



Insurance Strategy

TelstraSuper Pty Ltd

Date of Policy	Changes made	Updated by
1 July 2013	Insurance Strategy introduced	Legal
1 July 2014	Insurance Strategy updated	Insurance Operations Manager
August 2015	Insurance Strategy updated with greater detail responding to APRA insurance findings, to reflect change from a Self-Insurance to a Self-Insurance Run-Off Reserve and reduce review frequency from annual to biennial	Executive GM Operations and Legal
August 2016	Insurance Strategy updated to provide greater details responding to KPMG's insurance comprehensive review findings and periodic review.	Executive GM Operations and Risk & Compliance
August 2017	Strategy updated primarily to include the new insurance rates and 3-year premium rate guarantee from 1 July 2017.	Insurance Operations Manager
December 2018	Amendments as result of Insurance Code and other minor amendments	Executive GM Operations
December 2020	Amendments to reflect new insurance arrangements and rates with MLC, legislative changes, and other minor amendments	Executive GM, Operations
June 2021	Amendment to reflect that the Executive GM, Operations, and the Product Manager's attendance at monthly insurer meetings is on an 'as needed' basis	Manager, Insurance & Claims

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Definitions

AAL	Automatic Acceptance Limit
APRA	Australian Prudential Regulation Authority
CAC	Claims Assessment Committee
CMF	Conflicts Management Framework
Code	Insurance in Super Voluntary Code of Practice
DB	Defined Benefit
FSC	Financial Services Council
Fund or TelstraSuper	the Telstra Superannuation Scheme (used interchangeably in this document with 'Trustee')
IC	Insurance Covenants
ICA	Insurance Contracts Act 1984
IMF	Insurance Management Framework
IP	Income Protection
IS	Insurance Strategy
ISWG	Insurance in Superannuation Working Group
MEC	Member Experience Committee
PMIF	Putting Member's Interests' First
PYS	Protecting Your Super
RBA	Reserve Bank of Australia
RSE	Registrable Superannuation Entity (used interchangeably in this document with 'Trustee')
SIS Act	Superannuation Industry (Supervision) Act 1993
SIS Regulations	Superannuation Industry (Supervision) Regulations 1994
SLA	Service Level Agreement
SPG 250	APRA Prudential Practice Guide SPG 250 – Insurance in Superannuation
SPS 250	APRA Prudential Standard SPS 250 Insurance in Superannuation
TPD	Total and Permanent Disablement
Trustee	Telstra Super Pty Ltd

1. Overview

Based on the specific components and detail in Prudential Standard SPS 250 – Insurance in Superannuation, TelstraSuper Pty Ltd which is a Registrable Superannuation Entity that holds a RSE licence granted under section 29D of the *Superannuation (Industry) Supervision Act 1993* (SIS Act), must develop an Insurance Strategy (IS) which complies with the Insurance Covenants in section 52(7) of the SIS Act.

The Fund is a hybrid superannuation fund with accumulation and defined benefit (DB) divisions¹ which aims to provide members with sustainable, high quality and competitively priced insurance products. It currently provides Death, Total and Permanent Disability (TPD) and Income Protection (IP) insurance cover to Corporate Plus, Personal Plus and Retire Access (Death only cover) members, and to DB members where applicable.

The Trustee has provided eligible members with Death and TPD insurance cover since it was established on 13 June 1990. Until 26 September 2005, this cover was predominantly self-insured. The Trustee has also offered external IP insurance cover to eligible accumulation members since 26 September 2005. Members of DB Divisions 5 and 8 have been externally insured for IP from 1 November 2014. Benefits in respect of a Terminal Illness benefit (payment of a member's Death cover upon meeting the terms and conditions for terminal illness of the insurance policy) are only applicable to members in accumulation divisions.

A condition of the Trustee's public offer RSE licence is that external insurance is required for the accumulation divisions. As such, since 26 September 2005, all accumulation divisions have been externally insured. Since 1 November 2014, all Defined Benefit Divisions (i.e. Division 2, 5 & 8) have been externally insured, with coverage backdated to 26 September 2005.

The Trustee will only take out insurance policies that satisfy the conditions of release in the SIS Regulations and comply with SPS 250, where the insured benefits are made available to beneficiaries via insurance acquired from a Life Company registered under section 21 of the Life Insurance Act 1995 or a general insurance company or Lloyd's underwriter authorised, or taken to be authorised, under the Insurance Act 1973².

The objective of providing insured benefits is to protect members against the risk of not being able to accumulate sufficient retirement savings, for themselves or their dependants, due to having to cease work as a result of injury, illness or Death.

A recent consideration which is reflected in the Trustee's insurance arrangements, also lends to ensuring that member's retirement savings' are not inappropriately eroded by

¹ The defined benefit divisions have been closed to new members since 1 July 1999.

² SPS 250, paragraph 6.

insurance premiums for insurance cover that they may not require, which is aligned to the Protecting Your Super and Putting Members' Interests First legislation.

2. COMPONENTS OF THE INSURANCE STRATEGY

When determining the kind of insurance benefits to offer, the Trustee has considered factors including, but not limited to:

- The anticipated future needs and benefits required by the membership
- The insurance benefits historically offered
- Insurance benefits offered by competitors
- Generally accepted insurance requirements including adherence to the Insurance in Super Voluntary Code of Practice (the Code)
- Regulatory requirements and the provisions of the SIS Act and relevant legislation

The Trustee's IS addresses the following:

- the kinds of insurance that are to be offered to, or acquired for the benefit of beneficiaries
- the levels of insurance cover to be offered to, or acquired for the benefit of beneficiaries
- the basis for the decision to offer or acquire insurance by having regard to the demographic composition of the beneficiaries
- the method by which the insurer is to be determined
- the cost to all beneficiaries of offering or acquiring insurance of a particular kind and at a particular level and ensuring it does not inappropriately erode the retirement income of beneficiaries, notwithstanding the ability for member's to actively opt-in to and/or elect to maintain member paid insurance cover

In accordance with APRA's expectations in SPS 250, the IS demonstrates consideration of:

- the relevant factors in relation to the selection and appointment of an insurer and how the risks relating to this selection are to be managed
- when insurance cover is to commence, and how this has been aligned with the PMIF legislation and the circumstances under which a member's eligibility for insurance cover would cease, including in circumstances aligned with the PYS legislation
- the level of underwriting needed for members to be provided with insured benefits
- the administrative capabilities for ease of underwriting and claims processes
- instances in circumstances of a successor fund transfer and how existing insured benefits are to be preserved
- how the Trustee monitors the overall number and profile of beneficiaries covered under each insurance policy considering the factors in SPG 250
- the particular benefits and risks of using a general insurance policy, in relation to the possible selection of a general insurer or Lloyd's underwriter
- the risks involved where it is necessary to enter into arrangements with more than one insurer (or where part of the insured benefit is reinsured) for making insured benefits available, i.e. risks related to maintenance and

communication of complete and accurate member data where provided by multiple parties

- how beneficiaries will be made aware of the duty of disclosure which applies as a proposed life insured under the insurance policy
- how the Trustee will discharge its obligation to do everything that is reasonable to pursue an insurance claim for the benefit of a beneficiary, if the claim has a reasonable prospect of success
- the Trustee's approach to claims management, aligned to the claims handling principles of the Code
- the processes for monitoring, reviewing and renewing the insured benefits made available to beneficiaries
- the Trustee's approach to conflicts that may arise through making available insured benefits to beneficiaries in line with the Trustee's Conflicts Management Framework.

The IS covers the terms that must be documented in the Trustee's insurance arrangements in accordance with the minimum standards in SPS 250 and APRA's expectations in SPG 250.

APRA has additional expectations in SPG 250 whereby an RSE licensee's IS, insurance arrangements and other documents in place prior to the commencement of risk address the following:

- underwriting requirements, including the responsibilities of the insurer, the Trustee or any other party
- any reduction in benefits and premium loadings, i.e. extra premiums charged to a member or group of beneficiaries based on specific conditions, including how beneficiaries are notified about additional premiums
- clearly defined conditions for when claims will be admitted or denied
- procedures for deducting premiums from beneficiaries' accounts and paying premiums to insurers
- procedures for notifying and paying claims, including the responsibilities of the insurer when communicating directly with beneficiaries
- continuation options (continuing of cover) including notification to beneficiaries
- liability and indemnity where the insurer outsources a material business activity relating to the insured benefits made available by the Trustee
- liability and indemnity where incorrect data has been relied upon
- profit-sharing arrangements and experience commission terms, including their consistency with the undertaking provided under section 29SAC of the SIS Act in relation to members with an interest in a MySuper product.

