

MLC Insurance

MLC Insurance (Super)

Supplementary Product Disclosure Statement (SPDS)

This SPDS supplements and should be read together with the MLC Insurance and MLC Insurance (Super) Product Disclosure Statement dated 10 September 2012.

Please read this SPDS carefully to make sure you understand the changes described and how they affect you.

Important: The changes marked with * relate to super legislation and will apply for new insurance inside super that starts from 1 July 2014. These changes don't affect insurance outside super, or increases to existing insurance.

These legislative changes mean certain types of insurance are no longer available inside super, including through self-managed super funds (SMSFs). Some of the definitions have additional requirements that need to be met before insurance benefits can be payable.

This SPDS is effective from 2 June 2014

Change	How this affects you	Changes to the PDS
Total and Permanent Disability (TPD) definitions*	<p>If your insurance is through super, from 1 July 2014 the following changes will apply to your insurance benefits:</p> <ul style="list-style-type: none"> • TPD Own Occupation is no longer available (you can only have Any Occupation) • You will need to meet the definition of Permanently Incapacitated for benefits to be payable. 	<p>On page 15, please replace the information in the callout box describing Own Occupation and Any Occupation with Change 1 shown on page 6 of this SPDS.</p> <p>On page 96, please add the following new definition: Permanent Incapacity and Permanently Incapacitated means the Member's ill-health (whether physical or mental) which makes it unlikely that the Member will ever engage in Gainful Employment for which the Member is reasonably qualified by education, training or experience.</p> <p>On page 109, please replace the table under the section What is Total and Permanent Disability? with Change 4 shown on page 8 of this SPDS.</p>

Table continues on the next page.

Preparation date:
2 June 2014

This SPDS was prepared by MLC Limited
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Issuer of MLC Insurance

and MLC Nominees Pty Limited
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AFSL 230702 RSE L0002998
Issuer of MLC Insurance (Super)

Trustee for The Universal Super Scheme
ABN 44 928 361 101
R1056778 SFN 281440944

Change	How this affects you	Changes to the PDS
Income Protection definitions*	<p>If your insurance is through super, from 1 July 2014 you will need to meet the definition of Temporary Incapacity for benefits to be payable.</p>	<p>On pages 33 and 35, please add the following at the bottom of each page:</p> <p>For Income Protection Platinum, Income Protection and Income Protection (Special Risk) insurance inside super that commenced from 1 July 2014, you must also satisfy a period of Temporary Incapacity as defined on page 96.</p> <p>On page 96, please add the following new definition (as referred to above):</p> <p>Temporary Incapacity and Temporarily Incapacitated means the Member's ill health (whether physical or mental) which causes the Member to:</p> <ul style="list-style-type: none"> • cease to be Gainfully Employed, or • cease temporarily to receive any gain or reward under a continuing arrangement for the Member to be Gainfully Employed (including paid leave such as sick leave).
Terminal Illness definition*	<p>If your insurance is through super, from 1 July 2014 a Terminal Illness will need to be diagnosed by two Doctors instead of just one for benefits to be payable.</p>	<p>On page 12, please replace the section What is a terminal illness? with:</p> <p>What is a terminal illness?</p> <p>For insurance outside super, terminal illness means an injury that, in the opinion of one Specialist approved by us, is likely to lead to your death within 12 months of the date we're notified in writing by the approved Doctor.</p> <p>For insurance inside super, terminal illness means an illness that, in the opinion of two Doctors, one of whom is a Specialist approved by us, is likely to lead to death within 12 months of the date the Doctors certify the condition ("the Certification Period"). We must be notified in writing about the terminal illness within the Certification Period.</p>
Accidental Injury Benefit*	<p>If your insurance is through super, from 1 July 2014 you will need to meet the definition of Permanently Incapacitated for benefits to be payable.</p>	<p>On page 79, please add the following as the last bullet point in the section Conditions that apply to the Accidental Injury Benefit:</p> <ul style="list-style-type: none"> • For insurance inside super that first commenced from 1 July 2014, you must also be Permanently Incapacitated, as defined on page 96, to be eligible for an Accidental Injury Benefit.
Accessing your MLC Insurance (Super) benefits*	<p>From 1 July 2014 changes to super regulations mean that Trustees can only provide insurance benefits to members if the benefit meets a super condition of release.</p>	<p>On page 73, please replace the first two paragraphs of the Section Accessing your MLC Insurance (Super) benefits with:</p> <p>Accessing your MLC Insurance (Super) benefits</p> <p>Under MLC Insurance (Super) insurance benefits are paid to the Trustee, who then passes them on to you.</p> <p>If you don't meet a super condition of release for any reason, the Trustee can't release the benefit to you. For example, if an overpaid premium needs to be refunded.</p> <p>If this happens the Trustee will hold the benefit in the Scheme as a preserved benefit, until you satisfy a condition of release. We'll seek instruction from you as to where you'd like your benefit to be held.</p> <p>From 1 July 2014, the Trustee is required to provide insurance benefits that are consistent with a super condition of release. The table below describes which insurance benefits in MLC Insurance (Super) are consistent with the conditions of release.</p>

