, coronary artery bypass surgery, malignant cancer and stroke) account for 91% of all MLC Critical Illness claims.

**Source:** Based on statistics for the year ending 31 March 2008.

# Types of insurance

The Critical Illness benefit is payable upon medical diagnosis of any of the following critical conditions:

Critical condition	Critical Illness Standard	Critical Illness Plus	Qualifying period
Aorta repair		•	3 months
Aplastic anaemia		•	
Bacterial meningitis		•	
Benign brain tumour		•	
Blindness		•	
Cardiomyopathy		•	
Chronic kidney failure		•	
Chronic liver failure		•	
Chronic lung failure		•	
Coma		•	
Coronary artery angioplasty <sup>1</sup>		•	3 months
Coronary artery angioplasty—triple vessel <sup>2</sup>		•	3 months
Coronary artery bypass surgery	•	•	3 months
Deafness		•	
Dementia or Alzheimer's disease		•	
Encephalitis		•	
Heart attack	•	•	3 months
Heart valve surgery		•	3 months
HIV contracted through medical procedures		•	
HIV contracted through work		•	
Intensive care		•	
Loss of independence	•	•	
Loss of speech		•	



<b>Critical condition</b>	<b>Critical Illness Standard</b>	<b>Critical Illness Plus</b>	<b>Qualifying period</b>
Major brain injury		•	
Major burns		•	
Major organ transplant		•	
Malignant cancer	•	•	Standard: 6 months Plus: 3 months
Meningococcal septicaemia		•	
Motor neurone disease		•	
Multiple sclerosis		•	
Muscular dystrophy		•	
Open heart surgery		•	
Out of hospital cardiac arrest		•	
Parkinson's disease		•	
Paralysis (includes paraplegia, quadriplegia, hemiplegia, diplegia, tetraplegia)		•	
Pneumonectomy		•	
Primary pulmonary hypertension		•	
Severe osteoporosis		•	
Severe rheumatoid arthritis		•	
Stroke	•	•	3 months
Total and permanent disability (TPD)—optional— not available with stand-alone insurance	•	•	

- 1** Coronary artery angioplasty benefit will only apply if your client's Critical Illness benefit is \$100,000 or more. The benefit payable for Coronary artery angioplasty is 10% of the Critical Illness benefit up to a maximum of \$20,000. A client can claim for this condition only the first time they have this operation.
- 2** The benefit payable for Coronary artery angioplasty—triple vessel is 100% of the Critical Illness benefit. It is only available the first time a client has this operation.

# Types of insurance

## Extra Benefits Option—additional critical conditions and maximum partial benefit payable

Critical Illness Plus clients can purchase Critical Illness Extra Benefits Option covering Critical Illness Buy Back and/or Partial Benefits (additional critical conditions for which a partial benefit is payable).

Partial benefits are payable for the following additional critical conditions:

Additional critical conditions	Qualifying period	Maximum partial benefit payable
Adult onset insulin dependent diabetes mellitus		\$100,000
Advanced endometriosis		
Carcinoma in situ of the breast	3 months	
Chronic lymphocytic leukaemia	3 months	
Deafness in one ear		
Diagnosed motor neurone disease		
Diagnosed multiple sclerosis		
Diagnosed muscular dystrophy		
Diagnosed Parkinson's disease		
Facial reconstructive surgery and skin grafting		
Placement on waiting list for major organ transplant		
Prostate cancer	3 months	
Serious accidental injury		
Loss of one foot or one hand		
Loss of sight in one eye		
Congenital abnormalities of a child	1 year	\$50,000
Inability of a child to gain independence	1 year	
Death of a child	1 year	\$20,000
Melanoma	3 months	
Specified complications of pregnancy	1 year	

## Income Protection insurance

Income Protection insurance provides a monthly benefit to replace earnings if the Life Insured is unable to work due to injury or sickness.

Interruption of a client's regular income can seriously threaten their family's lifestyle, assets and investments. Income Protection is therefore an essential element in any financial portfolio for employed or self-employed people.

