# TPD Support Option (TSO) for Protection Plans Policies

New option available with Total and Permanent Disablement (TPD) cover

## Introducing the TPD Support Option

### Who does this Notice apply to?

The information in this Significant Event Notice (Notice) is relevant to customers who have a Protection Plans Term Life, Term Life as Superannuation, Standalone TPD or Flexible Linking Plus Policy under:

- a Protection Plans Product Disclosure Statement and Policy Document, issued on 28 April 2006; or
- a Combined Protection Plans Product Disclosure Statement and Policy Document issued between 3 September 2007 and 6 November 2025 (inclusive); or
- a Protection Plans PDS ("Booklet") for the SuperWrap Personal Super Plan and the SuperWrap Essentials Personal Super Plan issued between 24 September 2007 and 19 March 2012 (inclusive).

The use of the term 'PDS' refers to these documents, unless otherwise stated.

You should read this Notice together with the PDS applicable to your Policy. You should also consider any relevant Supplementary Product Disclosure Statements (SPDSs) and any Enhancement Guide(s) and Enhancement Letter(s) applicable to your Policy.

### What is this Notice about?

This Notice provides important information about the TPD Support Option (TSO), which is a new option that will soon become available with Total and Permanent Disablement (TPD) cover provided under Protection Plans. TSO is only available if you hold eligible *TPD cover* under your Policy and if you wish to take up TSO, you will need to apply for it. We will confirm if we accept your application.

The Notice comprises:

- this information sheet which introduces and provides a summary of the TPD Support Option; and
- the enclosed TPD Support Option (TSO) Terms and Conditions.

Please read both carefully. To the extent that there is any inconsistency between this information sheet and the TSO Terms and Conditions, the TSO Terms and Conditions will prevail.

The Notice explains what TSO is and when you may be eligible to apply for it as an option. It also tells you how you can access further information to consider whether TSO may be right for you.

### The meaning of certain terms used in this Notice

There are a number of defined terms in this Notice which have a specific meaning. Where a defined term is used, the word is italicised e.g. *Policy Owner* or *Insured Person*. The only exceptions are 'we', 'our', 'us', 'you', 'your' and 'Policy' which are not italicised. In this Notice, 'you' and 'your' means the *Policy Owner* and/or the *Insured Person* as applicable or as the context requires, unless indicated otherwise.

For the purposes of this Notice, there are also terms used to distinguish between your insurance and how benefits are paid. These meanings apply solely for the purposes of this Notice and do not affect the meaning of any term in your PDS or any other document forming part of your Policy.

- *TPD cover* refers to the TPD insurance you hold under your Policy which contains a number of included and optional benefits.
- *TPD Benefit* refers to the single lump sum benefit under your *TPD cover* that will be payable in the event that the *Insured Person* becomes *totally and permanently disabled*.
- *TPD Benefit Amount* refers to the amount you are insured for under your *TPD Benefit* (this amount excludes any Loyalty Benefit amount, as applicable).

All other defined terms specific to TSO can be found under the TSO – General Definitions section of the TPD Support Option (TSO) Terms and Conditions contained within this Notice. For defined terms which are not listed in the TSO – General Definitions section, please refer to the Protection Plans PDS applicable to your Policy and any relevant SPDSs, Enhancement Guide(s) and Enhancement Letter(s) for their specified meaning.

## What is *TPD cover* with TSO?

Your *TPD* cover pays a benefit if you are *totally and permanently disabled*. Generally, this is payable as a single lump sum benefit. Selecting TSO as an option will mean that, in certain circumstances, we will make partial payments for *total and permanent disability*, rather than a single lump sum payment.

When selected with *TPD cover*, TSO provides an alternative TPD design that applies where the disability is contributed to or caused by certain conditions such as mental conditions or disorders, fatigue and functional disorders or conditions, and other specific syndromes and disorders (*TPD Support Conditions*).

If the *Insured Person* continues to meet the eligibility criteria, TSO provides one or more partial payments of 20% of the relevant *TPD Benefit Amount* at 12-month intervals, rather than a single lump sum payment. This means that if you meet the *total and permanent disability* requirements for each partial payment under TSO, the benefit will be paid as 5 separate payments over a minimum period of 4 years.

Claims which are contributed to or caused by *TPD Support Conditions* will be assessed using the definition of *total and permanent disability* applicable to TSO. In these instances, the selected TPD definitions (*own occupation TPD* and *any occupation TPD*) will not apply. Please read the TSO Terms and Conditions for further detail.

By selecting TSO, it may help to lower the cost of your *TPD cover*. Any premium difference as a result of selecting TSO is not guaranteed and can change over time. When making decisions to change our premium rates we will act reasonably and will only make changes to the extent reasonably necessary to protect our legitimate business interests. It is important to understand how TSO changes the rights and benefits that you may have under your existing *TPD cover* when deciding if it's appropriate for you.