Table continues on the next page.

Change	How this affects you	Changes to the PDS
TPD Optimiser	This is a new feature which allows you to have your Total and Permanent Disability (TPD) insurance both inside super and outside super.	Please add the following new sections: <ul style="list-style-type: none"> on the bottom of page 54 add Change 2 shown on page 6 of this SPDS on page 96 add Change 3 as shown on page 7 of this SPDS.
Income Protection Insurance Advance Payment Benefit	We'll pay Advance Payment Benefits regardless of your Waiting Period.	On page 41, please remove the first sentence next to the tables as shown below: "If your Waiting Period is more than 30 days, the Advance Payment Benefit period will be reduced by your Waiting Period."
Early Stage Melanoma definition	The definition of Early Stage Melanoma is now more clearly defined.	On page 102, please replace the definition for Early Stage Melanoma with: Early Stage Melanoma The presence of one or more malignant melanomas. The melanoma must be less than or equal to 1.0 mm depth of invasion or Clark Level 3. The diagnosis must be by biopsy. The malignancy must be characterised by the uncontrollable growth and spread of malignant cells.
Eligible MLC accounts	This information is now on a new web page. Please go to mlc.com.au/eligibleMLCaccounts to view this document.	On page 68, please replace the website reference in the section How can you pay your premium with: mlc.com.au/eligibleMLCaccounts .
Financial Planning Benefit	You now have more time to claim a Financial Planning Benefit—within 12 months instead of six months.	On page 90, please replace the first bullet point under Financial Planning Benefit with: <ul style="list-style-type: none"> must be claimed within twelve months of the date on which we pay the lump sum benefit, and
Heart Attack definition	The definition of Heart Attack has been changed to remove one form of evidence that a Heart Attack has happened.	On page 103, please remove the reference to T wave inversion under the definition of Heart Attack as follows: Heart Attack (Myocardial Infarction) means the death of part of the heart muscle because of inadequate blood supply, confirmed by a Cardiologist and evidenced by: <ul style="list-style-type: none"> typical rise and/or fall of cardiac biomarkers with at least one value above the 99th percentile of the upper reference range together with either: <ul style="list-style-type: none"> new serial ECG changes showing the development of any one of the following: <ul style="list-style-type: none"> ST elevation T wave inversion left bundle branch block (LBBB), or pathological Q waves, or imaging evidence of new and irreversible: <ul style="list-style-type: none"> loss of viable myocardium, or regional wall motion abnormality. If the clinical pathway and disease management on hospital discharge for any medical event or investigation is not consistent with an acute myocardial infarction, then a claim is not payable under this policy. Myocardial infarctions arising from elective percutaneous procedures are excluded. If the above tests are inconclusive or superseded by technological advances, we'll consider other appropriate and medically recognised tests.

Table continues on the next page.