### Which occupations are covered under Income Protection?

<b>Professional, Clerical and General Occupations</b>	For people in most occupations.
<b>Special Risk Occupations</b>	For people who work in certain special risk occupations which are hazardous or present special assessment difficulties, such as armed security guards. For this type of insurance, MLC will review this Income Protection insurance each year and may offer, but does not guarantee, its renewal. The maximum benefit period available is 5 years.
<b>Farmers (under the Farmers Package)</b>	For principal farm owners whose farm has been in operation for a minimum of 2 years and has a positive balance sheet (total assets exceeding total liabilities) over the 2 financial years prior to application. The benefit is based on the gross farm turnover (the total revenue received by the farm business throughout the financial year prior to application).

# Types of insurance

## What conditions apply to Income Protection Plus and Standard?

Income Protection Plus and Standard at a glance		LCS	PPP
At what age can clients apply for Income Protection insurance?	Professional and Clerical Occupations AAA, ACT, ML, AA, A	19–60 next birthday	19–60 next birthday
	General Occupations BBB, BB, B	19–55 next birthday	19–55 next birthday
	Special Risk Occupations C	19–55 next birthday	19–55 next birthday
To what age can clients renew their insurance?	Professional and Clerical Occupations AAA, ACT, ML, AA, A	guaranteed renewable up to age 65	
	General Occupations BBB, BB, B	guaranteed renewable up to age 65	
	Special Risk Occupations C	not guaranteed renewable up to age 65	
What amount can clients apply for?	Minimum amount insurable	\$500 per month	
	Maximum amount insurable	<b>Professional, Clerical and General, and Special Risk Occupations</b> maximum 75% of earnings up to \$30,000 per month based on: <ul style="list-style-type: none"> <li>• 75% of the first \$240,000 per annum of earnings</li> <li>• plus 50% of the next \$240,000 per annum of earnings</li> <li>• plus 25% of the next \$240,000 per annum of earnings</li> </ul>	

Income Protection Plus and Standard at a glance			LCS	PPP
<b>What types of insurance cover are available to suit your clients' needs and budget?</b>	Types of insurance cover	<b>Standard</b>	limited cover for lower premium	LCS & PPP
		<b>Plus</b>	incorporating a broad range of benefits and options	LCS & PPP
	Premium structures	Stepped premium or level premium		
	Waiting periods	Professional, Clerical and General		14 days, 1 month, 3 months, 12 months, 24 months
		Special Risk C		14 days, 1 month, 3 months
	Benefit periods	Professional, Clerical and General		2 years, 5 years, to age 65
		Special Risk C		2 years, 5 years

## What cover does Income Protection offer?

Income Protection cover at a glance		LCS		PPP		PPP Farmers Package
		Standard	Plus	Standard	Plus	Plus
What are clients covered for?	Total Disability					
	'Own Occupation' definition		•		•	•
	2 years' 'Own Occupation', then 'Any Occupation'	•		•		
	Partial Disability or Rehabilitation	•	•	•	•	•
	Death benefit	•	•	•	•	•
What features are built in?	World-wide coverage, 24 hours a day, 7 days a week	•	•	•	•	•
	Choice of waiting periods	•	•	•	•	•
	Choice of benefit periods	•	•	•	•	•
	Rehabilitation Expenses			•	•	•
	Rehabilitation Bonus				•	•
	Premium waived while receiving benefits	•	•	•	•	•
	Return to work during waiting period	•	•	•	•	•
	Recurring Disability Benefit	•	•	•	•	•
	Extended Leave Cover	•	•	•	•	•
	Elective Surgery Benefit	•	•	•	•	•
	Style of benefit:					
	Indemnity Benefit	•		•		
Agreed Value benefit		•		•	•	

Income Protection cover at a glance		LCS		PPP		PPP Farmers Package
		Standard	Plus	Standard	Plus	Plus
What options can clients choose to lower the cost?	Indemnity Option to reduce benefit if earnings decrease		•		•	
	HIV/AIDS Exclusion Discount	•	•	•	•	•
	Non-Occupational Cover Discount for special risk occupations only	•	•	•	•	
What options can clients choose at extra cost?	Indexed Claim Benefits	•	•	•	•	•
	Short waiting period for accidental injury				•	
	Extra Benefits Option				•	•
	Occupational HIV, Hepatitis B or C Lump Sum Benefit (for professional, clerical and general occupations only)				•	

## Extra Benefits Option

For an additional cost, Extra Benefits Option packages the following benefits into Income Protection Plus under PPP only:

- Benefit during the waiting period
- Accommodation benefit
- Double benefits for specified conditions
- No claim bonus
- Advance payment for certain injuries
- Home assistance
- Transportation benefit.