## When will TSO be available?

TSO is an option that will become available to Protection Plans policies on different dates, depending on your upcoming annual anniversary date of your insurance Policy (*review date*).

| **Your *review date*** | **When will TSO be available for your Policy?** |
|---|---|
| Between 1 July and 30 September (inclusive) | From 1 October 2026 |
| Between 1 October and 30 June (inclusive) | From your *review date* on or after 1 October 2026 |

## TSO is a new option – if you wish to take it up, you must apply

There will be no change to your *TPD cover* unless you apply for TSO and your application is accepted by us. TSO is an option designed to provide customers with additional choice in how they manage their *TPD cover*. You do not need to take up the offer of TSO, and you can decide if it is right for you.

You are not required to take any action in response to this Notice if you do not wish to take up TSO.

You cannot take up TSO if you do not hold *TPD cover*. Therefore, if you do not hold *TPD cover*, TSO will only become available as an option if you apply for *TPD cover* in the future and your application is accepted.

## Who is eligible to apply?

You may apply to select TSO as an option with your existing *TPD cover* where:

- the current TPD definition is *own occupation TPD* or *any occupation TPD*;
- the *Insured Person* is aged 61 or younger at time of application for TSO;
- you are not entitled to or currently claiming a benefit under *TPD cover*;
- your *TPD cover* is not subject to an exclusion for mental health related conditions or disorders;
- your *TPD cover* does not include the Double TPD Benefit; and
- your *TPD cover* is not held under a Protection Plans Reserve Policy.

Where your existing *TPD cover* provides a Super Plus TPD Benefit structured under a Flexible Linking Plus Policy and you wish to apply for TSO, the option must be applied to both the Flexible Linking Plus Policy held outside *superannuation* and to the *TPD cover* under the Policy it is linked to, inside *superannuation*.

Please note that if you apply and are accepted for TSO but then seek to remove it at a later date, the removal of TSO will be subject to our acceptance and underwriting. In these circumstances, you may not be able to regain the exact *TPD cover* you held prior to selecting TSO.

**TSO is offered at TAL's discretion. The availability of TSO to be added to *TPD cover* (where it has not already been selected) is not guaranteed in future, and TAL may amend the terms of TSO or withdraw it from being offered. Should TAL do so, the amendment or withdrawal of the offer of TSO would not impact *TPD cover* where TSO has already been selected. The right of TAL to amend the terms of TSO or withdraw it from being offered prevails, notwithstanding any other term within the TSO Terms and Conditions.**

### How to request a quote and apply

To assist you with your choice, you may request a quote and application form by:

- speaking to a financial adviser; or
- calling us on **1300 553 764**, Monday to Friday.



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# TPD Support Option (TSO) Terms and Conditions

**PROTECTION PLANS POLICIES**

Issue Date 1 October 2026 (Issue 1)

## 1. How to read these Terms and Conditions

These TSO Terms and Conditions should be read together with the following document(s), as they apply to your existing Policy:

- your original 'PDS' which is taken to mean either:
  - the Protection Plans Product Disclosure Statement and the Protection Plans Policy Document; or
  - the Combined Protection Plans Product Disclosure Statement and Policy Document; or
  - the Protection Plans PDS ("Booklet") for the SuperWrap Personal Super Plan and the SuperWrap Essentials Personal Super Plan,

  whichever is relevant to your Policy;
- any relevant Supplementary Product Disclosure Statement (SPDSs); and
- any relevant Enhancement Guides(s) and Enhancement Letter(s).

In addition, the TSO Terms and Conditions should also be read with reference to your *policy schedule* or *membership certificate* and most recent *renewal summary*.

The use of the term 'PDS' within the TSO Terms and Conditions has a meaning consistent with the documents referred to above, unless otherwise stated.

PDSs, SPDSs, Enhancement Guide(s) and Enhancement Letter(s) are available at tal.com.au or by contacting our Customer Service Centre.

The information in these TSO Terms and Conditions is of a general nature, and it does not take into account your individual objectives, financial situation or needs. You should consider your PDS and these TSO Terms and Conditions before acting on this information or making any changes to your insurance cover. You may also wish to consider obtaining your own financial advice tailored to your personal circumstances, before making a decision to change your Policy.

**It is important to understand how TSO changes the rights and benefits that you may have under your existing *TPD cover* when deciding if it's appropriate for you.**

## 2. Terms and headings used in this document

There are a number of defined terms in this document which have a specific meaning. Where a defined term is used, the word is italicised e.g. *Policy Owner* or *Insured Person*. The only exceptions are 'we', 'our', 'us', 'you', 'your' and 'Policy' which are not italicised. In these Terms and Conditions, 'you' and 'your' means the *Policy Owner* and/or the *Insured Person* as applicable or as the context requires, unless indicated otherwise.

