

■ Who should read this fact sheet?

The information in this fact sheet applies to all ESI Super members other than members in the Defined Benefit section of the Fund or NRG GOS employees who are covered by other insurance arrangements.

■ What insurance cover does ESI Super offer?

ESI Super offers three types of insurance cover:

- Income Protection (detailed in this fact sheet)
- Death and Total and Permanent Disablement (TPD) (detailed in a separate fact sheet), and
- Death Only cover (detailed in a separate fact sheet).

All these insurances are offered to you at competitive rates. You are generally covered worldwide 24 hours a day, seven days a week, whether you are at work, at home or on holiday.

■ What level of cover am I eligible to receive when I join?

The insurance cover you are initially eligible to receive is determined by how you join ESI Super, either **through an ESI Super employer** or **by direct application**.

Joining through an ESI Super employer

You will receive automatic cover if your employer nominates and pays for a set number of units of Income Protection cover for you. If your employer does not pay for any units for you, you can apply for cover in the *Member application* Form when you first join.

Joining by direct application

You do not receive an automatic level of cover when you join ESI Super. However, you can apply for Income Protection cover in the *Member application* Form when you first join.

■ Am I eligible for cover?

You are eligible to apply for Income Protection cover providing you are a member of ESI Super and are 'Actively at Work' earning an 'Income'. You are not required to provide evidence of your good health when you apply. However, any pre-existing sickness will be excluded for two years from the commencement of your cover (see page 3 for a definition of pre-existing sickness).

■ When does cover start?

Cover starts on the day you join ESI Super and are 'Actively at Work' or, if you joined through your employer, on the day you commenced work with your employer providing you are 'Actively at Work' on that day (see page 37 of the *ESI Super Member Guide* for definition of 'Actively at Work').

■ Is there a waiting period?

Yes, you can choose from one of the three waiting periods: 30, 60 or 90 days.

■ How much does it cost?

The cost you pay for each unit of Income Protection your insurance depends on the waiting period you choose.

	30 day waiting period (cost/unit/week)	60 day waiting period (cost/unit/week)	90 day waiting period (cost/unit/week)
If you have workers' compensation	\$0.472	\$0.361	\$0.290
If you do not have workers' compensation	\$0.743	\$0.565	\$0.452

The cost of your insurance is deducted from your ESI Super account monthly.

■ How do I calculate my level of cover?

The value of each unit of Income Protection cover is \$500 per month.

Your insured benefit = number of units purchased x \$500 per month.

You can use these tables to estimate what Income Protection cover you require to get maximum allowable cover, the benefit that would be paid, and the cost of this cover.

Level of Income Protection needed (for full cover)

Income	Units	Monthly benefit	Cost per week for 2 year depending on your waiting period		
			30 day	60 day	90 day
\$14,117.65	2	\$1,000.00	\$0.944	\$0.722	\$0.580
\$28,235.29	4	\$2,000.00	\$1.888	\$1.444	\$1.160
\$42,352.94	6	\$3,000.00	\$2.832	\$2.166	\$1.740
\$56,470.59	8	\$4,000.00	\$3.776	\$2.888	\$2.320
\$70,588.24	10	\$5,000.00	\$4.720	\$3.610	\$2.900
\$98,823.53	14	\$7,000.00	\$6.608	\$5.054	\$4.060
\$127,058.82	18	\$9,000.00	\$8.496	\$6.498	\$5.220
\$155,294.12	22	\$11,000.00	\$10.382	\$7.942	\$6.380
\$183,529.41	26	\$13,000.00	\$12.272	\$9.386	\$7.540

■ What is the maximum amount of cover I can have?

The Income Protection benefit you can receive automatically or apply for, is:

- limited to **85% of your annual income, plus a 10% superannuation contribution** made into your ESI Super account, up to a maximum of a **maximum of \$30,000 per month**.

■ How long will the benefit be paid?

If you qualify for an Income Protection payment, your benefit will be paid for up to two years and then further to age 65 if you have chosen and paid for the option to extend your Income Protection through to age 65.

Payments will initially be made fortnightly in arrears and they will stop if:

- You resume work or are deemed fit to resume work, or
- You die, or
- At the expiry of the two years if your payment period is not extended to age 65, or
- If you reach age 65.

■ What is the cost to extend the payment period to age 65?

If your cover includes the extended payment period to age 65 (which is a separate option that applies after the initial two year period has elapsed) the cost of this cover is as follows:

	2 year + 30 day waiting period (cost/unit/week)	2 year + 60 day waiting period (cost/unit/week)	2 year + 90 day waiting period (cost/unit/week)
	Unit price per week for one unit (\$500 per month benefit)	Unit price per week for one unit (\$500 per month benefit)	Unit price per week for one unit (\$500 per month benefit)
Age bracket	Standard cost	Standard cost	Standard cost
= of < 35	\$0.91	\$0.87	\$0.83
36 to 45	\$1.42	\$1.35	\$1.29
45 to 55	\$3.21	\$3.07	\$2.92
56 +	\$5.28	\$5.04	\$4.80

■ Can I increase, reduce or cancel my cover?

You are able to increase your Income Protection cover at any time, subject to the maximum allowable limits. Pre-existing sickness conditions will again apply for the increased amount of Income Protection cover.

You are also able to reduce or cancel your Income Protection cover at any time.

If you wish to change or cancel your level of Income Protection cover you need to complete a *Change of insurance* Form and return it to us.

Please note: If your employer pays for some units of cover for you, you cannot reduce or cancel this cover.

■ When will cover end?