# Types of insurance

## Optional Lifetime Accident Benefit (AAA, ACT, ML, AA and A)

On 11 March 2004, this optional benefit ceased to be available for new business. Where a Life Insured already has this benefit at 11 March 2004, they may increase their existing benefit.

For an additional cost, this option (part of the Extra Benefits Option under Income Protection Plus) extends the benefit period for a maximum of the Life Insured's lifetime for any injury that is solely caused by accidental means and that results (directly and independently of all other causes) in the Life Insured becoming totally disabled within 30 days of the accident.

Lifetime Accident Benefits will be paid for any one injury until the total disability ends or the Life Insured dies, whichever occurs first.

If the accident happens after the Life Insured turns 63, MLC will pay benefits for a maximum of 2 years.

## Indemnity Option (Plus), Indemnity Benefit (Standard) and Agreed Value (Plus)

Agreed Value benefit (Plus) bases benefits paid at claim on the monthly benefit issued: benefits will not be reduced if the Life Insured's earnings are less at claim time than when the policy was issued (subject to all the terms and conditions of the insurance and provided that the proposal is accurate, complete and acceptable to us at application).

To lower the cost of Income Protection Plus clients can select the Indemnity Option instead of an Agreed Value benefit. As for Standard cover, which offers an indemnity benefit, if the Life Insured's earnings decrease after taking out Income Protection Plus MLC will reduce the monthly benefit at claim so that the Life Insured receives no more than 75% of their earnings before disability.



## Earnings before disability

The definition of 'earnings before disability' depends on the type of Income Protection insurance:

	<b>Income Protection Plus</b>	<b>Income Protection Plus with Indemnity Option</b>	<b>Income Protection Standard</b>
<b>Definition of 'earnings before disability':</b>	The Life Insured's highest average monthly earnings for any continuous period of 12 months between 2 years prior to the commencement of the policy and the start of the waiting period.	The Life Insured's average monthly earnings in the continuous 12 month period before they were totally disabled.	The Life Insured's average monthly earnings in the continuous 12 month period before they were totally disabled.
<b>Applies to:</b>	partial disability or rehabilitation	total disability, partial disability or rehabilitation	total disability, partial disability or rehabilitation

## Earnings after disability

For total disability, partial disability or rehabilitation, 'earnings after disability' means the Life Insured's monthly earnings when they are partially disabled or under rehabilitation.

## **LCS Income Protection benefits may not be released to the client**

For Income Protection taken out under LCS, the Trustee will not be able to release the Income Protection benefit to your client unless your client satisfies the criteria for temporary incapacity in superannuation legislation.

## **Income Protection Plus (Farmers Package)**

Income Protection Plus (Farmers Package) insurance is tailored to meet the needs of principal farm owners who cannot work because of a disability. It pays a benefit each month that they are totally or partially disabled or under rehabilitation.

The benefit is based on the gross farm turnover, being the total revenue received by the farm business throughout one financial year. This benefit is usually payable monthly in arrears from the end of the selected waiting period.

Farmers Package is available to farmers who are the principal owners of their farming business where the farm has been in operation for a minimum of 2 years. This cover is only available where the farm has a positive balance sheet (ie total assets exceeding total liabilities) over the 2 financial years prior to application.

Farmers Package is not available with Income Protection Standard or Plus, nor under LCS.