For the purposes of these Terms and Conditions, there are also terms used to distinguish between your insurance and how benefits are paid under it. These meanings apply solely for the purposes of these Terms and Conditions and do not affect the meaning of any term in your PDS or any other document forming part of your Policy.

- *TPD cover* refers to the TPD insurance you hold under your Protection Plans Policy which contains a number of included and optional benefits.
- *TPD Benefit* refers to the single lump sum benefit under your *TPD cover* that will be payable in the event that the *Insured Person* becomes *totally and permanently disabled*.
- *TPD Benefit Amount* refers to the amount you are insured for under your *TPD Benefit* (this amount excludes any Loyalty Benefit amount, as applicable).

All other defined terms specific to TSO can be found under the TSO – General Definitions section at the end of this document. Please refer to these in the first instance.

For defined terms which are not listed in the TSO – General Definitions section, please refer to the Protection Plans PDS, SPDS(s) and any Enhancement Guide(s) and Enhancement Letter(s) applicable to your Policy for their specified meaning.

Headings have been included to assist understanding, but they do not alter how clauses are to be interpreted, unless stated otherwise. Where the context provides for it, words indicating the singular can be taken to mean the plural and vice versa.

## 3. Eligibility to apply for TSO

You may apply to select TSO as an option with your existing *TPD cover* where:

- the current TPD definition is *own occupation TPD* or *any occupation TPD*;
- the *Insured Person* is aged 61 or younger at time of application for TSO;
- you are not entitled to or currently claiming a benefit under *TPD cover*;
- your *TPD cover* is not subject to an exclusion for mental health related conditions or disorders;
- your *TPD cover* does not include the Double TPD Benefit; and
- your *TPD cover* is not held under a Protection Plans Reserve Policy.

Where your existing *TPD cover* provides a Super Plus TPD Benefit structured under a Flexible Linking Plus Policy and you wish to apply for TSO, the option must be applied to both the Flexible Linking Plus Policy held outside *superannuation* and to the *TPD cover* under the Policy it is linked to, inside *superannuation*.

Please note that if you apply and are accepted for TSO but then seek to remove it at a later date, the removal of TSO will be subject to our acceptance and underwriting. In these circumstances, you may not be able to regain the exact *TPD cover* you held prior to selecting TSO.

You cannot take up TSO if you do not hold *TPD cover*. Therefore, if you do not hold *TPD cover*, TSO will only become available as an option if you apply for *TPD cover* in the future and your application is accepted.

**TSO is offered at TAL's discretion. The availability of TSO to be added to *TPD cover* (where it has not already been selected) is not guaranteed in future, and TAL may amend the terms of TSO or withdraw it from being offered. Should TAL do so, the amendment or withdrawal of the offer of TSO would not impact *TPD cover* where TSO has already been selected. The right of TAL to amend the terms of TSO or withdraw it from being offered prevails, notwithstanding any other term within the TSO Terms and Conditions.**

## 4. When will the TSO Terms and Conditions be used to determine eligibility for a benefit payment?

If you have applied for TSO with your *TPD cover* and your application has been accepted by us and confirmed, and you suffer a disability which is contributed to or caused by a *TPD Support Condition*, **no payment will be made under your *TPD Benefit*** under the terms of your existing *TPD cover*, including any Super Plus TPD Benefit.

Instead, your eligibility for a benefit will be assessed under these TSO Terms and Conditions (including the specific definition for *total and permanent disability* within TSO – General Definitions), which may provide one or more partial payments of the *TPD Benefit Amount*.

If your disability is not contributed to or caused by a *TPD Support Condition* you may still be eligible for a *TPD Benefit*, including a Super Plus TPD Benefit, under your original *TPD cover* terms.

## 5. How and when are benefits payable under TSO?

TSO provides one or more partial payments, calculated as a percentage of the *TPD Benefit Amount* (assessed at 12-month intervals) rather than a single lump sum payment, when *total and permanent disability* is contributed to or caused by a *TPD Support Condition*.

If TSO applies to your *TPD cover*, and where the disability is contributed to or caused by a *TPD Support Condition*:

- we will pay an Initial Support Benefit if the *Insured Person* is *totally and permanently disabled* under the TPD Support Option (*Part A*). The benefit payable is 20% of the *TPD Benefit Amount* as at the *Initial Date of Disablement*; and
- we will pay an Ongoing Support Benefit if, at each *Ongoing Date of Disablement*, the *Insured Person* is *totally and permanently disabled* under the TPD Support Option (*Part B*). The benefit payable is the lesser of:
  - 20% of the *TPD Benefit Amount* as at the *Initial Date of Disablement*; and
  - the *TPD Benefit Amount* as at the date the relevant Ongoing Support Benefit becomes payable.