Your Income Protection cover will end in any of the following ways:

- 60 days after ceasing to be a member of ESI Super, or
- If you cease to be employed, or
- When you reach age 70, or
- If you die, or
- 30 days after a due premium has not been paid, or
- When you have been on unpaid leave for more than 12 months, or
- When cover for every member ceases under the group insurance policy, or
- We receive a written request to cancel your cover.

■ Will cover continue after I leave my employer?

Your cover continues after you leave your employer. However, you must be actively at work to make a claim. You may only make a claim while you are not working if you can supply the Insurer with evidence that you have alternative employment which would have commenced within the 60 day period with another employer and you remain a member of the Fund.

■ How do I qualify for an Income Protection benefit?

You may qualify for an Income Protection benefit if:

- As a result of an injury or sickness you are prevented from engaging in your usual occupation with your employer in Australia and you are still a member of ESI Super. You must have been 'Actively at Work' at the time your injury or sickness occurred, and must be under the regular care of and acting in accordance with the instructions or professional advice of a medical practitioner (who is not yourself), or
- You are partially disabled as a result of an injury or sickness you are prevented from engaging in a substantial part of your usual occupation with your employer and you are still a member of ESI Super. You must have been 'Actively at Work' at the time your injury or sickness occurred, and you must be under the regular care of and acting in accordance with the instructions or professional advice of a medical practitioner (who is not yourself).

■ Are there any exclusions or restrictions?

Income Protection insurance is not payable where the disability arises from:

- Any consequences of war, invasion or civil war
- Any intentional self-inflicted injury, including any attempt at suicide
- Pregnancy, childbirth or miscarriage other than a complication arising from any of those conditions, which requires hospitalisation in the first 33 weeks of pregnancy. No benefit will be paid during any period of maternity leave or for any complications arising after the 33rd week of pregnancy.
- Any pre-existing sickness for the first two years of cover, after recommencement of cover, or an increase in cover.

Pre-existing sickness means any pre-existing sickness that you are having or have had treated, or have received advice for treatment, in the six calendar months prior to the date of commencement, recommencement or increase of your Income Protection cover. However, a pre-existing sickness may be covered if:

- a) You have, with the agreement of a legally qualified medical practitioner, ceased all treatment or advice for at least six months since the commencement of your cover, or
- b) You have been insured for two years continuously under the Income Protection policy at the time of your total disablement and have been 'Actively at Work' for the two consecutive months prior to the disablement which lead to the claim.

■ Am I covered if I take unpaid leave?

Your Income Protection cover will remain in place for up to 12 months if you are on unpaid leave that is approved by your employer and your insurance premiums continue to be paid.

Income Protection payments will start on the latter of:

- The date your waiting period expires, or
- The date your unpaid leave is due to cease.

■ Are there any additional benefits?

The following benefits, which are at the sole discretion of the Insurer as to whether or not they will assist may be paid to help you with your rehabilitation or return to work. Both these benefits will be limited to 24 times your insured monthly benefit.

- **Rehabilitation Assistance** – Rehabilitation Assistance will help you with arranging for training or advice from a licensed vocational school, provided such training or advice is undertaken with the agreement of your attending medical practitioner. Assistance may also include family counselling to help you and your family cope with your disability and to enable you to live an independent life.
- **Return to Work Assistance** – Return to Work Assistance will help you with arranging for professional assistance to improve your physical and/or emotional condition. Assistance includes special equipment for and/or modifications to your normal home or workplace.

The Rehabilitation Assistance and the Return to Work Assistance will be paid to the service provider and may be reduced if the expense can be claimed or reimbursed from another source.

■ What is the partial income benefit?

If, after receiving at least one Income Protection payment, you return to work on reduced ordinary income you may be eligible for a partial Income Protection benefit. The reduction of ordinary income must result from the same injury or illness and you must be working on a restricted basis or in a different occupation. The Income Protection payment will increase your monthly income up to the amount of your insured monthly benefit.

■ What is a recurrent disability?

If you suffer from the same disability again within six months immediately following a period of disability, it is a continuation of the original claim.

■ Is cover compulsory?

In ESI Super, Income Protection cover is not compulsory. However, if your employer nominates and pays for a set number of units of cover for you, you cannot reduce or cancel this cover. To find out what your entry level insurance cover is, you should contact ESI Super or talk to your employer.

■ Is the Income Protection benefit taxable?

Yes, the Income Protection payments are taxed as part of your ordinary income. You will have to disclose this income in your annual tax return to the Australian Taxation Office (ATO).

■ How do I get more information?

If you would like more information about Income Protection insurance please read the *ESI Super Member Guide*, see our website or talk to one of our friendly ESI Assist team on **1300 363 240**.

More information

Call us on **1300 363 240**
Email us at super@esisuper.com.au or visit esisuper.com.au

Disclaimer

This fact sheet has been prepared for the general information of members of ESI Super. It does not take into account any member's individual financial objectives, financial situation or needs. Any statements of law or proposals are based on our interpretation of the law or proposals as at 2 November 2009. We recommend that you seek help from a licensed financial adviser before acting on any information contained in this fact sheet. While all due care and diligence has been taken in the preparation of this fact sheet, the Trustee reserves the right to correct any errors or omissions. If there are any inconsistencies between the terms of ESI Super's trust deed and this fact sheet, the terms of the trust deed prevail. Electricity Supply Industry Superannuation (Qld) Ltd (ABN 30 069 634 439 AFSL 336567) is the Trustee for the Electricity Supply Industry Superannuation Fund (Qld) (ABN 33 761 363 685).