Insurance in Super Voluntary Code of Practice (the Code)

In March 2018, the Trustee became a signatory to the Insurance in Superannuation Code of Practice (the Code). The objectives of the Code are to address key issues identified within the insurance industry, including but not limited to:

- inappropriate erosion of account balances
- automatic cessation of cover
- claims handling principles
- monitoring and compliance of the Code requirements.

Consideration and implementation of these elements have been incorporated into the Trustee's IS.

3. CONFLICTS OF INTEREST

The Trustee has a Conflicts Management Framework (CMF) established in accordance with the requirements of *Prudential Standard SPS 521 Conflicts of Interest*. The Trustee is always mindful of its obligations regarding any conflicts of interest, whether potential or actual. This includes conflicts which may arise through the offering of insured benefits, including the selection of external insurer. All conflicts are dealt with under the Trustee's CMF.

4. TYPES AND LEVELS OF INSURANCE

A key objective of the Trustee's insurance strategy is to ensure that the Fund continues to meet the needs of its members as both a wealth creation and wealth protection vehicle. Pursuant to this objective, the Fund offers Death (and Terminal Illness³), TPD and IP insurance cover. The insurance available (either as default or voluntary cover⁴ through underwriting) aims to offer beneficiaries financial support during periods of temporary and permanent disablement and also to support beneficiaries' dependants when a beneficiary passes away.

The default cover amounts and terms and conditions of the insurance cover provided to eligible members are set out in the applicable policy. The default cover has been set over time with consideration of the demographics of the Fund, the affordability of insurance cover so as to not erode member accounts, the legislative requirement for members to make an active choice to opt-into default member paid insurance cover, claims experience, market competitiveness and price.

The Trustee recognises the importance of its role in determining the Fund's insurance offerings since it is generally accepted that many Australians do not have any or adequate life insurance outside of superannuation. The Trustee actively considers the insurance needs of its membership and tailors its insurance offerings accordingly. For example, in determining the appropriate level of default cover the Trustee has regard to a variety of factors including, age, salary, employer, occupation type, premium cost and if a beneficiary transfers between divisions of the Fund.

In determining the appropriateness of the default cover amounts and terms and conditions of the insurance cover provided to members, the Trustee considers the following:

- **SIS Act** - the Trustee is generally required to provide minimum levels of default Death and total and permanent disability (TPD) insurance to all MySuper members on an opt-out basis, except where an election has not been made on an account which is deemed inactive and/or where the member is required to actively opt-in to default member paid insurance cover as they are under 25 years old and/or has an account balance of under \$6,000, and to offer them to choice members.

³ Not currently available for defined benefit members.

⁴ Means insurance cover that is obtained by satisfying the insurer's underwriting requirements and which is not top-up cover or default cover as defined by the applicable policy.

- **Other legislative requirements** – the Trustee has updated its default insurance offering on an opt-in basis, so that eligible members can make an active choice to obtain member paid default insurance cover. This predominantly impacts Income Protection, and default Death and TPD insurance cover which is not subject to an employer paid arrangement.
- **The Trustee’s strategic decision** - insured benefits made available to members are determined with reference to the collective best interests of members as a whole. This is demonstrated by considering the demographics of the Fund’s membership from perspectives of age and gender distribution, work status, salary, employer contribution levels, claims experience account balance, expected time to retirement, probability of making a claim and the specific nuances of the Fund. Consideration is also given to the insurability of members outside of the default offering.
- **Demographics of the Fund** – the decision on the types and level of insurance currently provided has regard to the demographic composition of the members of the Fund. The demographics of the Fund is a key factor when considering the strategy development process. The kind and level of insurance offered must be appropriate for the particular characteristics of the members and beneficiaries of the Fund.
- **Distribution** – the fund demographic remains consistent and rates for the default levels of cover for Death and TPD have been negotiated taking into consideration that:
 - the membership is observed to have a higher number of males than females, with a ratio of 14:9
 - the age distribution is reasonably evenly spread, with somewhat higher membership around the 50-55 age bracket, which coincides with a higher number of members transferring from Division 6 – Corporate Plus to Division 4 – Personal Plus.

Salary and Account Balance

The table below shows the average salary of insured members in Division 6 - Corporate Plus, as reported by relevant Telstra Group employer, at 1 July 2020, based on age next birthday

ANB	Avg Salary as at 1 July 2020	ANB	Avg Salary as at 1 July 2020
16	\$0.00	38	\$119,721
17	\$0.00	39	\$120,413
18	\$0.00	40	\$121,694
19	\$12,348	41	\$131,768
20	\$16,860	42	\$129,103
21	\$22,299	43	\$134,616
22	\$32,469	44	\$140,599
23	\$42,022	45	\$141,067
24	\$53,907	46	\$136,738
25	\$58,629	47	\$143,418
26	\$70,184	48	\$143,458
27	\$76,021	49	\$141,274
28	\$81,487	50	\$137,999
29	\$87,579	51	\$138,814
30	\$92,347	52	\$136,039
31	\$94,827	53	\$139,298
32	\$98,890	54	\$139,709
33	\$100,443	55	\$145,955
34	\$106,002	56	\$130,936
35	\$104,611	57	\$133,709
36	\$112,093	58	\$141,732
37	\$116,020	59	\$148,937
		60	\$139,634

The average account balance of the Fund's insured members in the Accumulation Plan (all plans except the Defined Benefit) as at 1 July 2020 was approximately \$229,000.

The Trustee is aware that a Death or TPD benefit payment may consist of both an insured component and a savings component. As a member's age increases, the sums insured component typically reduces whilst their savings component typically increases. This is relevant for the purpose of trying to ensure that member and beneficiary needs can at least be partially met through insurance, in the event of Death or TPD, as these are lump sum payments which can significantly assist a member or the beneficiary in times of financial need.

Eligibility for default cover

MySuper members of Division 6 - Corporate Plus will be provided with default insurance cover providing they meet the default cover conditions, and the following eligibility criteria as outlined in the applicable policy. Insurance cover provided automatically is done so on an opt-out basis.

Death & TPD cover

- Either:
 - have joined as a deemed member of Division 6; or
 - in any other circumstances permitted by the Fund's trust deed, have become a member of Division 6;
- be at least 15 years old;
- be an Australian resident;
- be under 65 years old;
- be employed by the principal employer or by an associated employer;
- join the relevant division within 120 days of commencement of employment; and
- be at least 25 years of age and have an account balance that reaches \$6,000, unless:
 - the member has made an election; or
 - an exception applies.

IP cover

- Either:
 - have joined as a deemed member of Division 6; or
 - in any other circumstances permitted by the Fund's trust deed, have become a member of Division 6;
- be at least 15 years old;
- be an Australian resident;
- be under 65 years old;
- be employed by the principal employer or an associated employer and must not be employed on a casual basis;
- join the relevant division within 120 days of commencement of employment;
- be at least 25 years of age and have an account balance that reaches \$6,000, unless:
 - the member has made an election; or
 - an exception applies; and
- advise a binary gender, male or female, within 120 days of commencement of employment.

The following exclusions and limitations apply to IP cover:

- No benefit in respect of an insured member if total disability or partial disability is directly or indirectly caused by:
 - any war or act of war;
 - the insured member's intentional self-inflicted act or attempted suicide (whether sane or insane at the time); or

- pregnancy unless disability continues for longer than 3 months after the pregnancy ends in which case disability will be considered to have started at the date the pregnancy ends.
- An exception means:
 - a defined benefit member; or
 - an employer sponsored member whose employer makes contributions to the fund in addition to its superannuation guarantee obligations and covers the full cost of the insured member's default cover,
 in accordance with the Superannuation Industry (Supervision) Act 1993 (Cth).

Default cover conditions

All default cover is subject to the following default cover conditions:

- New employees must join TelstraSuper within 120 days of commencing their employment, otherwise all cover is subject to application and acceptance. Cover commencing outside usual conditions is subject to at work requirements and other eligibility criteria, conditions and exclusions contained in the policy.
- New members who are under 25 years of age or have an account balance that is less than \$6,000 must make an election to opt in within 120 days of commencing employment to receive member paid default cover.

New MySuper members of Division 4 – Personal Plus will be able to select Death only or Death & TPD age-based default cover on an opt-in basis if they complete an insurance declaration and pass all eligibility questions. These members may also apply for voluntary Death & TPD cover and IP cover by completing a full personal statement and being underwritten by the insurer.

Appendix A outlines all details on categories and levels of default cover offered, including the applicable terms and conditions, for all divisions of the Fund.

Insurance rates 1 July 2020 – 30 June 2023

The Trustee has recently negotiated a 3-year premium rate from 1 July 2020 to 30 June 2023 with its insurer MLC Life Insurance. Insurance premium rates are not expected to change during this timeframe, except in limited circumstances as outlined in the applicable policy.