This means that if the *Insured Person* is *totally and permanently disabled* under the TPD Support Option (*Part A*) at the *Initial Date of Disablement* and is *totally and permanently disabled* under TPD Support Option (*Part B*) at each consecutive *Ongoing Date of Disablement*, the *TPD Benefit Amount* will be paid as 5 separate payments (each payable at 12-month intervals) over a minimum period of 4 years. You claim for each payment under TSO. When we are notified that you wish to make a claim (including subsequent claims under TSO) we will provide the forms that need to be completed and explain in detail our requirements and what the next steps are.

If you make a claim and the *Insured Person* is assessed for an Ongoing Support Benefit, when assessing whether the *Insured Person* is *totally and permanently disabled* under TPD Support Option (*Part B*) as at the *Ongoing Date of Disablement* we will take into account any new training, retraining, education, work or experience the *Insured Person* has undertaken, including since the *Initial Date of Disablement*.

Where applicable, any benefit payment under TSO will be made in accordance with private health insurance law requirements.

## 6. Reduction of benefit amounts following claim payment under TSO

We will reduce the *TPD Benefit Amount* by each amount paid under the TPD Support Option. If *TPD cover* with TSO selected is held under a Term Life Policy or Term Life as Superannuation Policy, after we pay any amount under the TPD Support Option, we will reduce the *TPD Benefit Amount* and the sum insured of every other benefit held for the *Insured Person* under the same Policy, and where applicable, every benefit under any linked Flexible Linking Plus Policy, by the amount we paid.

If *TPD cover* with TSO selected is held under a Flexible Linking Plus Policy, we will also reduce the sum insured of every other benefit for the *Insured Person* held under the Flexible Linking Plus Policy, and under the linked Term Life or Term Life as Superannuation Policy, by the amount we paid.

## 7. What happens if you are not eligible for an Ongoing Support Benefit?

If the *Insured Person* is not *totally and permanently disabled* at any *Ongoing Date of Disablement*, your *TPD cover* will continue with the remaining *TPD Benefit Amount* (subject to the terms and conditions of the Policy and the TSO Terms and Conditions, including payment of premiums when due).

For any subsequent claims assessed under the TPD Support Option, we will once again assess your eligibility for an Initial Support Benefit as at the new *Initial Date of Disablement*. This means:

- we will pay an Initial Support Benefit if the *Insured Person* is *totally and permanently disabled* under the TPD Support Option (*Part A*). The benefit payable is 20%* of the *TPD Benefit Amount* as at the new *Initial Date of Disablement*; and
- we will pay an Ongoing Support Benefit if, at each *Ongoing Date of Disablement* related to the new *Initial Date of Disablement*, the *Insured Person* is *totally and permanently disabled* under the TPD Support Option (*Part B*). The benefit payable is the lesser of:
  - 20%* of the *TPD Benefit Amount* as at the new *Initial Date of Disablement*; and
  - the *TPD Benefit Amount* as at the date the relevant Ongoing Support Benefit becomes payable.

* If the *TPD Benefit Amount* is $100,000 or less at the new *Initial Date of Disablement* or the relevant *Ongoing Date of Disablement*, and you have previously received 4 or more payments under the TPD Support Option, we will pay 100% of the remaining *TPD Benefit Amount* as a single lump sum payment (rather than partial payments) and the *TPD cover* will end.

## 8. Exclusions

We will not pay any benefit under the TSO if the *sickness* or *injury* giving rise to the claim was caused by an intentional self-inflicted *injury* or attempted suicide (whether sane or insane).

## 9. Premium Waiver on remaining *TPD Benefit Amount*

For each payment made under TSO which reduces the *TPD Benefit Amount*, the premiums for your remaining *TPD Benefit Amount* (on *TPD cover* with TSO selected), will be waived for the 12 months following the *Initial Date of Disablement* or the relevant *Ongoing Date of Disablement*.

## 10. When will we pay your *TPD Benefit Amount* as a single lump sum payment rather than as partial payments under TSO?

If the *Insured Person* suffers a disability that is contributed to or caused by a *TPD Support Condition*, and:

- is eligible for a payment under the TPD Support Option and is age 62 or older at the *Initial Date of Disablement* or at any *Ongoing Date of Disablement* relating to the payment; or
- satisfies all terms and conditions that would otherwise entitle you to receive a *TPD Benefit* payment under the *general cover TPD* definition relevant to your Policy, at the *Initial Date of Disablement* or at any *Ongoing Date of Disablement*,

we will pay any remaining *TPD Benefit Amount* as a single lump sum payment (rather than as partial payments) and your *TPD cover* will end.

## 11. Impacts to other benefits and options (where relevant to your Policy)

**TPD Buy Back Benefit**

If you have selected the TPD Buy Back Benefit and receive a payment under the Initial Support Benefit or any Ongoing Support Benefit which reduces your Death Benefit, the Death Benefit will automatically be reinstated by 100% of the amount paid in each instance, excluding any amount paid under the Loyalty Benefit. You must survive for 14 days after the payment has been made to receive the reinstatement.