<b>Income Protection Plus (Farmers Package) at a glance</b>			<b>PPP</b>
<b>At what age can clients apply for Income Protection insurance?</b>	Farmers under the Farmers Package		19–55 next birthday
<b>To what age can clients renew their insurance?</b>	Farmers under the Farmers Package		guaranteed renewable up to age 65
<b>What amount can clients apply for?</b>	Minimum amount insurable	\$500 per month	
	Maximum amount insurable	<b>either</b>	up to \$5,000 per month for a 2 year maximum benefit period
		<b>or</b>	up to \$5,000 per month or up to 30% of gross farm turnover, whichever is less, for a 5 year maximum benefit period
<b>What types of insurance cover are available to suit your clients' needs and budget?</b>	Type of insurance	Plus Farmers Package PPP only	
	Premium structures	Stepped premium or level premium	
	Waiting periods	1 month, 3 months or 12 months	
	Benefit periods	2 years or 5 years	
<b>What are clients covered for?</b>	Total Disability—'Own Occupation' definition	•	
	Partial Disability or Rehabilitation	•	
	Death benefit	•	

# Types of insurance

<b>Income Protection Plus (Farmers Package) at a glance</b>		<b>PPP</b>
<b>What features are built in?</b>	World-wide coverage, 24 hours a day, 7 days a week	•
	Choice of waiting periods	•
	Choice of benefit periods	•
	Rehabilitation Expenses	•
	Rehabilitation Bonus	•
	Premium waived while receiving benefits	•
	Return to work during waiting period	•
	Recurring Disability Benefit	•
	Extended Leave Cover	•
	Elective Surgery Benefit	•
Style of benefit—Agreed Value benefit	•	
<b>What options can clients choose to lower the cost?</b>	HIV/AIDS Exclusion Discount	•
<b>What options can clients choose at extra cost?</b>	Indexed Claim Benefits	•
	Extra Benefits Option	•

## Business Expenses insurance

Business Expenses insurance provides a monthly benefit to reimburse the fixed business expenses of self-employed clients if they are totally disabled and unable to work due to injury or sickness.

This insurance helps ensure a client's business continues as a going concern by insuring the normal and customary operating expenses that are actually incurred by the client in the operation of the client's office, business or practice. Refer to 'Business Expenses' in the 'Financial Underwriting' section to see which expenses are covered under this insurance.

<b>Business Expenses at a glance</b>		<b>PPP</b>
<b>What are clients covered for?</b>	Monthly reimbursement of covered business expenses during total disability (as defined in Income Protection Plus)	•
	3 months' extra benefits up to a maximum of \$30,000 if the Life Insured dies while receiving benefits	•
<b>What features are built in?</b>	World-wide coverage, 24 hours a day, 7 days a week	•
	A choice of 14 day or 1 month waiting period	•
	Benefit period: 1 year	•
	Business Expenses premium refund during disability	•
<b>What options can clients choose?</b>	HIV/AIDS Exclusion Discount	•
<b>At what age can clients apply for Business Expenses insurance?</b>	Professional or Clerical Occupations AAA, ACT, ML, AA, A	19–60 next birthday
	General Occupations BBB, BB, B	19–55 next birthday
<b>To what age can clients renew insurance?</b>	General Occupations and Professional or Clerical Occupations	guaranteed renewable up to age 65
<b>What amount can clients apply for?</b>	Minimum amount insurable (per month)	\$500
	Maximum amount insurable (per month)	\$60,000

# Types of insurance

<b>Business Expenses at a glance</b>		<b>PPP</b>
<b>Who can apply?</b>	Self-employed	Insure the fixed Business Expenses of self-employed clients.
	Partnerships	Partners of small partnerships (up to 6 partners) can apply to insure their share of partnership expenses.
	Small Businesses	The principals of a small business with up to 6 employees can apply for Business Expenses insurance. MLC will consider conservative benefit amounts only for this category.

# Premium Waiver insurance

Premium Waiver insurance enables all premiums on a policy to be waived where the nominated Life Insured is disabled or retrenched.

Premium Waiver at a glance		LCS & PPP
<b>When does MLC waive premiums?</b>	While the nominated Life Insured is totally and permanently disabled (under the 'Any Occupation' definition) up to age 65	•
	While the nominated Life Insured is receiving Income Protection benefits for Total Disability (as defined in Income Protection Plus), having been so disabled for 6 months, up to age 65	•
	For 12 months after the nominated Life Insured is retrenched, as long as they have had this type of insurance and have been employed full-time by the same employer continuously for the 12 months before retrenchment. <b>Note:</b> This benefit is available only once in any 5 year period.	•
<b>At what age can clients apply for Premium Waiver insurance?</b>	General, Professional or Clerical Occupations	19–55 next birthday
<b>To what age can clients renew insurance?</b>	General, Professional or Clerical Occupations	guaranteed renewable up to age 65

# Types of insurance

## Who is covered under Premium Waiver?

Only one Life Insured can be nominated for Premium Waiver per policy. The nominated person must be insured for benefits under the policy. If that person becomes eligible to have their premiums waived under this insurance, premiums will be waived for all benefits on all Lives Insured under the policy while the nominated person remains eligible to have premiums waived.