Appendix B outlines the insurance rates and cover amounts based on the age and gender of the member for the respective division as at 1 July 2020.

Accumulation members are required to opt into any member paid default cover that they are eligible for within 120 days of commencing employment, and are able to opt-out of any default cover that they have received within 30 days of joining the Fund. Accumulation members who opt out within 30 days of receiving insurance cover will receive a refund of any insurance premiums that were charged.

Division 6 - Corporate Plus members also have a second opportunity to opt into member paid default cover which they are eligible for, when they reach age 25 and have an account balance of at least \$6,000.

In addition to the above, eligible members have access to apply for voluntary cover through a variety of means including via full personal application underwriting, the transfer of existing external cover with another life insurer or superannuation fund and increasing existing cover following a specified life event (subject to completing a limited underwriting/ health questionnaire).

When promoting additional insurance cover to our members, we will target any promotion to those segments of our membership for whom we have identified the cover is generally likely to be appropriate, affordable and of value.

Externally Insured Defined Benefits

The Death and TPD benefits provided to defined benefit members are calculated by reference to a formula based on the date the member would have retired using a "Benefit Multiple" up to the date of Death or TPD, plus a "Prospective Benefit Multiple" which represents the period of time between the date of Death or TPD and the date the member would have reached retirement age (as defined in the Fund's Trust Deed).

The member's Benefit Multiple grows over their entire membership of the defined benefit division. The member's Final Average Salary is also used in the calculation of the Benefit Multiple thereby accounting for inflation risk. The details of the formula are prescribed by the Fund's Trust Deed.

Defined benefit members may not opt out of, or alter, default cover. Defined benefit members have access to voluntary cover through underwriting.

Part-time employees

Part-time employees are eligible for insurance cover on the same basis as other accumulation or defined benefit members, however, if entitled to an insured benefit, part-time employees generally receive a proportional benefit based on the pro-rata hours and salary multiple.

Casual employees

Casual employees are eligible for default Death only or default Death and TPD insurance cover on the same basis as other accumulation or defined benefit members. Casual employees are not eligible for Income Protection cover.

5. DEMOGRAPHIC COMPOSITION OF THE BENEFICIARIES OF THE FUND

The Trustee recognises that the purpose of life insurance is to assist with maintaining a member's living standard (or that of their dependant/s) if they suffer from a disability or pass away. The Trustee's goal is to provide greater security and services to its members, whilst also recognising that life insurance is an important part of a member's financial plan.

The Fund's Trust Deed contemplates the provision of externally insured benefits and required the provision of self-insured benefits (1 July 1990 to 25 September 2005) in relevant circumstances.

Section 62 of the SIS Act sets out the core and ancillary purposes for which a superannuation Fund may exist. Section 62 specifically provides that one of the core

purposes of a superannuation fund is the provision of death benefits. Ancillary purposes include the provision of disability benefits.

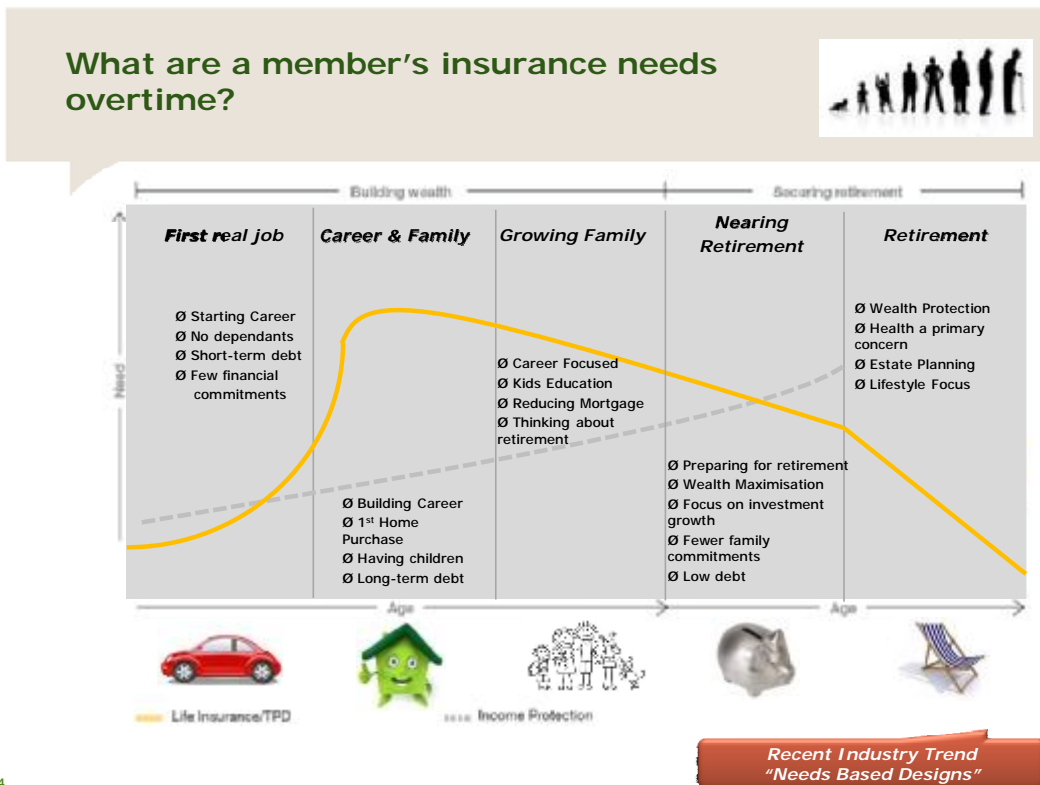
The SIS Act and Regulations made under that Act, together with APRA's SPS 160 and 250, restrict and prescribe the types of insurance that can and must be offered.

Furthermore, Choice of Fund legislation makes it compulsory for employers to offer their employees a default superannuation fund which offers a minimum level of default only insurance cover.

It is with these factors in mind, and having regard to its legislative obligations, that the Trustee offers its membership the types of insurance set out in the tables described above.

In accordance with the review process undertaken by the Trustee, it has considered the demographics of its membership to provide suitable insurance to meet the needs of its membership (with respect to both default and voluntary cover).

The table below outlines a typical member's life stages and suggests how this may impact on their insurance needs. These are some of the factors that assist the Trustee in determining suitable insurance cover while having regard to the demographic composition of the beneficiaries of the Fund.



6. COST OF INSURANCE DOES NOT INAPPROPRIATELY ERODE THE RETIREMENT INCOME OF MEMBER/BENEFICIARIES

At a minimum of at least every 3 years the Trustee undertakes an extensive review to ensure the Fund's insurance offering remains competitive and appropriate. This analysis takes into account the demographic composition of the members of the Fund to ensure the insurance offered is tailored to, and continues to meet, the needs of beneficiaries. It also includes reviewing the type, level and cost of the current insurance offering to ensure members' retirement incomes are not inappropriately eroded.

Currently some employers pay the insurance premiums for eligible Division 6 - Corporate Plus members' default Death and TPD insurance cover⁴. Eligible Division 6 members are those members whose default Death and TPD cover is calculated by reference to their salary (which is generally expected to increase by at least the Consumer Price Index each year). As such, these members are afforded protection against inflation risk without their retirement income being inappropriately eroded.

Income Protection premiums are generally paid by the member. However, as there is a direct correlation between a member's level of Income Protection cover and their salary in Division 6, the risk of inappropriate erosion of benefits through premium deductions is mitigated.

An example of this is below as at 1 July 2020:

- Division 6 - Corporate Plus member
- Age next birthday 40
- Salary = \$100,000
- \$7,083 per month sum insured
- 2-year benefit period, 90 day waiting period (default cover)
- Premiums = \$135.15 per annum (males) and \$257.55 per annum (females)

This risk is further reduced by regular super guarantee contributions generally being paid into a member's account during a period when their benefit is in the accumulation phase, as well as the requirement on members to actively opt-into default member paid Income Protection cover within 120 days of commencing employment and the ability to opt out within 30 days of receiving this cover.

Previous extensive market comparison and analysis by the Trustee for the age based Death and TPD cover offered in Division 4 - Personal Plus / MySuper Personal Plus and recent negotiations with the insurer have secured a level premium of \$2.17 per week from 1 July 2020.

Based on an average account balance for members in Division 4 (\$219,050) as at 1 July 2020 (including retirement accounts), the annual cost of age based Death & TPD premiums at \$112.84 per annum was less than 0.10% of the average member's account balance.