You may choose to decline the reinstatement of any individual payment. If you do so, you will not be able to reinstate the Death Benefit amount associated with that payment in future.

Please refer to the full terms and conditions of the TPD Buy Back Benefit in your original PDS, SPDS and applicable Enhancement Guide(s) and Enhancement Letter(s).

**Loyalty Benefit**

If your Policy is eligible for the Loyalty Benefit under the terms of your PDS, the Loyalty Benefit will apply to payments made under the TPD Support Option. Where the Loyalty Benefit applies:

- for each payment made under TSO, the amount of the associated Loyalty Benefit will be 5% of that payment;
- the terms and conditions that apply to the payment of the Loyalty Benefit will be the same as those applying to the TSO payment; and
- you are not entitled to reinstate the amount of any Loyalty Benefit for the purposes of the TPD Buy Back Benefit.

**Consumer Price Index (CPI) increases**

Once an Initial Support Benefit has been paid, your *TPD cover* (with TSO selected) will be permanently ineligible for any CPI increases to your *TPD Benefit Amount*, effective from the *Initial Date of Disablement*. Any increases that have taken effect since the *Initial Date of Disablement* will be removed. If your *TPD cover* provides a Super Plus TPD Benefit structured under a Flexible Linking Plus Policy, CPI increases will cease to apply to the *TPD cover* on both the Flexible Linking Plus Policy held outside *superannuation* and the *TPD cover* under the Policy it is linked to, inside *superannuation*.

**Double TPD Benefit**

Once you have selected the TPD Support Option, you cannot apply for the Double TPD Benefit in relation to your *TPD cover*.

**Premium Holiday**

A Premium Holiday is not available for a Policy while premiums are being waived under Section 9 of the TPD Support Option Terms and Conditions. Once the premium waiver has ended, you may apply for a Premium Holiday in accordance with the applicable Premium Holiday terms and conditions.

**Super Plus TPD Benefit**

The Super Plus TPD Benefit is the portion of the *TPD cover* which is not consistent with a *superannuation* condition of release and is held under a Flexible Linking Plus Policy outside *superannuation*.

Claims under this structure which are contributed to or caused by a *TPD Support Condition* will first be assessed by applying the Policy terms of the *TPD cover* structured inside *superannuation* (including the TSO Terms and Conditions) and the *SIS* definition of Permanent Incapacity. If the relevant Policy terms are satisfied, any amount payable will be paid to the trustee.

If the relevant Policy terms are not satisfied, the claim will be assessed by applying the Policy terms (including the TSO Terms and Conditions) of the *TPD cover* structured outside *superannuation*. If the relevant Policy terms are satisfied, any amount payable will be paid to the *Policy Owner*.

**Waiver of Life Premium Benefit**

The Waiver of Life Premium Benefit, where relevant to your Policy, will end on the date you are paid an Initial Support Benefit. Please refer to your original PDS for full terms and conditions relevant to this benefit.

**TPD Death Benefit**

If you hold a Standalone TPD Policy and the *TPD Benefit Amount* has not been paid in full and the *Insured Person* dies, we will pay the lesser of $10,000 and the *TPD Benefit Amount*.

**Financial Planning Benefit**

The Financial Planning Benefit is available where *TPD cover* is held outside *superannuation*. Under the TPD Support Option this benefit is available after the Initial Support Benefit has been paid. This benefit is paid once for each *Insured Person* and must be claimed within 12 months after payment of the Initial Support Benefit.

## 12. When does the TPD Support Option end?

The TPD Support Option ends on the earlier of the *review date* following the *Insured Person's* 65th birthday and the date that the associated *TPD cover* ends.

Your *TPD cover* may continue beyond the *review date* following the *Insured Person's* 65th birthday, if your original *TPD cover* terms allow this. Please refer to your original *TPD cover* terms for details of changes to your *TPD cover* that may occur at this time.

The TPD Support Option will end if you apply to remove it and we agree. The removal of TSO will be subject to our acceptance and underwriting.

## 13. TSO – General Definitions

**Initial Date of Disablement** (applicable to the TPD Support Option) means the date the *Insured Person* meets the requirement, set out in the definition of *total and permanent disability* under the TPD Support Option (*Part A*), to have been prevented from working in their *own occupation* for three consecutive months by *sickness* or *injury*. For any subsequent entitlement, the new *Initial Date of Disablement* may be no earlier than 12 months after the most recent benefit entitlement under the TPD Support Option.

**Ongoing Date of Disablement** (applicable to the TPD Support Option) means the later of:

a) the date 12 months after the most recent *Initial Date of Disablement* at which the *Insured Person* was *totally and permanently disabled* under the TPD Support Option (*Part A*); and

b) the date 12 months after the most recent *Ongoing Date of Disablement* at which the *Insured Person* was *totally and permanently disabled* under the TPD Support Option (*Part B*).