Premium Waiver insurance is not available for Special Risk occupations (class C lives).

## How is the benefit calculated?

The benefit is calculated as the total of all premiums on all Lives Insured under the policy. This total excludes any Income Protection, Occupational HIV/Hepatitis or Business Expenses premiums for the nominated Life Insured, as these have an inbuilt waiver for disability, but includes Income Protection, Occupational HIV/Hepatitis or Business Expenses premiums for other Lives Insured under the policy.

## Is your client covered for retrenchment?

This Premium Waiver insurance is only available for Life Cover, TPD and Critical Illness insurance. Income Protection and Business Expenses already include a built-in premium waiver benefit, under which premiums are waived while the Life Insured is receiving benefits for disability but does not include waiver for retrenchment.

	Type of policy	
	Life Cover, TPD and Critical Illness	Income Protection / Business Expenses
Type of waiver	Premium Waiver insurance	Premium Waiver benefit
Offered as	Optional insurance for additional cost	Included benefit at no additional cost
Premium waived for	Total disability and retrenchment	Total disability only

However, if the client purchases Premium Waiver insurance with Life Cover, TPD and Critical Illness and also has Income Protection and/or Business Expenses insurance as part of the policy, then the retrenchment provision of Premium Waiver insurance will also apply to that insurance.



# Index

- access MLC online, 185
- adding extra cost options or altering options which affect premiums, 215
- Adviser Switchboard quoting software, 228
- Agreed Value, 128, 278
- Alteration to Non-Smoker, 199
- alterations to existing policies, 197
- Alternative terms and policy amendments, 16
- alternative terms, 16, 152
- anxiety, 172
- application process, 181, 182
- applications
  - backdating, 190
  - general information for, 189
  - online, 185
  - reinstating cancelled, 194
- apprentices, 98
- armed services, 98
- arranging medical requirements, 145
- arthritis, 170, 171
- ASB. *See* Adviser Switchboard
- Asset Protection insurance, 30, 31, 121, 125, 127
- asthma, 158
- Australian citizen living and working overseas, 188
  
- back/neck pain or disorders, 159
- backdating applications, 190
- bankruptcy, 98
- basal cell carcinoma (BCC), 173
- beneficiary, 203, 262
- benefit and premium structure, 222
- bipolar disorder, 172
  
- birthday before the policy completes, 190
- blindness, 160
- blood test, 145, 146
- BMI, 155
- body mass index, 155
- height/weight table, 157
- bonuses
  - Other earnings, 130
- BPAY®, 225, 227
- break in employment, 100. *See* leave from employment
- Business Expenses, 136, 246, 283
  - expenses covered, 137
  - financial requirements, 34
  - medical requirements, 25
  - who can apply?, 136
- Business Expenses with Income Protection
  - medical requirements, 25
- Business Insurance
  - financial requirements, 30
  - purpose of, 124
- Business Safeguard Option, *See* adding, 197
  - financial requirements, 127
  - financial underwriting, 127
  - medical requirements, 144
- Buy/Sell insurance, 30, 124
  
- cancelled applications
  - reinstating, 194
- cancer. *See* Critical Illness—alternative terms for special cardiovascular and cancer risks
- cardiovascular. *See* Critical Illness—alternative terms for special cardiovascular and cancer risks