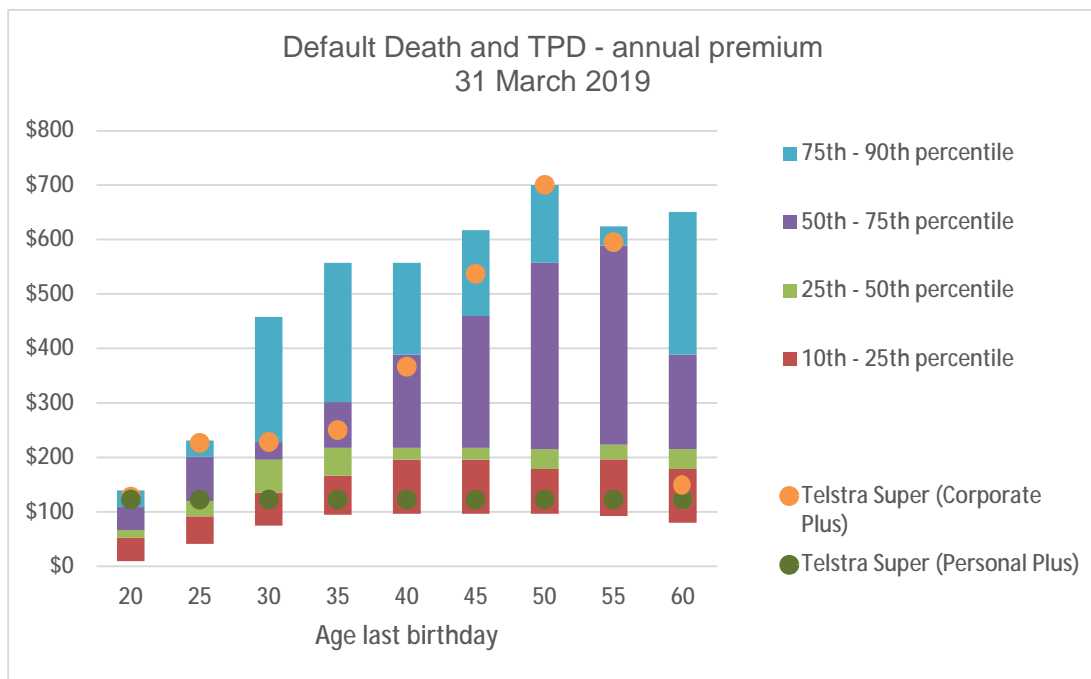
⁴ From the date the Fund offers a MySuper product some employers may continue to pay the insurance premiums for eligible TelstraSuper MySuper members.

Consideration of account erosion due to insurance cover premiums is included as a requirement for Trustee’s to consider as part of compliance with the Insurance in Super Voluntary Code of Practice.

Requirement 4.8⁵ of the Code, requires, “As part of determining affordability, premiums for automatic insurance cover will be set at a level that does not exceed 1% of an estimated level of salary for our membership generally, and/or for segments within the membership...”

In reviewing its compliance with this requirement, the Fund undertook an analysis of premiums effective from 1 July 2020 and found that for both Division 6 – Corporate Plus and Division 4 – Personal Plus, the cost of default Death and TPD insurance premiums was below the 1% guideline⁶

The chart below illustrates the total default insurance costs for Death and TPD contained in publicly available PDS documents available in March 2019, then breaks up the 23 funds analysed into 10% bands. Where multiple occupation groupings are offered by a fund, the white-collar group has been used. It is also noted that the impact of PYS and PMIF legislation has yet to be evidenced in default Death and TPD pricing for the majority of funds.⁷



In the most recently available data, it’s observed that premiums for Division 6 - Corporate Plus default Death and TPD cost are at the high end for most ages (reflecting high cover amounts), before trending towards the lower end range at the oldest age (reflecting comparatively lower cover at these ages).

⁵ Insurance in Super Voluntary Code of Practice, 1 March 2020

⁶ Considering the average lifetime salary for a TelstraSuper member and comparing with the average lifetime premiums in the Fund as well as considering the average lifetime salary/premium for a member upon joining at age x. Excludes Defined Benefit members, underwritten cover, default member paid Income Protection cover that requires an opt-in, 100% employer paid cover and members who have varied automatic cover.

⁷ Willis Towers Watson – Group Insurance Design Review and Tender, July 2019

Member's retirement income is protected from erosion due to insurance premiums, as the premium arrangement is largely employer paid.

With respect to the cost of premiums for default Death and TPD cover in Division 4 – Personal Plus, given this age based cover is set as a level premium, the price of insurance will not change as the member increases in age. From this analysis it is clear that across 23 funds in the industry, TelstraSuper falls within the lowest annual premium band across the age groups at \$122.72 per annum for age-based Death and TPD cover.

From 1 July 2020, members who have transferred from the accumulation employer sponsored division (Division 6) receive a multiple of Division 4 – Personal Plus age based units of cover to match the level of cover previously held, thereby ensuring continuity of cover and protection, with the ability to reduce these cover levels at any time. Premiums for members nearing retirement are generally higher. This represents a higher claim risk for members in this age group.

From 1 July 2020, casual employees of Division 6 – Corporate Plus pay \$2.17 per week for default Death and TPD insurance cover. One of the Trustee's objectives is to offer quality low-cost insurance to as many members as possible. Casual members of this division are required to opt-into this default Death and TPD insurance cover within 120 days of commencing employment and can opt out within 30 days of receiving this cover.

RetireAccess members can apply for age-based Death cover from 1 July 2020 at a cost of \$1.13 per week. Similar rationale to that used for the other division insurance offerings is applied to the Death only cover offered to these members.

As Divisions 2, 5 and 8 (DB) are employer supported, no premium is payable at a member level for default cover and any associated expenses are met out of the DB pool. The Trustee has determined, on advice from the Fund's actuary, that the Fund must hold a reserve, with a minimum level of \$1 million, to cover the payment of future Death and permanent disablement claims of DB members where a claim event has occurred between 1 July 1990 and 25 September 2005. This reserve is in addition to the allowance for a notional premium included in the employer's contribution rate.

In relation to the reserve described above, the Trustee will:

- at least every three years obtain an actuarial review of these arrangements;
- include an assessment of the adequacy of the amount of the reserve to meet liabilities. This review will also provide sufficient information on the arrangements described above to demonstrate the extent and adequacy of the actuarial oversight undertaken on those arrangements;
- satisfy itself annually that these arrangements continue to operate in the best interests of beneficiaries; and
- have regard to any input received from stakeholders, such as the Fund's actuary and Principal Employer.

By way of the processes outlined above, the Trustee ensures that all member-paid insurance, including voluntary and IP cover, is competitively priced and can be acquired, maintained, increased or cancelled at the member's discretion (subject to underwriting and any other applicable restrictions or limitations).

In addition to the above, MLC Life Insurance was appointed as the Fund's new insurer effective 1 July 2020 which saw premium rates for Death and TPD decrease by 8% and

which is expected to positively impact TelstraSuper members when independently compared to other funds.

Protecting Your Super (PYS) legislation

On 1 July 2019, the Australian Federal Government introduced the Protecting Your Super (PYS) legislation which is aimed at avoiding the erosion of retirement savings for members who hold member paid insurance cover through superannuation.

The PYS legislation requires members whose accounts are considered inactive⁸ for a period of 16 continuous months, to make an election to maintain any member paid insurance cover in that account. In the absence of an election, the member paid insurance cover will be cancelled by the Trustee.

Impacted members are notified at 3-month intervals that their account is becoming inactive (9, 12 and 15 months) and that they are at risk of losing their insurance cover without an election. If a member has lost their member paid insurance cover due to PYS inactivity, they are able to recommence this cover without underwriting subject to a request in writing within 30 days of the cover being cancelled. Outside of this timeframe, members are also able to re-apply for member paid insurance cover via underwriting.

Probability of making a claim

The risks or likelihood of making a claim are reflected in the mortality and morbidity rate tables provided by the Australian Bureau of Statistics. The Trustee takes into consideration the mortality and morbidity rates when determining the appropriate insurance offering. These rates, together with other key factors such as the Fund's past claims experience impact and the insurance premiums TelstraSuper is able to offer members forms a key cornerstone of the underlying costing that insurers utilise.

Price and Claims Experience

Price is made up of a number of factors, in particular claims history. It also includes *incurred but not reported* (IBNR) claims of the insurer which are estimated due to their predictive nature (based on claims history and trends). In assessing the Fund's claims history with its previous Insurer, TAL Life Ltd and taking into account both paid claims and IBNR claims, it was evident that the experience had been trending upward since 2010, and that the existing premium rates may not have been sustainable (i.e. the premiums collected are not sufficient to pay the claims + costs).