Change	How this affects you	Changes to the PDS
<p>How does partial disability work?</p>	<p>The way partial disability benefits are calculated has changed. Where you're not working to the extent of your capabilities for reasons other than sickness or injury, your benefit will be calculated on your loss of income solely as a result of sickness or injury, and not on the loss of income for the other reasons.</p>	<p>On page 36, please add the following as the second and third paragraphs under the section How does partial disability work?</p> <p>If you're:</p> <ul style="list-style-type: none"> • Partially Disabled, • not working to the extent of your capability as a result of causes other than Sickness or Injury, and • this situation continues for at least 2 months, <p>then Earning after Disability will be calculated based on what you could reasonably be expected to earn if you were working to the extent of your capability.</p> <p>In calculating what you could reasonably be expected to earn if you were working to the extent of your capability, we will take into account:</p> <ul style="list-style-type: none"> • available medical evidence (including the opinion of your Medical Practitioner), and • any other relevant considerations directly related to your medical condition (including information provided by you).
<p>Benefits from other sources that won't reduce Income Protection benefits</p>	<p>In some instances you can claim benefits from other sources (like workers compensation) without reducing your insurance benefits. This feature is no longer available for some professional occupations. Your financial adviser will help you work out if your occupation is eligible.</p>	<p>On page 36, please replace the sub section For Income Protection Platinum in the section What if you can Claim from Another Source with:</p> <p>For Income Protection Platinum:</p> <p>For some professional occupations such as surgeon, accountant and solicitor, we won't adjust your benefit. Your financial adviser will help you work out if your occupation is eligible.</p>
<p>Regular Medical Treatment</p>	<p>Regular medical treatment is now more clearly defined.</p>	<p>On page 42, please add the following section:</p> <p>Regular medical treatment</p> <p>Income Protection benefits will only be paid while you are being regularly treated or monitored (as appropriate to your condition) by an appropriately qualified Doctor.</p> <p>Regular treatment includes following the reasonable advice of your Doctor such as taking prescribed medication or complying with the recommended treatment regime.</p>
<p>Doctor</p>	<p>The definition of Doctor is now more clearly defined.</p>	<p>On page 87, please replace the definition of Doctor with:</p> <p>Doctor means a registered medical practitioner in Australia or in another country approved by us. This does not include you or any of your family members. Where reasonable we require the Doctor to be a Specialist.</p>
<p>When do benefits end?</p>	<p>Income Protection benefit payments will now end if you unreasonably refuse to undergo or comply with recommended medical treatment or rehabilitation to reduce your disability.</p>	<p>On page 42, please replace the section When do Benefits end? with:</p> <p>When do Benefits end?</p> <p>We'll continue to pay your benefits until:</p> <ul style="list-style-type: none"> • you stop being Totally or Partially Disabled • you reach the maximum benefit period • you unreasonably refuse to undergo or comply with recommended medical treatment or rehabilitation to reduce your disability, or • your Income Protection insurance ends.

Table continues on the next page.

Change	How this affects you	Changes to the PDS
Policy Fee	The policy fee will be waived where premiums are being deducted from eligible Masterkey Fundamentals accounts.	On page 70, please replace the second last paragraph under the section Policy Fee with: Your policy fee will also be waived if your premiums are deducted from an eligible investment or superannuation account. See mlc.com.au/eligiblemlcaccounts for the list of eligible accounts this applies to.
Privacy wording	The Privacy Notification has been updated to comply with privacy legislation changes which are law from 12 March 2014.	On pages 60 and 61, please replace the Privacy Notification section with Change 5 shown on pages 9 and 10 of this SPDS.

TPD Definitions (including TPD Optimiser)

Change 1: On page 15, please replace the Own Occupation / Any Occupation callout box with:

Own Occupation (available outside super only)

If you choose this definition, we'll assess your likely ability to ever be able to work again, taking into account your own occupation. This means you may be eligible for your TPD insurance benefit if you can't work in your own occupation, even if you may be able to work in another occupation.

You'll be charged a higher premium if you choose Own Occupation. Not all occupations are eligible for this definition.

Any Occupation

If you choose this definition, we'll assess your likely ability to ever be able to work again, taking into account not only your occupation, but also any occupation which you're reasonably suited to by way of education, experience or training.

