

# Priority Protection

## Supplementary Product Disclosure Statement

Date Prepared 16 March 2015



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**This Priority Protection Supplementary Product Disclosure Statement ('SPDS') supplements information contained in the Priority Protection Product Disclosure Statement ('PDS'), Version 14, Date Prepared 1 December 2014. This SPDS must be read in conjunction with the PDS.**

This SPDS is issued by:

1. AIA Australia Limited (ABN 79 004 837 861 AFS Licence No. 230043), who is the issuer of life risk insurance policies referable to Priority Protection; and
2. The Trust Company (Superannuation) Limited, ABN 49 006 421 638, AFS Licence No. 235153 (Trustee), who is the trustee of the AIA (Insurance) Super Scheme (**Scheme**), a product issued out of LESF Super ABN 13 704 288 646 and the issuer of a risk-only superannuation product that provides the Superannuation Life Cover Plan and the Superannuation Income Protection Plan benefits to members of the Scheme.

AIA Australia Limited and The Trust Company (Superannuation) Limited each takes full responsibility for the entirety of this SPDS.

This SPDS has been issued to inform you of the following important amendments to the PDS as a result of changes:

With effect from 30 March 2015, the Trustee will start to issue a risk-only superannuation product that provides the Superannuation Life Cover Plan and the Superannuation Income Protection Plan to new customers in the Scheme and will no longer offer a risk-only superannuation product offering that provides cover to new customers in the AIA Superannuation Fund, ABN 78 757 377 348 (**Fund**). This change does not affect existing customers who acquired an interest in the Fund before 30 March 2015.

The change will result in the following:

- The Trust Company (Superannuation) Limited will be the issuer of the risk-only superannuation product that provides the Superannuation Life Cover Plan and the Superannuation Income Protection Plan to members of the Scheme under the PDS and this SPDS on and from 30 March 2015.
- With effect from 30 March 2015, the Trustee will issue the risk-only superannuation product that provides the Superannuation Life Cover Plan and the Superannuation Income Protection Plan to members of the Scheme and applicants for that product will need to apply to become members of the Scheme before the product can be issued to them. Any application made from 16 March 2015 is on the basis of the PDS and the information in this SPDS applying to the product that will be issued to you. The application form will not be processed before 30 March 2015. **Customers who require cover urgently should note that if an application is made to the Trustee for this risk-only superannuation product on or after 16 March 2015 and before 30 March 2015, that application cannot be processed or issued until 30 March.**
- With effect from 30 March 2015, The Trust Company (Superannuation) Limited as trustee of the Fund will not otherwise accept any new memberships for the Fund.
- If a member of the Scheme funds the cost of the Superannuation Life Cover Plan or the Superannuation Income Protection Plan by rolling over or transferring amounts from an external complying superannuation fund yearly or half-yearly in advance, that member will only need to rollover or transfer 85% of the premium requested by AIA Australia in connection with their cover. This is because the member will be entitled to a 15% rollover rebate reducing premiums payable in connection with their Superannuation Life Cover Plan or the Superannuation Income Protection Plan cover. The benefit of the rebate may be withdrawn or changed. However, we will notify you if this happens.

The terms 'Superannuation Life Cover Plan' and 'Superannuation Income Protection Plan' when used in this SPDS have the same meaning as given in the PDS.

## Structuring Priority Protection through superannuation

(Inside front cover of the PDS)

With effect from 30 March 2015, the following paragraph is deleted:

The Superannuation Life Cover Plan and the Superannuation Income Protection Plan can be acquired through a self-managed superannuation fund if you are a member of the fund. Alternatively, you can become a member of the AIA Superannuation Fund, ABN 78 757 377 348 (**'the Fund'**) in which case:

- you will be issued with a risk-only superannuation product in the Fund, with superannuation benefits referable solely to the Superannuation Life Cover Plan and/or the Superannuation Income Protection Plan;
- the Policy will be owned by The Trust Company (Superannuation) Limited, ABN 49 006 421 638, AFS Licence No. 235153, (**'Trustee'**), as the trustee of the Fund; and
- all premiums and benefit payments will be made through the Fund and are therefore subject to restrictions under superannuation law.