- cardiovascular disease, 161
- change beneficiaries, 203
- change benefit period, 201
- change CPI election, 203
- change occupation class, 199
- change of authorised representative before completion, 210
- change of servicing adviser or licensee, 210
- change policy and payment details, 209
- change premium structure, 201
- change sum insured, 202
- change waiting period, 200
- change your client's range of cover, 197
- changes, major policy, 204
- changing the level of cover, adding extra cost options or altering options which affect premium, 215
- cheque, 225, 226
- cholesterol, raised, 147, 161
- claim forms, 233, 235, 236
- claims
  - contacts, 233
  - affect on ongoing insurance, 237
  - notification, 235
  - philosophy, 235
  - procedures, 235
  - process, 233
  - submission of, 236
  - time limits, 236
- claims under Critical Illness, 239
- claims under Life Cover, 237
- claims under TPD, 238
- clawback after change of authorised representative, 210
- commission
  - financial advisers', 210
  - premium discount on, 215
- commissions
  - Income Protection, Other earnings, 130
- Connected Benefits, 253
  - fees and payment methods, 255
  - One policy fee, 257
  - setting up, 255
  - structuring insurance, 253
  - sums insured, claims, cancellation and options with, 256
- Contact
  - MLC, 7
  - paramedical services UHG, Lifescreen Australia, 146
- continuation options for Group Insurance, MasterKey Business Super and MasterKey Custom, 195
- cooling-off period: 14 days, 259
- coronary heart disease, 161
- credit card deductions, 225, 226
- Critical Illness insurance, 266. See
  - claims, 239
  - conditions insured under, 269
  - connected benefits, 253
  - exercise buy-back option, 205
  - Extra Benefits Option, 272
  - financial requirements, business, 30
  - financial requirements, personal, 28
  - financial underwriting, business, 124
  - financial underwriting, personal, 122
  - medical requirements, 23
  - medical requirements tables, 24

- occupation classes, 43
  - pastimes classes, 108
  - qualifying periods, 269
  - stamp duty, 268
- Critical Illness Extra Benefits Option, 149
- Critical Illness over \$500,000 medical requirements, 24
- Critical Illness—alternative terms for special cardiovascular and cancer risks, 152
- decreasing cover, 223
- depreciation
  - earnings, 131
- depression, 172
- diabetes, 150, 164, 169
- direct debit system, 193, 225, 226
- disability claim pending, 189
- donations
  - earnings, 131
- earnings, 129
  - multiple of, 29
  - non-cash personal benefits as, 132
  - other, 130
- Earnings after disability, 279
- Earnings before disability, 279
- EasyOrder, 148
- eligibility, *See*
  - continuation options, 195
  - replacement business, 191
- employee
  - earnings, 130
  - public service, 135
  - special occupation categories, 98
  - employer insurance benefits, 135
- English
  - does your client read and understand, 189
- exclusions, *See*
  - accident claim, 17
  - review, 17
  - why offered, 16
- Expenses covered, 137
- Express Check, 145, 146
- Extra Benefits Option, *See*
  - add option, 197
  - buy-back, 239
  - Critical Illness, 149
  - Income Protection, 277, 282
- Extra Benefits Option—additional critical conditions and maximum partial benefit payable, 277
- family history, 166
- Farmers Package, 34. *See* Income Protection, 280
- fast for a blood test, 145
- financial advisers' commission, 210
- financial advisers—degree qualified, 99
- financial requirements, 28
  - Business Expenses, 34
  - business insurance, 30
  - Critical Illness, 28
  - Critical Illness, business, 124
  - Critical Illness, personal, 122
  - financial underwriting, 121
  - Income Protection, 32
  - Life Cover, 28

- Life Cover, business, 124
- Life Cover, personal, 122
- personal insurance, 28
- TPD, 28
- TPD, business, 30
- TPD, personal, 28
- why financially underwrite, 121

financial underwriting, 119, *See*

- Agreed Value, 32
- asset protection insurance, 125
- Business Expenses, 136
- Business Insurance, purpose of, 124
- business safeguard option, 127
- buy/sell insurance, 124
- Critical Illness, business insurance, 124
- Critical Illness, personal insurance, 122
- earnings, other, 130
- earnings, 129
- employee, 130
- employer insurance benefits, 135
- Expenses covered, 137
- graduate insurance, 134
- homemakers, 123
- Income Protection Plus—  
Agreed Value, 128
- Income Protection Plus—  
Indemnity Option, 128
- Income Protection Standard, 128
- Income Protection, 128
- Indemnity Option, 128
- joint and several liability, 126
- key person insurance, 125
- Life Cover, business insurance, 124
- Life Cover, personal insurance, 122
- loan guarantee insurance, 125
- Monthly benefit, calculating the, 129
- non-working applicants, 123
- ownership protection insurance, 124
- personal financial questionnaire, 122
- public service employee benefits, 135
- revenue protection insurance, 125
- self-employed, 129
- TPD, business insurance, 124
- TPD, personal insurance, 122
- unearned income and assets, 133
- Who can apply?, 136
- why financially underwrite?, 121