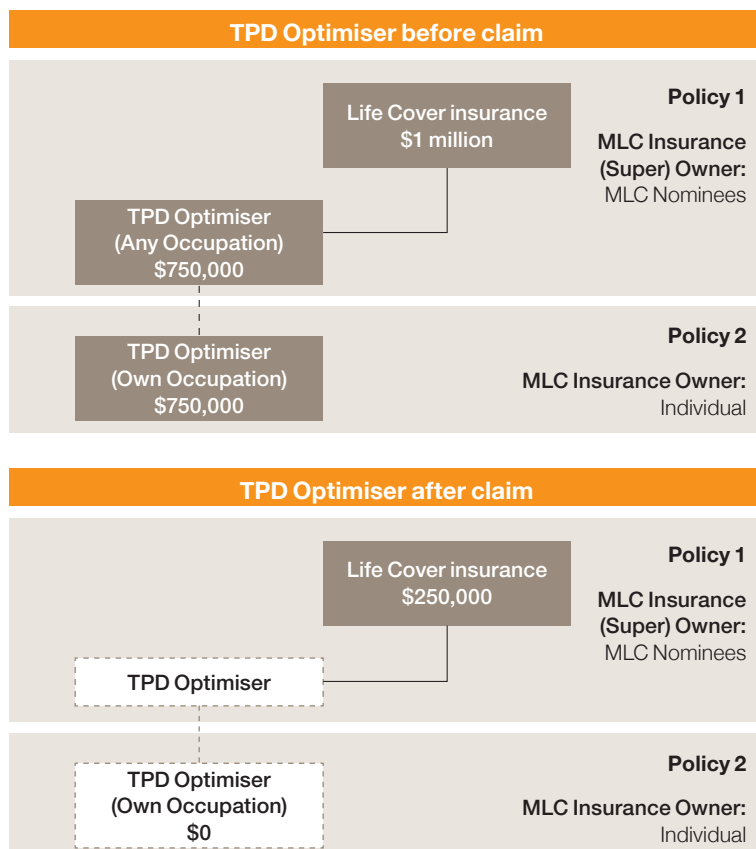
For full details of when a TPD insurance benefit may be payable, please see page 109. For MLC Insurance (Super) there may also be tax and super legislation implications, depending on your choice of definition. Please see pages 71 and 72.

TPD Optimiser – an effective way to structure your Own Occupation cover

You can now choose to have your TPD cover inside and outside super. Your financial adviser can help you decide if this structure is right for you. For more information on how it works go to page 96.

Change 2: On page 55, please add the following section:

Example



Two insurance policies are held, but are connected. The Life Cover insurance and TPD Optimiser (Any Occupation) are held inside super and owned by MLC Nominees.

TPD Optimiser (Own Occupation) is held outside super and owned by an individual. It is an extension to the insurance held inside super.

Following a TPD event, the claim is assessed on TPD Optimiser (Any Occupation).

If a benefit does not meet the 'Any Occupation' definition, it is assessed on the TPD Optimiser 'Own Occupation' definition outside super.

When the TPD benefit of \$750,000 is paid under either of the Optimiser insurances, both are reduced to zero.

TPD insurance has now ended.

Life Cover insurance is also reduced by the amount of the claim paid

Change 3: On page 96, please add the following section:

TPD Optimiser	<p>You can apply for your TPD insurance using both Any and Own Occupation definitions. The Any Occupation part of your TPD insurance is held inside super. The Own Occupation part of your TPD insurance is held outside super.</p> <p>How does it work?</p> <p>The total cost for your TPD Optimiser insurance is equivalent to Own Occupation TPD insurance. The premiums will be split and consist of:</p> <ul style="list-style-type: none">• the Any Occupation part, which will be paid through your MLC Insurance (Super) policy• the Own Occupation part, which will be paid through your MLC Insurance policy (outside super). <p>What happens if you claim?</p> <p>If you become Totally and Permanently Disabled by meeting the 'Any Occupation' definition, your TPD benefit will be paid under the MLC Insurance (Super) policy. The part of your TPD insurance outside super will end.</p> <p>If you become Totally and Permanently Disabled and don't meet the Any Occupation definition but do meet the Own Occupation definition, your benefit will be paid under your MLC Insurance policy (outside super), and the part of your TPD insurance inside super will end.</p> <p>You can only receive a TPD Optimiser benefit under one of the benefit definitions.</p> <p>A benefit paid on your TPD Optimiser insurance will end that insurance on both policies and reduce the Life Cover and/or Critical Illness insurance it's attached to, as described on page 51.</p> <p>What are the conditions for TPD Optimiser?</p> <ul style="list-style-type: none">• TPD Optimiser must have the same benefit amount and the same options (except for the definition of TPD) across both policies.• All alterations, additions, reductions and cancellations of the TPD Insurance must be applied equally to both policies.• Your TPD insurance held outside super will end on the review date after you turn 65 as the TPD definition will change. Your TPD insurance inside super will continue using the Loss of Independence definition (see page 110). The conditions for continuing to pay premiums through super are on page 74.
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Change 4: On page 109, please replace the first table under the section **What is Total and Permanent Disability?** with:

What is Total and Permanent Disability?