For Group Life (GL) Death & TPD insurance cover, the graph below demonstrates the latest claims experience as at 30 June 2019 for the Fund's GL (Corporate Plus, Personal Plus and DB divisions - default and voluntary) cover⁹.

⁸ Inactivity is defined as an account which has not received monies such as contributions or roll ins (but excluding investment earnings) for the previous 16 months. Excluded from the legislation are employer paid insurance arrangements and Defined Benefit members.

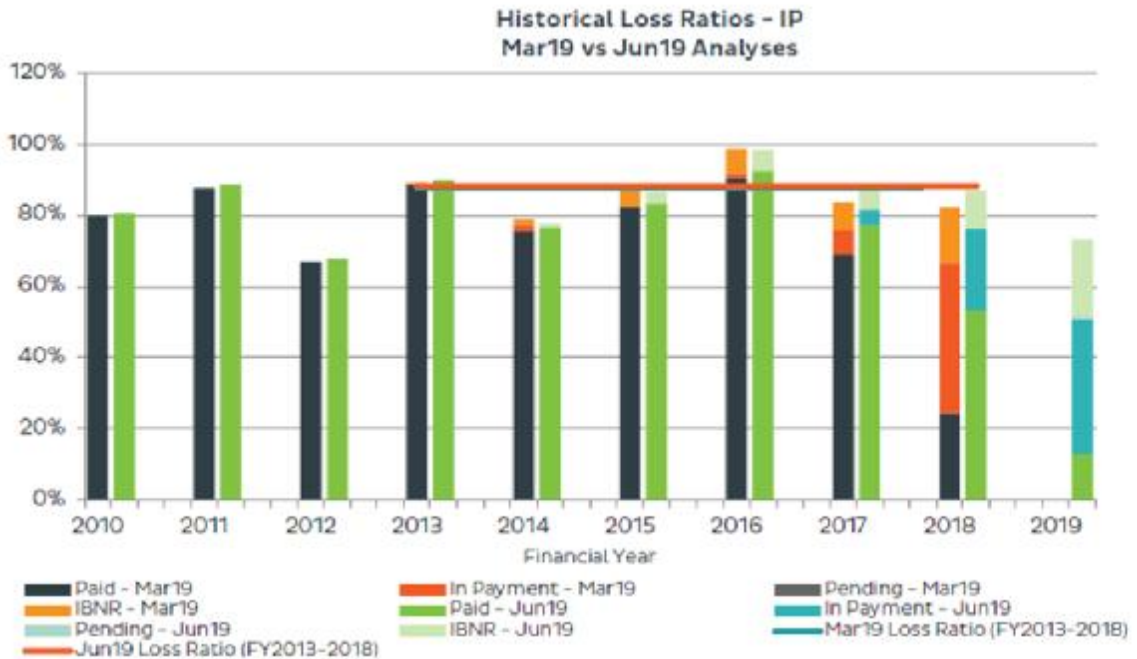
⁹ TelstraSuper 30 June 2019 Claims Experience update, TAL September 2019.



- The GL Experience had been stable over the 6 years to June 2017, excluding the impact of the large redundancies on TPD Claims in FY2014
- Financial years 2017/2018 to 2018/2019 have been excluded since they are largely reserves and show no indication of a trend
- Within the GL benefit, there was evidence to demonstrate that the Corporate Plus division had been subsidising the claims experience of the Personal Plus division

For Income Protection, the graph below demonstrates the latest claims experience up to 30 June 2019 for the Fund (Corporate Plus, Personal Plus and DB divisions default and voluntary cover)¹⁰.

¹⁰ TelstraSuper 30 June 2019 Claims Experience update, TAL September 2019.



- The IP claims experience had been stable over the 6 years to June 2018, with no indication of any trend, except FY2016 which appears to be a “once off”
- The IP experience is heavily driven by Corporate Plus division and represents 80% of the IP
- Given the low volumes of Personal Plus, the IP experience is considered on a combined Corporate Plus and Personal Plus basis
- Across all benefits there is evidence that the GL benefit is subsidising claims experience of IP benefit

Insurer selected to provide benefits from 1 July 2020

In conducting the review required of the IS, the Board found that it was in the best interests of members to proceed to a full market tender. The Board noted that since the last review, there have been significant shifts in the insurance market, with the Hayne Royal Commission¹¹ highlighting industry-level deficiencies in this space. The Board considered that premium savings, improved claims experience and product benefits should be explored through a full market tender.

The tender process also enabled the Trustee to consider and address the earlier comments regarding the Fund’s premium rates and claims experience.

MLC Life Insurance was subsequently appointed as the Fund’s new insurer and in consideration of claims experience and a number of favourable policy and product changes, GL premium rates decreased by 8% and IP premium rates increased by 16.6%.

This decision was made on the basis of overall annual premium savings, the expectation of a better claims experience for members, and based on MLC’s demonstrated commitment to satisfy the Trustee’s objectives as outlined in the IS.

¹¹ Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, Final Report, 1 February 2019

7. CLAIMS MANAGEMENT

The Trustee is always mindful of the importance of insured benefits to the welfare of members and their beneficiaries. The Fund's IMF reflects the Trustee's commitment to ensure eligible members' benefit entitlements are realised.

The Trustee will undertake a regular review to ensure the interpretation and application of our definitions are consistent with any changes in our policy terms, and our insurers' approach.

The Trustee is a signatory to the Insurance in Super Voluntary Code of Practice, which sets out a number of measurable requirements relating to insurance arrangements in superannuation, including:

- Claims and complaint handling principles (i.e. governance; turnaround times; eligibility assessments; and adhering to a claims philosophy)
- Standard time frames for superannuation fund claims
- Enhanced communications throughout the claims process (i.e. insurance and claim process education; using technology better to update claim status; customer/member friendly communications)
- Claims handling governance
- Monitoring and reporting of any compliance breach in relation to claims handling.

The Trustee has incorporated aspects of the above proposals in its long-term claims philosophy, claims processes, business rules, systems and overall claims management strategy.

The Claims team has responsibilities for the day-to-day administration of both self-insured and externally insured benefits. The team is responsible for co-ordinating and collating information required by the Trustee to consider and determine all claims. This includes member and beneficiary claim forms, medical and employer reports and any other information necessary to allow the Trustee to properly consider and determine a claim in accordance with its legal and fiduciary obligations. All externally insured claims made are independently reviewed and determined by both the insurer and the Trustee.

In accordance with the relevant provisions of TelstraSuper's Instrument of Delegation, all claims are independently considered by the Trustee sitting as the CAC, delegated Trustee Directors sitting as the MEC or, if necessary, the full Trustee Board. Declarations of any existing or potential conflicts of interest are sought from all relevant attendees.

The Claims team works closely with the Fund's insurer on all claims that are externally insured and assists with, and monitors, the insurer's administration of such claims.

An Insurance Service Standards Agreement (ISSA) between the Trustee and its insurer promotes the effective administration of externally insured claims. In addition to this, the Trustee and its insurer have a complaint review process should there be disagreement regarding the eligibility of a member or beneficiary to an insured benefit.

The Trustee has a review process in place for all rejected and/or disputed claims. This includes where appropriate, affording procedural fairness to members and potential beneficiaries and the independent review of claims by the Trustee sitting as the MEC.

As part of these processes the Trustee has in place procedures for ensuring that disclosure of any existing or potential conflicts of interest are declared. The TelstraSuper CMF provides details of this process.

8. INSURANCE SELECTION & RENEWAL PROCESS

The Trustee is mindful of the need to ensure its members have access to the most appropriate insurance arrangements available within the market. Accordingly, the Trustee undertakes a full review of its incumbent insurer at least every 2 - 3 years. This full review may incorporate the Trustee using an insurance broker or third party provider to undertake a review and due diligence process of which meets the minimum requirements of SPS 250 and APRA's expectations in SPG 250:

- the kind of insurance offered to members;
- the level, or levels of insurance cover offered to members;
- the continued appropriateness of the insurance offering, having regard to the demographic composition of the members of the Fund;
- the method by which the insurer is determined (if appropriate);
- a review may be triggered by adverse events such as prolonged failure to meet agreed service standards or a loss of confidence in the insurer.

The Insurance Broker or third party provider's report is considered by the Trustee and the MEC at first instance. It will then be referred to The Board. Should the Board determine to undertake a full market tender, the report will generally form the basis of the tender document including the request for proposal provided to potential insurers.