**SIS** means the Superannuation Industry (Supervision) Act 1993 (Cth) or the Superannuation Industry (Supervision) Regulation 1994 (Cth), as applicable.

**Total and Permanent Disability and Totally and Permanently Disabled** when the TPD Support Option applies to your *TPD cover* and where the disability is contributed to or caused by a *TPD Support Condition*, means:

*Part A* – For the Initial Support Benefit

A *sickness* or *injury* has prevented the *Insured Person* from working in their *own occupation* for three consecutive months (the date at the end of this period is the *Initial Date of Disablement*); and

- the three-month period has ended before the *review date* following the *Insured Person's* 65th birthday; and
- in our opinion, after consideration of medical and any other evidence and after all reasonable treatment and rehabilitation has been undertaken, the *Insured Person* is incapacitated by *sickness* or *injury* to such an extent as to:
  - render them unlikely ever to be able to work in any occupation for which they are reasonably qualified because of education, training, or experience, if the Policy is held inside *superannuation*; or
  - render them unlikely ever to be able to work in any occupation for which they are reasonably qualified because of education, training, or experience which would pay remuneration at a rate greater than 25% of the *Insured Person's* rate of Earnings during their last 12 months of work, if the Policy is held outside of *superannuation*; and
- when cover is structured through *superannuation*, the *Insured Person* must also satisfy the *SIS* definition of Permanent Incapacity.

*Part B* – For the Ongoing Support Benefit

Due to *sickness* or *injury* the *Insured Person* is not working in any occupation; and

- during the 12 months prior to the *Ongoing Date of Disablement*, the *Insured Person* has not worked for remuneration at a rate greater than 25% of the rate of Earnings during their last 12 months of work prior to the *Initial Date of Disablement*; and
- in our opinion, after consideration of medical and any other evidence and after all reasonable treatment and rehabilitation has been undertaken, the *Insured Person* is incapacitated by *sickness* or *injury* to such an extent as to
  - render them unlikely ever to be able to work in any occupation for which they are reasonably qualified because of education, training, or experience if the Policy is held inside *superannuation*; or
  - render them unlikely ever to be able to work in any occupation for which they are reasonably qualified because of education, training or experience which would pay remuneration at a rate greater than 25% of the *Insured Person's* rate of Earnings during their last 12 months of work prior to the *Initial Date of Disablement*, if the Policy is held outside *superannuation*; and
- when cover is structured through *superannuation*, the *Insured Person* must also satisfy the *SIS* definition of Permanent Incapacity.

For the purposes of determining whether the *Insured Person* is reasonably qualified by training, education or experience, we will take into account any new training or retraining, education or work experience the I*nsured Person* has undertaken since the *Initial Date of Disablement*.

For the purpose of this definition only, the term Earnings has the meaning given below:

- if the *Insured Person* is Self-Employed, their share of the total of all net profits and all net losses generated or accrued in the conduct of the business or businesses, after excluding business expenses which were not necessarily incurred or normally required in the usual conduct of the business/businesses; or
- if the *Insured Person* is an Employee (and is not Self- Employed), salary, wages, regular bonuses and any other income considered part of the *Insured Person's* remuneration package (excluding any Employer Superannuation Contribution).

Income paid from other disability income policies, retirement plans, lump sum disability payments, rental income and investment income are some examples of income we would not consider as Earnings.

For the purpose of this definition only:

- Self-Employed means the *Insured Person* directly or indirectly owns all or part of the business in which their work is performed including where the business operates under a company structure (ignoring shares in publicly listed companies);
- Employee means the *Insured Person* is hired for a wage, salary, fee or payment to perform work for an employer, whereby they have no direct or indirect ownership interest in the employing entity (ignoring shares in publicly listed companies); and
- Employer Superannuation Contribution means the employer superannuation guarantee contribution mandated under the Superannuation Guarantee (Administration) Act 1992 (Cth) and any employer contribution made as part of the *Insured Person's* remuneration package. It excludes any other type of superannuation contribution.

***TPD Support Condition*** means any one or more of the following:

- Mental conditions or disorders – any mental or behavioural illness, conditions or disorders, including any symptoms, manifestations or complications thereof. This is taken to include but is not limited to anxiety; depression; bipolar disorder; post-traumatic stress disorder and other disabling stress; attention deficit and/or hyperactivity disorders; burnout; eating disorders; alcohol or drug use disorders or abuse; insomnia; physical complications of a psychiatric disorder; and any emotional, cognitive, behavioural, or somatic symptoms and manifestations of any mental or behavioural illness, conditions or disorders.
- Fatigue and functional disorders or conditions – chronic tiredness, fatigue or exhaustion; or difficulty recovering from exertion that is not explained by structural organ disease or demonstrable tissue damage. This is taken to include but is not limited to chronic fatigue syndrome; fibromyalgia; functional neurological disorder; burnout related disorders or conditions; and long COVID.
- Other specific syndromes and disorders – postural orthostatic tachycardia syndrome, post-concussion syndrome and vestibular disorders.