You are Totally and Permanently Disabled	If your insurance is inside super and commenced from 1 July 2014 (in MLC Insurance Super or in an SMSF) you must be Permanently Incapacitated, as defined on page 96, and you must have either:	If your insurance is outside super you must have either:
	a disability resulting from sickness or injury and, as a result of your disability, you have been completely unable, and are unlikely ever to be able, to work, according to your Occupation Definition at the time of claiming, and these circumstances have existed continuously for at least three months,	
	OR	
	a disability resulting from sickness or injury and you suffer a permanent impairment of at least 25% of Whole Person Function so that you are completely unable, and are unlikely ever to be able, to work according to your Occupation Definition,	
	OR	
suffered the total and irrecoverable loss of any of: <ul style="list-style-type: none"> • 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. 		

Change 5: On pages 60 and 61, please replace the **Privacy Notification** with:

Privacy notification

The notification tells you how we (MLC Limited and MLC Nominees Pty Limited) collect your information, what we use it for and who we share it with. It also points out some key features of our Privacy Policy available at mlc.com.au/privacy

How we collect information

We'll collect your personal information from you directly whenever we can.

Sometimes we collect your personal information from third parties. Sometimes we collect information about you from other sources, for example, from your doctor, medical professionals, medical facilities or health authorities who verify any health information you may provide.

Instances of when we may need to collect information from third parties include:

- where we can't get hold of you and we rely on publicly available information to update your contact details;
- when we need information from your doctor or medical professional, or your employer, about a claim you have made or your medical history;
- at your request, we exchange information with your legal or financial advisers or other representatives.

You may not be aware that we have done so (for example, when we collect information about you from an investigator) and in such a case if we collect information that can be used to identify you, we will take reasonable steps to let you know of that collection.

We may collect information about you because we are required or authorised by law to collect it. There are laws that affect financial institutions, including company and tax law, which require us to collect personal information, for example, we require personal information to verify your identity under Commonwealth Anti-Money Laundering law.

How we use your information

We use your information to provide you with the product or service you asked for, and for other purposes including:

- giving you information about a product or service;
- considering whether you are eligible for a product or service;
- processing your application and providing you with a product or service;
- administering the product or service we provide you, which includes answering your requests and complaints, varying products and services and managing our relevant product portfolios;
- identifying you or verifying your authority to act on behalf of a customer;
- assisting in arrangements with other organisations (such as loyalty partners) in relation to a product or service we make available to you;
- allowing us to run our business and perform administrative and operational tasks, such as: training staff; developing and marketing products and services; risk management; systems development and testing, including our websites and other online channels; undertaking planning, research and statistical analysis;
- determining whether a beneficiary will be paid a benefit;
- preventing or investigating any fraud or crime, or any suspected fraud or crime;
- as required by law, regulation or codes binding us; and
- for any purpose for which you have given your consent.

We use your information to tell you about other products or services that may be of interest to you, or running competitions and other promotions (this can be via email, telephone, SMS, iM, mail, or any other electronic means including via social networking forums) unless you tell

us not to. You can let us know at any time if you no longer wish to receive direct marketing offers from the Group. We will process your request as soon as practicable.

What happens if you don't provide your information to us?

If you don't provide your information to us, we may not be able to:

- provide you with the product or service you want;
- manage or administer your product or service, for example, assess a claim, or pay a benefit under a policy or product;
- verify your identity or protect against fraud; or
- let you know about other products or services from our Group that might better meet your financial, e-commerce and lifestyle needs.

Sharing Your Information

We may share your information with other organisations for any purposes for which we use your information.

MLC Limited and MLC Nominees Pty Limited are part of the NAB Group, comprising National Australia Bank Ltd ABN 12 004 044 937 and its related companies (the 'Group') which includes all the banking, financing, funds management, financial planning, superannuation, insurance, broking and e-commerce organisations in the Group. We may share your personal information with other Group members. This could depend on the product or service you have applied for and the Group member you are dealing with.