Please note: your cooling off rights and the external dispute resolution scheme to deal with any complaints about the product are different, depending on whether the issuer is AIA Australia or the Trustee.

and is replaced with the following:

The Superannuation Life Cover Plan and the Superannuation Income Protection Plan can be acquired through a self-managed superannuation fund if you are a member of the fund. Alternatively, you can become a member of the AIA (Insurance) Super Scheme (**'Scheme'**), a product issued out of LESF Super ABN 13 704 288 646 in which case:

- you will be issued with a risk-only superannuation product in the Scheme, with superannuation benefits referable solely to the Superannuation Life Cover Plan and/or the Superannuation Income Protection Plan;
- the Policy will be owned by The Trust Company (Superannuation) Limited, ABN 49 006 421 638, AFS Licence No. 235153, (**'Trustee'**), as the trustee of the Scheme; and
- all premiums and benefit payments will be made through the Scheme and are therefore subject to restrictions under superannuation law.

Please note: your cooling off rights and the external dispute resolution scheme to deal with any complaints about the product are different, depending on whether the issuer is AIA Australia or the Trustee.

## 'AIA Superannuation Fund' section

With effect from 30 March 2015:

- The section named 'AIA Superannuation Fund' on page 65 of the PDS is renamed to 'AIA (Insurance) Super Scheme';
- The words 'Fund Trust Deed' towards the end of the first paragraph of the first column on page 65 of the PDS are replaced with the words 'Trust Deed governing the Scheme';

- The following sentence on page 65 of the PDS is deleted:  
'The Fund is a regulated superannuation fund under the Superannuation Industry (Supervision) Act 1993 and is governed by a trust deed.'

and is replaced with:

'The Scheme is a product issued out of LESF Super that is a regulated superannuation fund under the Superannuation Industry (Supervision) Act 1993 and is governed by a trust deed.'

- Directly above the shaded box under the heading 'Membership of AIA Superannuation Fund' on page 65, insert the following:  
'You must fund the cost of the entire premium for your policy by way of contribution to the Scheme or alternatively by way of a rollover or transfer from another complying superannuation fund.'

- In the sub-section titled 'Can I transfer money from other superannuation funds?', on page 65, insert the following below the first paragraph:

'If you fund the cost of the Superannuation Life Cover Plan or the Superannuation Income Protection Plan by rolling over or transferring amounts from an external complying superannuation fund yearly or half-yearly in advance, you will only need to rollover or transfer 85% of the premium requested by AIA Australia in connection with your cover. This is because you will be entitled to a 15% rollover rebate reducing premiums payable in connection with your Superannuation Life Cover Plan or the Superannuation Income Protection Plan cover. The benefit of the rebate may be withdrawn or changed. However, we will notify you if this occurs.'

- The first paragraph on page 66 of the PDS should be replaced with the following:

'The Trustee cannot provide new members of the Scheme with cover for insured benefits unless the relevant insured event is consistent with the following conditions of release under superannuation law:'

- The sub-section titled 'Operational Risk Reserve' on page 68 is deleted in its entirety.

- In the sub-section titled 'Website disclosures', on page 68 references to 'Fund' are replaced with 'LESF Super'.

## Other references to the 'AIA Superannuation Fund' or 'Fund'

With effect from 30 March 2015:

- all other references in the PDS to the 'AIA Superannuation Fund' are replaced with 'AIA (Insurance) Super Scheme'; and
- all other references to 'Fund' are replaced with 'Scheme'.

### Important contact information

**Should you have any questions or concerns about your policy please contact your adviser in the first instance or us direct on 1800 333 613.**

**You can also visit [aia.com.au](http://aia.com.au) for additional contact details and further information.**