Alzheimer's disease and dementia are not *TPD Support Conditions*.

## 14. TSO Claims examples

The claim examples below are illustrative and should only be used to help you understand how TSO may work at the time of claim. How TSO applies will be dependent on your individual circumstances and the facts of your claim. All relevant terms and conditions must be met for a claim to be payable.

**Example 1:**

- Mira has a standalone TPD Policy with an *own occupation TPD* definition. She has selected the TPD Support Option.
- Mira develops depression. As depression is a *TPD Support Condition*, and Mira's disability is caused by this condition, no payment will be made under the *own occupation TPD* definition. Instead, Mira's eligibility for a benefit will be assessed under the TPD Support Option.
- Mira is *totally and permanently disabled* under the TPD Support Option (*Part A*). She is eligible for a payment under the TPD Support Option's Initial Support Benefit.
- On the *Initial Date of Disablement*, Mira's *TPD Benefit Amount* was $500,000.
- On the *Initial Date of Disablement*, Mira has held her Policy for over three years. She is eligible for the Loyalty Benefit.
- The Initial Support Benefit is 20% of the *TPD Benefit Amount* and any Loyalty Benefit entitlements, as at the *Initial Date of Disablement*. Mira receives 20% x $500,000 = $100,000 plus an additional 5% Loyalty Benefit of $5,000 for a total of $105,000.
- After payment of her Initial Support Benefit, Mira's *TPD Benefit Amount* reduces to $400,000. CPI increases no longer apply to this amount. Her premiums for the remaining *TPD Benefit Amount* with TSO selected are waived for 12 months from the *Initial Date of Disablement*.
- Mira is *totally and permanently disabled* under the TPD Support Option (*Part B*) on the date 12 months after the *Initial Date of Disablement* (which is the first *Ongoing Date of Disablement*) and makes a claim for an Ongoing Support Benefit. She therefore receives 20% x $500,000 = $100,000 plus an additional 5% Loyalty Benefit of $5,000 for a total of $105,000.
- After payment of the first Ongoing Support Benefit, Mira's *TPD Benefit Amount* reduces to $300,000.
- Mira's premiums for the remaining *TPD Benefit Amount* are waived for 12 months following the relevant *Ongoing Date of Disablement* relating to the payment.
- Due to her depression, Mira is *totally and permanently disabled* under the TPD Support Option (*Part B*) at each of the next three consecutive *Ongoing Dates of Disablement* (i.e. over the next 3 years) and continues to claim each Ongoing Support Benefit. Each time she receives $105,000 (being 20% x $500,000 = $100,000 plus an additional 5% Loyalty Benefit of $5,000).
- Premiums for the remaining *TPD Benefit Amount* are waived for the 12 months following the relevant *Ongoing Date of Disablement* relating to each payment. The final Ongoing Support Benefit payment reduces Mira's *TPD Benefit Amount* and Loyalty Benefit to zero and her *TPD cover* ends.

**Example 2:**

- Angela has a standalone TPD Policy with an *own occupation TPD* definition. Angela has also selected the TPD Support Option.
- Angela is working as an accountant when she becomes disabled due to fibromyalgia. As fibromyalgia is a *TPD Support Condition*, no payment will be made under the *own occupation TPD* definition. Instead, her eligibility for a benefit will be assessed under the TPD Support Option.
- Angela is *totally and permanently disabled* under the TPD Support Option (*Part A*) because she is incapacitated to such an extent as to render her unlikely ever to be able to work in any occupation for which she is reasonably qualified by training, education or experience which would pay remuneration at a rate greater than 25% of her Earnings during her last 12 months of work.
- On the *Initial Date of Disablement*, Angela's *TPD Benefit Amount* was $1 million.
- Angela's Policy is not eligible for the Loyalty Benefit as it has not been in force for 3 years.
- The Initial Support Benefit is 20% of the *TPD Benefit Amount* at the *Initial Date of Disablement*. Angela receives 20% x $1 million = $200,000. After payment of the Initial Support Benefit, Angela's *TPD Benefit Amount* then reduces to $800,000. CPI increases no longer apply to this amount. Her premiums for the remaining *TPD Benefit Amount* with TSO selected are waived for 12 months from the *Initial Date of Disablement*.
- During the following 3 months, Angela worked in a different occupation for remuneration at a rate that was less than 25% of her rate of Earnings during the 12 months of work prior to the *Initial Date of Disablement*. At the end of that 3 months Angela's condition worsened and she was not able to work.
- 12 months after the *Initial Date of Disablement*, Angela makes a claim for an Ongoing Support Benefit and meets the definition of *total and permanent disability* under the TPD Support Option (*Part B*). Her most recent occupation was also taken into account when determining whether Angela was unlikely ever to be able to work in any occupation for which she was reasonably qualified by training, education or experience.
- Angela's Policy has now been in force for more than 3 years and is therefore eligible for the Loyalty Benefit. The Ongoing Support Benefit pays Angela a further payment of 20% x $1 million = $200,000 plus an additional 5% Loyalty Benefit of $10,000 for a total of $210,000. After payment of the Ongoing Support Benefit, Angela's *TPD Benefit Amount* then reduces (by $200,000) to $600,000. Angela's premiums are waived for the 12 months following the relevant *Ongoing Date of Disablement* relating to the payment.
- Due to her fibromyalgia, Angela is *totally and permanently disabled* under the TPD Support Option (*Part B*) at each of the next three consecutive *Ongoing Dates of Disablement* (i.e. over the next 3 years) and continues to claim each Ongoing Support Benefit. Each time she receives $210,000 (being 20% x $1 million = $200,000 plus an additional 5% Loyalty Benefit of $10,000) and her premiums for the remaining *TPD Benefit Amount* with TSO selected are waived for the 12 months following the relevant *Ongoing Date of Disablement* relating to the payment. The final Ongoing Support Benefit payment reduces Angela's *TPD Benefit Amount* to zero and her *TPD cover* ends.