If the Board determines to undertake a full market tender, the Trustee must develop and implement a selection process for choosing the incumbent or alternative insurer that includes, at a minimum, the following:

The scope and basis of the review

- objectives and goals of the review
- the measures to be used to define a successful outcome

Understanding the context for the review

- the group insurance market background
- trends and anticipated future changes
- the current insurance offering, including any points of differentiation
- any operational or other constraints that may need to be accommodated or countered

Agreeing on preferred insurance design & claims philosophy

- considering all elements of the insurance arrangements
- ranking and weighing these elements according to the extent to which they support or are aligned with the Trustee's strategic objectives

- ensuring that the future insurance provider offers a policy that matches the current offering, thereby ensuring there is no risk of the Trustee having to self-insure any gaps between the policies
- consideration of terms of cover and exclusions
- consideration of the prospective insurer's claims philosophy which includes:
 - the insurer's history of rate of rejection of claims
 - the insurer's record of claims decisions being overturned by the SCT or AFCA
 - the reasonableness of the insurer's claims requirements
 - the training and skills of the insurer's claims assessors
 - specific examples of claims paid and claims denied
 - the processes which support procedural fairness for claimants
- the reasonableness of the premiums to be charged
- terms of any delegation to any other person of functions associated with making available insured benefits
- a due diligence review of the selected insurer including conflicts of interest, financial strength¹², internal control environment and business continuity arrangements
- be able to demonstrate the appropriateness of the selection process and due diligence review and how it was applied.

Assessing the suitability of insurers

The Trustee will consider prospective insurance partners to be assessed against all factors that influence the quality of the relationship between TelstraSuper, the insurer and the Fund's members. Any prospective insurance partner must confirm that FSC Guidance Note 11, Group Insurance Takeover Terms,¹³ will apply and further undertakings to ensure no loss of cover occur on transitioning to the new insurer.

The following matrix has been used by the Trustee to measure the suitability of insurers. The weighting for each criteria is aligned with the Fund's objectives as outlined in this IS:

Criteria	Weighting
Organisational background	10%
Strategic partnering initiatives	15%
Account management & SLA's	10%
Product & servicing	10%
Use of technology/ digital	10%
Pricing	15%
Terms & conditions	15%
Underwriting & claims services	10%
Quality, risk & compliance	5%
Total	100%

The Trustee will review the prospective insurance partner responses to the request for proposal and rate them accordingly:

Insurer response	Rating
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¹² Assessment of financial strength will include an assessment of the insurer's capital position (including any external rating), reinsurance arrangements and solvency.

¹³ FSC Guidance Note 11 Group Insurance Takeover Terms (May 2013).

Response consistently exceeds expectations and is considered benchmark/ better practice, will provide either enhanced functionality, improve efficiencies, deliver superior member experience or improve product offering	High
Response meets expectations and on average, exceeds common market practices and has the potential to increase functionality, may result in efficiencies, will improve overall member experience and may result in improved offering.	Medium
Response inadequate and does not meet minimum market/industry standards, does not improve functionality, efficiencies, member experience or overall product offering.	Low

If the Board decides not to undertake a full market tender, it will require the incumbent insurer to make a formal response to the request for proposal to allow the Trustee to make a decision about whether to initiate a full market tender for group insurance services into the future.

Factors considered in making the decision as to whether to initiate a full market tender include the incumbent insurer's:

- ability to meet the Fund's requirements as to the suite of insurance offerings it aims to offer its members;
- product enhancements proposed by the incumbent insurer;
- enhanced member service commitments, e.g. development/re-development of the member online experience, underwriting and claims management technology solutions;
- ability to provide cost efficiencies;
- claims history; and
- claims philosophy.

If the Trustee then determines not to undertake a full market tender, the Trustee, in conjunction with its insurance broker or third party provider, will undertake a comprehensive review of its existing arrangements.

The key objectives of this comprehensive review are to:

- identify gaps (if any) in the current cover and consider how they might be addressed;
- review the types of cover provided by each division and benchmark it against other comparable funds in the market;
- analyse the design of the insurance benefits offered in each division of the Fund and determine if it can be improved to better meet the needs of members;
- conduct age profiling to examine the possibility of offering members more flexible cover;
- determine how current insurance premiums compare to others available in the market and ensure the Fund obtains 'value for money';
- ensure the Fund's insurance offering is seen as a market leader in meeting members' needs; and
- provide insurance that is easy to obtain so that difficulty in obtaining insurance is not seen as a barrier for new entrants.

The Trustee requires that the incumbent insurer is able to satisfactorily meet the key objectives of any review it may undertake.

As part of its insurance renewal process, the Trustee strives for operational excellence and opportunities to continuously improve its service model in the following areas:

- Technology
- Underwriting
- Claims
- Product Enhancement
- Fund Development and Marketing
- Policy and other associated documentation.

The process undertaken is demonstrative of the Trustee acting in the best interests of its beneficiaries by conducting an arm's length review. Declarations of any existing or potential conflicts of interest that may arise during this process are sought from all relevant personnel, including directors, and dealt with in accordance with the Trustee's CMF.

The Trustee also endeavours to obtain competitive premium rates for its members keeping in mind the need to ensure that premiums will not unduly erode beneficiaries' retirement savings. The rates and terms of insurance offered to members are negotiated as part of the tender or review process undertaken in conjunction with the Trustee's insurance broker or third party provider.

The Trustee will evaluate the insurer's honesty, fairness and transparency in its decision making, respect shown to members and staff and timeliness of responses on an ongoing basis.

9. INSURANCE ARRANGEMENTS¹⁴

Regarding its externally insured benefits, the Trustee enters into a written contract(s) (in the form of a policy) with the selected insurer, which details the types and levels of insurance for Fund members at the premium rates negotiated for the Group Life and IP policies. The following checklist covers the terms that must be documented in the RSE licensee insurance arrangements in accordance with the minimum standards in SPS 250 and APRA's expectations in SPG 250.

The external policies are evidence of the contracts of insurance entered into between the Trustee and the selected insurer. At a minimum, the Trustee requires that these policies and any accompanying agreements address the following matters:

- the level and type of insured benefits made available, including any exclusions;
- the term of the insured benefits;
- automatic acceptance limits;
- availability of opt in and/or opt out cover;
- requirements for the beneficiaries' eligibility for, cessation of, and any reinstatement of entitlements to insured benefits where available;
- premium structure, including any variable components;
- procedures for notification and payment of claims;

¹⁴ As defined in paragraph 18 of Prudential Standard SPS 250 – Insurance in Superannuation.

- dispute resolution arrangements;
- agreed service standards;
- reporting requirements for monitoring agreed service standards;
- the provision of complete claims information on an annual basis as required Prudential Standard SPS 250 – Insurance in Superannuation;
- liability and indemnity arrangements; and
- review, termination and renewal provisions for the insurance arrangement.

The Trustee has documented the terms and conditions of its self-insurance arrangements including in its insurance business rules and member disclosure documentation. To the extent they are relevant, the matters listed above are addressed in these documents.

In addition, the Trustee's insurance arrangements or other documents that are in place prior to the commencement of risk must address the following additional APRA expectations in SPG 250¹⁵:

- underwriting requirements, including the responsibilities of the insurer, the Trustee or any other party with respect to underwriting
- any reduction in benefits and premium loadings i.e. extra premiums charged to a member or group of beneficiaries based on specific conditions, including how beneficiaries are notified about additional premiums
- clearly defined conditions for when claims will be admitted or denied
- procedures for deducting premiums from beneficiaries' accounts and paying premiums to insurers
- procedures for notifying and paying claims, including the responsibilities of the insurer when communicating directly with beneficiaries
- continuation options including notification to beneficiaries
- liability and indemnity where the insurer outsources a material business activity relating to the insured benefits made available by the Trustee
- liability and indemnity where incorrect data has been relied upon
- profit-sharing arrangements and experience commission terms, including their consistency with the undertaking provided under section 29SAC of the SIS Act in relation to members with an interest in a MySuper product.

The Trustee also negotiates and enters into an Insurance Service Standards Agreement (ISSA) with the selected insurer. Details of the insurer's obligations under the ISSA are set out in the section below.

The Trustee ensures compliance with its duty to activate upmost good faith during its dealings with the selected insurer.

10. PROCESSES FOR MONITORING INSURANCE ARRANGEMENTS

The Trustee requires that an ISSA or similar agreement exists between it and its insurer. The provisions contained in the ISSA are negotiated with the insurer along with the relevant group policies. Also, the Fund has documented Insurance Business Rules.

¹⁵ As set out in paragraph 38 of Prudential Standard Guide SPG 250 – Insurance in Superannuation

At a minimum, the Trustee requires that the ISSA contains provisions relating to the insurance cover provided by the insurer, including that the insurer will perform certain services, related to its obligations under the policies, in accordance with service levels (where applicable) and also include the following:

- the provision of monthly underwriting and claims operational reports containing service standards and service targets;
- at least annually provide a report which provides details of the payments made by the insurer for Death, TPD and IP claims during the period of the report;
- review of complaints and claims relating to the policies according to the procedures stated in the ISSA; and
- the provision of a dispute resolution procedure between the Trustee and the insurer.