fixed term cover, 169

fixed term insurance cover, 18

flexibility to change, 257

follow-up, new business, 193

forms, 148

fracture, 170

genetics, 167

gout, 171

graduate insurance, 134

health affects applications, 149

heart disease. *See* cardiovascular disease

height, 102, 155, 157

homemakers, 99, 123

hyperlipidaemia, 161

hypertension, 162

IFSA, family history, 166

IFSA Mental Health Guidelines  
 (Guidance Note No. 15), 173

IFSA standards and guidelines, 14

income distribution to spouse / de facto / life  
 partner earnings, 131

Income Protection insurance, 273, *See*

- Farmers Package, 34
- financial requirements, 32
- financial underwriting, 128
- medical requirements, 25
- monthly benefit, calculating, 129
- part-time workers, 101
- occupation classes, 41

Income Protection and Business Expenses third  
 party ownership, 246

Income Protection Plus (Farmers Package), 280

increases
 

- medical requirements, 144

Indemnity Option, *See*

- financial requirements, 32
- financial underwriting, 128

Indemnity Option (Plus), Indemnity Benefit  
 (Standard) and Agreed Value (Plus), 278

Inflation Linked Option, 257

Interim Accident Insurance, 258

Investment and Financial Services Association.  
*See* IFSA

investment income and assets earnings, 133

Joint and several liability, 126

joint/musculoskeletal disorders, 170

key person insurance, 30, 125, 127

lapsed policies
 

- reinstating, 194

large case specialists, 184

LCS Income Protection benefits may not be  
 released to the client, 280

leave from employment, 100

Legend: type of medical evidence required in  
 addition to the personal statement, 26

Legislation, IFSA standards and guidelines, 14

level premium, 208, 222

level premium rates guaranteed for 5 years, 224

Life Cover, 260, *See*

- claims, 237
- financial requirements, business, 30
- financial requirements, personal, 28
- financial underwriting, business, 124
- financial underwriting, personal, 122
- medical requirements, 23, 24
- occupation classes, 43

Life Cover Super, 245

Lifescreen Australia, 146

loan guarantee insurance, 30, 125

major policy changes, 204

MasterKey deductions, 209, 227

medical requirements. *See*

- arranging, 145
- Legend: type of medical evidence  
 required in addition to the personal  
 statement, 26
- new business, 143

medical underwriting, 141, *See*  
     increases, 144  
     Business Safeguard Option, 144  
     Underwriting medical conditions, 158  
     underwriting questionnaires, 147  
     health pre-assessment, 149

melanoma, 151, 173, 272

memorandum of understanding  
     mental health, 173

mental health, 147, 172  
     memorandum of understanding, 173

Mini Health Check, 145, 146, 147

minimum premium, 221

MLC Life Cover Super—insurance  
     inside super, 245

MLC MasterKey deductions, 225, 227

MLC Online Applications, 185

MLC Online Services, 185

MLC Personal Protection Portfolio—insurance  
     outside super, 245

moles (benign naevus), 174

muscular dystrophy, 150, 271, 272

muscular or tendon injuries, 171

My Work Tracker, 185

New business, medical requirements, 143

New Business and Policy Alterations, 179

new business follow-up procedures, 193

newly self-employed, 101

nominating a beneficiary, 262

non-cash personal benefits as earnings, 132

non-working applicants, 123

Obstructive Sleep Apnoea (OSA). *See* sleep apnoea

Occupation Classification Guide, 37, *See* occupations  
     change of, 96  
     classification tables, 44  
     classifications, 41  
     Critical Illness, 43  
     hard-to-classify, 96  
     help, 40  
     how classified, 39  
     Income Protection, 41  
     Life Cover, 43  
     multiple. *See* occupations, two or more  
     special eligibility categories, 98  
     TPD, 43  
     two or more, 96  
     underwriting, 95  
     unlisted, 97