**Example 3:**

- Will has a standalone TPD Policy with an *any occupation TPD* definition and Will also selected the TPD Support Option.
- He develops a disability which is contributed to or caused by an anxiety disorder. As anxiety is a *TPD Support Condition*, no payment will be made under the *any occupation TPD* definition. Instead, Will's eligibility for a benefit will be assessed under the TPD Support Option.
- Will is *totally and permanently disabled* under the TPD Support Option (*Part A*). He is eligible for an Initial Support Benefit under the TPD Support Option.
- On the *Initial Date of Disablement*, Will's *TPD Benefit Amount* was $2,000,000 and Will has held his Policy for over three years. He is eligible for the Loyalty Benefit.
- The Initial Support Benefit is 20% of the *TPD Benefit Amount* at the *Initial Date of Disablement*. Will receives 20% x $2,000,000 = $400,000 plus an additional 5% Loyalty Benefit of $20,000 for a total of $420,000. After payment of the Initial Support Benefit, Will's *TPD Benefit Amount* reduces to $1,600,000. CPI increases no longer apply to the remaining TPD Benefit Amount. The premiums for the remaining *TPD Benefit Amount* with TSO selected are waived for 12 months from the *Initial Date of Disablement*.
- Six months after the *Initial Date of Disablement*, Will makes a successful return to a new occupation. Will does not meet the definition of *totally and permanently disabled* under TPD Support Option (*Part B*) at the first *Ongoing Date of Disablement* (which is the date 12 months after the *Initial Date of Disablement*) and therefore is not eligible for the Ongoing Support Benefit. Will's *TPD cover* continues with a *TPD Benefit Amount* of $1,600,000. The premiums payable for the remaining TPD Benefit Amount with TSO selected restart on the date 12 months after the *Initial Date of Disablement*.
- After 5 years in his new occupation, Will's anxiety reoccurs, and he has a new *Initial Date of Disablement*.
- As anxiety is a *TPD Support Condition*, no payment will be made under the *any occupation TPD* definition. Instead, Will's eligibility for a benefit will be assessed under the TPD Support Option. Will is once again *totally and permanently disabled* under the TPD Support Option (*Part A*) and is once again eligible for a payment under the TPD Support Option's Initial Support Benefit.
- On this new *Initial Date of Disablement*, Will's *TPD Benefit Amount* was $1,600,000. The Initial Support Benefit is 20% of the *TPD Benefit Amount* at the new *Initial Date of Disablement*. Will receives 20% x $1,600,000 = $320,000 plus an additional 5% Loyalty Benefit of $16,000 for a total of $336,000. After payment of the Initial Support Benefit, Will's *TPD Benefit Amount* reduces (by $320,000) to $1,280,000. The premiums for the remaining *TPD Benefit Amount* with TSO selected are waived for 12 months from the new *Initial Date of Disablement.*
- Due to anxiety, Will is *totally and permanently disabled* under the TPD Support Option (*Part B*) at each of the next four consecutive Ongoing Dates of Disablement (i.e. over the next 4 years) and continues to claim each Ongoing Support Benefit. Each time he receives $336,000 (being 20% x $1,600,000 = $320,000 plus an additional 5% Loyalty Benefit of $16,000) and his premiums for the remaining *TPD Benefit Amount* with TSO selected are waived for the 12 months following the relevant *Ongoing Date of Disablement* relating to the payment. The final Ongoing Support Benefit payment reduces Will's *TPD Benefit Amount* to zero and his *TPD cover* ends.



PP42040_1026

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