The Trustee ensures it has sufficient and appropriate resources to manage and monitor its relationship with its insurer at all times, including by:

- conducting monthly and quarterly meetings with its insurer attended by Executive General Manager (as needed), Operations, Manager – Insurance & Claims and Product Manager (as needed); and
- having in place a process for regular monitoring of performance under the insurance arrangements, including:
 - monthly progress reports to senior management against service levels; and
 - access to the insurer’s real-time data portal

The Trustee must notify APRA as soon as practicable of any issues that it considers might materially affect its ability to make insured benefits available to beneficiaries.¹⁶

Where an insurance arrangement is terminated, the Trustee must notify APRA as soon as practicable and provide a statement about the transition arrangements and future strategies for continuing to make insured benefits available to beneficiaries.¹⁷

11. REVIEW

It is the responsibility of the Manager, Insurance & Claims to review and update this document on an at least an annual basis and seek approval of all changes from the Board (as part of the overall independent IMF review) on recommendation of the Executive General Manager, Operations.

¹⁶ As required in paragraph 20 of Prudential Standard SPS 250 – Insurance in Superannuation

¹⁷ As required in paragraph 21 of Prudential Standard SPS 250 – Insurance in Superannuation

APPENDICES

Appendix A - Categories of default cover offered

Table 1A below sets out the types of default insurance cover available in each of the divisions of the Fund as at 1 July 2020.

TABLE 1A: DEFAULT INSURANCE OFFERED BY DIVISION AS AT 1 JULY 2020

Cover Type	Division 2 – DB (Closed)	Division 5 – DB (Closed)	Division 8 – DB (Closed)	Retire Access	Division 6 Corporate Plus (Casuals)	Division 6 Corporate Plus (Permanent [^])	Division 4 Personal Plus
Death	ü	ü	ü	ü*	ü*	ü*	ü*
TPD	ü	ü	ü	x	ü*	ü*	ü*
IP	x	ü	ü	x	x	ü*	x

* Default cover is subject to default cover conditions and/or limited underwriting for new members of the Fund.

[^]Means a person engaged under a contract of employment and includes a contractor

Table 1B below sets out the types of default insurance cover available in each of the divisions of the Fund offered with a MySuper product.

TABLE 1B: DEFAULT INSURANCE OFFERED BY DIVISION 1 JULY 2020

Cover Type	Division 2 – DB (Closed)	Division 5 – DB (Closed)	Division 8 – DB (Closed)	Retire Access	Division 4 – Personal Plus		Division 6 – Corporate Plus	
					My Super	Choice	My Super	Choice
Death	ü	ü	ü	ü*	ü*	ü*	ü*	ü*
TPD	ü	ü	ü	x	ü*	ü*	ü*	ü*
IP	x	ü	ü	x	x	x	ü*	ü*

* Default cover is subject to default cover conditions and/or limited underwriting for new members of the Fund.

Levels of cover

Table 2A shows the levels of default Death, TPD and IP insurance offered as at 1 July 2020 and which vary according to the particular division of membership. Voluntary Death, TPD and Income Protection is available by application in all Accumulation divisions. For members of the defined benefit divisions, voluntary insurance cover is available under the accumulation policy.

TABLE 2A: LEVEL OF DEFAULT DEATH, TPD & IP BY DIVISION AS AT 1 JULY 2020

Cover Type	Division 2 – DB (Closed)	Division 5 – DB (Closed)	Division 8 – DB (Closed)	Retire Access	Division 6 Corporate Plus (Casuals)	Division 6 Corporate Plus (Permanent [^])	Division 4 Personal Plus
Death	Formula Based	Formula Based	Formula Based	Age Based*	Age Based*	Formula Based*#	Age Based*
TPD	Formula Based	Formula Based	Formula Based	x	Age Based*	Formula Based*#	Age Based*
IP	x	Formula Based	Formula Based	x	x	Formula Based*#	x

*Default cover is subject to default cover conditions and/or to limited underwriting for new members of the Fund.

^Means a person engaged under a contract of employment and includes a contractor
 # Formula based default Death & TPD cover is calculated according to a Multiple of Salary X Salary for Insurance Purposes and Age. Formula Based default IP is based on 75% of salary (excluding super) with 10% of salary (excluding super) to be paid into an eligible member's superannuation account. Members aged between 61-64 receive Aged Based default cover. Casual Division 6 Corporate Plus Choice and My Super members will receive age based Death & TPD cover.

Table 2B shows the levels of default Death, TPD and IP insurance which will be available in each of the divisions of the Fund offered with a MySuper product. Voluntary Death, TPD and Income Protection is available by application in all Accumulation divisions. For members of the defined benefit divisions, voluntary insurance cover is available under the accumulation policy.

TABLE 2B: LEVEL OF DEFAULT DEATH, TPD AND IP BY DIVISION

Cover Type	Division 2 – DB (Closed)	Division 5 – DB (Closed)	Division 8– DB (Closed)	Retire Access	Division 4 – Personal Plus		Division 6 – Corporate Plus	
					My Super	Choice	My Super	Choice
Death	Formula Based	Formula Based	Formula Based	Age Based*	Age Based*	Age Based*	Formula Based**	Formula Based**
TPD	Formula Based	Formula Based	Formula Based	X	Age Based*	Age Based*	Formula Based**	Formula Based**
IP	X	Formula Based	Formula Based	X	X	X	Formula Based**	Formula Based**

* Default cover is subject to default cover conditions and/or to limited underwriting for new members of the Fund.

Formula based default Death & TPD cover is calculated according to a Multiple of Salary X Salary for Insurance Purposes and Age. Formula Based default IP is based on 75% of salary (excluding super) with 10% of salary (excluding super) to be paid into an eligible member's superannuation account. Members aged between 61-64 receive Aged Based default cover. Casual Division 6 Corporate Plus Choice and My Super members will receive age based Death & TPD cover.

Appendix B - Insurance Rates for all Fund divisions effective 1 July 2020

The below table shows default Death & TPD cover calculated as a multiple of member's salary for insurance purposes for Division 6 – Corporate Plus (permanent employees) and voluntary cover:

Table 1: Death and TPD rates annual cost per \$1,000 sum insured

Age next birthday*	Default Death & TPD Cover (permanent full-time and part-time employees)			for Default Death only Cover	Voluntary* Death only Cover		Voluntary* Death & TPD Cover	
	Multiple of salary	Unisex	Unisex Former Defined Benefit Members	Unisex	Males	Females	Males	Females
16	4.5	0.63	0.78	0.62	0.63	0.34	0.64	0.36
17	4.5	0.77	0.95	0.76	0.75	0.34	0.76	0.36
18	4.4	0.89	1.10	0.85	0.81	0.33	0.86	0.34
19	4.3	0.93	1.15	0.86	0.87	0.33	0.95	0.34
20	4.2	0.97	1.20	0.89	0.88	0.32	0.96	0.33
21	4.1	0.96	1.19	0.87	0.88	0.32	0.97	0.33
22	4.1	0.91	1.12	0.81	0.87	0.28	0.98	0.30
23	4.1	0.88	1.09	0.75	0.82	0.27	0.95	0.29
24	4.1	0.85	1.05	0.72	0.80	0.26	0.95	0.28
25	4.1	0.81	1.00	0.66	0.75	0.25	0.90	0.27
26	3.8	0.82	1.01	0.69	0.72	0.21	0.87	0.27
27	3.8	0.78	0.96	0.64	0.69	0.20	0.84	0.26
28	3.8	0.75	0.93	0.62	0.63	0.20	0.78	0.27
29	3.8	0.73	0.90	0.55	0.59	0.19	0.75	0.28
30	3.8	0.69	0.85	0.52	0.55	0.19	0.75	0.30
31	3.8	0.68	0.84	0.51	0.53	0.20	0.72	0.31
32	3.8	0.63	0.78	0.47	0.52	0.20	0.71	0.35
33	3.8	0.63	0.78	0.49	0.52	0.21	0.71	0.40
34	3.8	0.64	0.79	0.47	0.52	0.26	0.72	0.46
35	3.8	0.65	0.80	0.46	0.52	0.27	0.75	0.52
36	3.8	0.65	0.80	0.45	0.53	0.29	0.78	0.57
37	3.7	0.68	0.84	0.44	0.55	0.33	0.83	0.68
38	3.6	0.72	0.89	0.47	0.62	0.37	0.95	0.76
39	3.5	0.77	0.95	0.50	0.65	0.42	1.02	0.88
40	3.4	0.85	1.05	0.53	0.72	0.47	1.15	0.99
41	3.2	0.95	1.17	0.55	0.75	0.52	1.28	1.14
42	2.9	1.09	1.35	0.64	0.83	0.56	1.44	1.25
43	2.8	1.21	1.49	0.69	0.92	0.65	1.62	1.41
44	2.6	1.37	1.69	0.75	1.00	0.72	1.82	1.60
45	2.4	1.55	1.91	0.85	1.10	0.78	2.06	1.78
48	1.8	2.37	2.92	1.19	1.44	1.01	2.91	2.43
49	1.6	2.73	3.36	1.34	1.60	1.10	3.25	2.68
50	1.5	3.04	3.74	1.44	1.71	1.20	3.60	3.00
51	1.4	3.46	4.26	1.61	1.87	1.28	4.02	3.29
52	1.2	3.99	4.91	1.81	2.00	1.36	4.42	3.67
53	1.0	4.73	5.82	2.12	2.17	1.47	4.87	4.05
54	0.8	5.47	6.73	2.37	2.35	1.60	5.39	4.51
55	0.7	6.17	7.59	2.64	2.53	1.68	5.89	4.96
56	0.6	6.85	8.43	2.88	2.71	1.80	6.47	5.52
57	0.5	7.68	9.45	3.17	2.92	1.90	7.06	6.11
58	0.4	8.65	10.64	3.53	3.16	2.00	7.74	6.75
59	0.3	9.63	11.85	3.87	3.39	2.14	8.44	7.42
60	0.2	10.90	13.41	4.35	3.66	2.24	9.18	8.09
61					3.94	2.37	10.00	8.75
62					4.26	2.49	10.87	9.44
63					4.60	2.63	11.79	10.12
64					4.98	2.79	12.81	10.82
65					5.39	2.94	13.86	11.51
66					5.81	3.13	n/a	n/a
67					6.27	3.32	n/a	n/a
68					6.78	3.52	n/a	n/a
69					7.33	3.74	n/a	n/a
70					7.91	3.97	n/a	n/a
71					8.55	4.20	n/a	n/a
72					9.24	4.45	n/a	n/a
73					9.97	4.72	n/a	n/a
74					10.77	5.00	n/a	n/a
75					11.64	5.30	n/a	n/a