Occupation Underwriting Guide, 93

one policy fee, 257

Online Applications, 185

online services, 185

Optional Lifetime Accident Benefit, 278

outstanding requirements, 7, 182, 193

Own Occupation definition  
     of TPD, 28, 43, 264

Ownership Protection or  
 Buy/Sell Insurance, 30, 31, 124

packaging insurance within a PPP policy for  
 multiple Lives Insured, 249

Paramedical Examination, 146

paramedical services, 146

- part-time workers, 101
- Pastimes Table and Guide, 105, *See* pastimes
  - classification tables, 109
  - classifications, 108
  - how classified, 107
- pathology collection, 146
- PDS and Application Form, 182
- permanent resident of Australia must your client be a, 187
- Personal Financial Questionnaire, 122, 147
- personal insurance
  - financial requirements, 28
  - financial underwriting, 122
- Personal Protection Portfolio, 245
- Philosophy Statement, 13
- plain talk, 257
- PMAR, what is, 145
- policy alterations. *See* alterations to existing policies
- policy amendments, 16
- policy structures, 245
- postnatal depression, 172
- premium
  - minimum, 221
  - structure, 222
- premium discount on commission, 215
- premium information, 219
- premium rates, 221
- Premium Waiver insurance, 285
- premiums
  - how clients can pay, 225
  - payment options available, 225
- Privacy, 15
- Product Information, 243
- Professional sportspeople, 101
- Proof of Loss, 236
- public service employee and employer insurance benefits, 135
- qualifying periods, 269
- Reinstating, 194, *See*
  - cancelled applications, 194
  - lapsed policies, 194
- remuneration for special cases, 215
- remuneration on Buy Back benefits, 211
- remuneration on rewritten business, 211
- remuneration on substitute business, 213
- remuneration rate, 210
- repetitive strain injuries, 171
- replacement business, 191
- residency, 187
- responsibility period, 215
- retrenchment, 285, 286
- Revenue Protection insurance, 30, 125
- seasonal workers, 101
- sebaceous cysts, 174
- self-employed
  - earnings, 129
  - newly, 101
- service pensions
  - earnings, 134
- skin lesions, 173
- sleep apnoea, 175

- smoker,
  - alteration to non-smoker form, 148, 199
- smoking.
  - See underwriting medical conditions, 176
- Special Risk
  - Income Protection, 274
  - occupations, 42
- split premium structures, 224
- sportspeople
  - professional, 101
- squamous cell carcinoma (SCC), 174
- stamp duty
  - connected benefits, 255
  - stand-alone Critical Illness insurance, 268
- Standard Health Evaluation, 146
- Standard or Plus—a choice of insurances, 248
- stepped premium, 223
- structuring insurance between policies using Connected Benefits, 253
- substitute business rules, 211
- sunspots (solar keratosis), 174

Total and Permanent Disability. See TPD.

TPD, 264

- claims, 238
- financial requirements, business, 30
- financial requirements, personal, 28
- financial underwriting, business, 124
- financial underwriting, personal, 122
- homemakers, 99
- medical requirements, 23, 24
- occupation classes, 43
- part-time workers, 101
- pastimes tables, 109
- travel, 187
- UHG, 145, 146
- underwriting medical conditions, 158
- underwriting, occupation, 95
- underwriting, financial, 119
- underwriting philosophy, 11
- underwriting questionnaires, 147
- Underwriting requirements tables. See medical requirements and financial requirements
- Underwriting service, 7
- unearned income and assets, 133

website

- MLC, 7

- weight, 155, 157
- working at heights, 102
- working at home, 102
- working more than 60 hours per week, 102





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## MLC Insurance

### **How to contact MLC**

For more information call the MLC Adviser Service Centre from anywhere in Australia between 8 am and 7 pm AEST/AEDT.

If you wish to talk to an underwriter call the Underwriting Hotline between 8.30 am and 5.30 pm AEST/AEDT or alternatively contact your MLC representative

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