We may need to share your personal information at your request - for instance, your representative or any person acting on your behalf (for example, financial advisers, lawyers, settlement agents, accountants, executors, administrators, trustees, guardians, brokers or auditors), and your referee such as your employer (to confirm details about you).

We may disclose your personal information to third parties (outside of the Group) including:

- those involved in providing, managing or administering your product or service;
- authorised representatives of the Group who sell products or services on our behalf;
- superannuation and managed funds organisations and their advisers; and, if your insurance is held in super, to superannuation organisations and their advisers;
- medical professionals, medical facilities or health authorities who verify any health information you may provide;
- valuers, insurers, re-insurers, claims assessors and investigators;
- brokers or referrers who refer your application or business to us;
- loyalty program partners;
- other financial institutions, such as banks;
- organisations involved in debt collecting, including purchasers of debt;
- fraud reporting agencies (including organisations that assist with fraud investigations and organisations established to identify, investigate and/or prevent any fraud, suspected fraud, crime, suspected crime, or misconduct of a serious nature);
- government or regulatory bodies (including ASIC and the ATO) as required or authorised by law (in some instances these bodies may share it with relevant foreign authorities);
- our accountants, auditors or lawyers and other external advisers;
- guarantors and prospective guarantors of your facility;
- organisations that maintain, review and develop our business systems, procedures and technology infrastructure, including testing or upgrading our computer systems;

- organisations that participate with us in payments systems including merchants, payment organisations and organisations that produce cards, cheque books and statements for us;
- our joint venture partners that conduct business with us;
- organisations involved in a corporate re-organisation or transfer of Group assets or business;
- organisations that assist with our product planning, research and development;
- mailing houses and telemarketing agencies who assist us to communicate with you;
- other organisations involved in our normal business practices, including our agents and contractors; and
- where you've given your consent.

We will only use and share your sensitive information in accordance with the Privacy Act.

Sharing outside Australia

We run our business in Australia and overseas. We may need to share some of your information (including credit information) with organisations outside Australia. Sometimes, we may need to ask you before this happens. You can view a list of the countries in which those overseas organisations are located at mlc.com.au/privacy. We may store your information in cloud or other types of networked or electronic storage. As electronic or networked storage can be accessed from various countries via an internet connection, it's not always practicable to know in which country your information may be held. If your information is stored in this way, disclosures may occur in countries other than those listed. Overseas organisations may be required to disclose information we share with them under a foreign law. In those instances, we will not be responsible for that disclosure.

Contact Us

We care about your privacy and welcome your feedback. Please contact us if you have any questions or comments about our privacy policies and procedures.

Accessing or correcting your Information

You can ask us to access information or to correct information that we hold about you. You can find out how to access and correct your information by reading our Privacy Policy

Complaints

If you have a complaint about a privacy issue, please tell us about it. You can find out how to make a complaint and how we will deal these complaints, by reading our Privacy Policy.

Our Privacy Policy

Our Privacy Policy is available at mlc.com.au/privacy or by calling **132 265** and asking us for a copy.

(Hearing impaired customers can call TTY 13 36 77.)

Important information

MLC and the Trustee, as joint issuers of this SPDS, take full responsibility for the whole of the SPDS.

The full legal terms and conditions for each product are contained in their respective policy documents, which may be obtained free of charge, on request.

In providing this information we haven't taken account of your objectives, financial situation or needs. Because of this, before acting on this information you should consider whether the information in this SPDS is appropriate having regard to your situation.

MLC receives your insurance premiums and your claim is paid from MLC's Statutory Fund No.1.

MLC Insurance and MLC Insurance (Super) is offered only in Australia.

This life insurance is designed purely for protection and isn't a savings plan. It will never have a surrender or cash value.

An MLC Insurance or interest in an MLC Insurance (Super) policy held through the Scheme doesn't represent a deposit or liability with the NAB or other related bodies corporate of NAB (other than MLC as the insurer).

Neither NAB or any of its related bodies corporate (other than MLC as the insurer) guarantees or accepts liability in respect of MLC Insurance and MLC Insurance (Super).

For more information call MLC from anywhere in Australia on 132 652 or contact your adviser.

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