Members aged 61-75 to refer to Age Based Death & TPD cover table

* As at last 1 July. ^ For members with Top Up Cover, Voluntary Cover rates apply to Top Up Cover.

The below table highlights the Income Protection rates for Division 6 – Corporate Plus (permanent employees):

Table 3: Income premium rates annual cost per \$1,000 sum insured*																
Benefit period	2 Years [†]								5 Years							
Waiting Period	30 days		60 days		90 days [†]		120 days		30 days		60 days		90 days		120 days	
ANB [†]	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
16	3.58	4.64	2.32	2.80	1.28	1.45	1.21	1.38	4.23	6.00	2.73	3.64	1.99	2.47	1.71	2.17
17	3.58	4.73	2.32	2.86	1.28	1.47	1.21	1.40	4.23	6.11	2.73	3.71	1.99	2.51	1.71	2.20
18	3.68	4.78	2.38	2.89	1.32	1.48	1.26	1.41	4.35	6.17	2.81	3.74	2.05	2.53	1.77	2.23
19	3.70	4.83	2.38	2.92	1.32	1.50	1.26	1.42	4.35	6.24	2.81	3.78	2.05	2.54	1.77	2.24
20	3.70	4.84	2.38	2.92	1.32	1.50	1.26	1.42	4.35	6.25	2.81	3.78	2.05	2.55	1.77	2.24
21	3.73	4.89	2.40	2.94	1.33	1.52	1.27	1.43	4.41	6.32	2.83	3.82	2.08	2.57	1.78	2.26
22	3.53	4.93	2.26	2.96	1.26	1.53	1.19	1.42	4.20	6.42	2.72	3.89	1.96	2.64	1.69	2.32
23	3.36	4.97	2.16	2.98	1.19	1.54	1.13	1.35	4.03	6.53	2.61	3.96	1.88	2.67	1.62	2.36
24	3.28	5.01	2.10	3.01	1.15	1.55	1.10	1.31	3.96	6.63	2.54	4.02	1.84	2.72	1.50	2.40
25	3.15	5.06	2.01	3.03	1.11	1.56	1.05	1.26	3.84	6.75	2.46	4.10	1.78	2.76	1.54	2.45
26	3.05	4.97	1.92	3.02	1.05	1.57	1.00	1.20	3.75	6.72	2.40	4.12	1.71	2.81	1.48	2.50
27	2.96	5.38	1.88	3.24	1.03	1.66	0.98	1.17	3.67	7.32	2.36	4.44	1.69	3.01	1.46	2.67
28	2.95	5.69	1.88	3.38	1.03	1.73	0.98	1.18	3.70	7.84	2.37	4.71	1.70	3.16	1.47	2.80
29	2.93	5.96	1.85	3.53	1.01	1.78	0.97	1.17	3.70	8.28	2.37	4.93	1.70	3.28	1.47	2.94
30	2.98	6.25	1.88	3.67	1.03	1.84	0.98	1.18	3.81	8.76	2.43	5.20	1.74	3.44	1.52	3.07
31	3.04	6.46	1.91	3.80	1.04	1.89	0.99	1.19	3.94	9.16	2.50	5.43	1.78	3.57	1.56	3.19
32	3.15	6.67	1.98	3.89	1.07	1.94	1.01	1.24	4.13	9.53	2.61	5.64	1.84	3.71	1.61	3.31
33	3.28	6.90	2.03	4.05	1.10	2.02	1.04	1.26	4.31	9.98	2.71	5.92	1.90	3.88	1.68	3.50
34	3.42	7.10	2.12	4.19	1.13	2.10	1.08	1.31	4.56	10.37	2.83	6.17	1.99	4.06	1.75	3.65
35	3.60	7.36	2.22	4.35	1.18	2.19	1.12	1.38	4.85	10.88	3.02	6.49	2.10	4.31	1.85	3.88
36	3.81	7.64	2.36	4.55	1.25	2.32	1.18	1.45	5.19	11.44	3.23	6.87	2.23	4.59	1.98	4.15
37	4.00	7.95	2.46	4.78	1.31	2.45	1.25	1.53	5.50	12.10	3.42	7.31	2.38	4.93	2.11	4.49
38	4.20	8.37	2.61	5.06	1.39	2.62	1.32	1.61	5.85	12.86	3.64	7.85	2.53	5.35	2.25	4.86
39	4.42	8.83	2.75	5.38	1.47	2.80	1.40	1.73	6.25	13.76	3.89	8.47	2.73	5.81	2.44	5.29
40	4.68	9.37	2.94	5.75	1.59	3.03	1.52	1.85	6.69	14.84	4.22	9.19	2.98	6.39	2.67	5.82
41	4.93	10.04	3.14	6.23	1.71	3.31	1.62	2.01	7.16	16.10	4.56	10.07	3.26	7.07	2.94	6.46
42	5.17	10.77	3.31	6.72	1.84	3.61	1.75	2.16	7.59	17.49	4.90	11.04	3.54	7.84	3.19	7.17
43	5.52	11.58	3.59	7.30	2.02	3.98	1.91	2.38	8.21	19.06	5.38	12.15	3.95	8.71	3.56	7.98
44	5.84	12.50	3.85	7.95	2.19	4.37	2.09	2.60	8.79	20.84	5.82	13.40	4.35	9.71	3.94	8.92
45	6.26	13.53	4.19	8.70	2.43	4.84	2.30	2.87	9.56	22.78	6.44	14.81	4.87	10.83	4.42	9.98
46	6.63	14.63	4.51	9.50	2.66	5.35	2.52	3.15	10.27	24.93	7.03	16.35	5.41	12.10	4.91	11.16
47	7.14	15.80	4.92	10.37	2.95	5.89	2.79	3.51	11.18	27.21	7.79	18.01	6.09	13.46	5.53	12.44
48	7.71	17.12	5.42	11.33	3.29	6.49	3.12	3.91	12.22	29.78	8.66	19.89	6.88	14.97	6.27	13.89
49	8.35	18.60	5.96	12.42	3.67	7.18	3.50	4.37	13.35	32.67	9.62	22.00	7.77	16.71	7.08	15.51
50	9.02	20.11	6.55	13.55	4.08	7.89	3.88	4.89	14.59	35.66	10.67	24.19	8.72	18.50	7.98	17.21
51	9.82	21.79	7.24	14.77	4.57	8.69	4.34	5.47	16.02	38.99	11.90	26.63	9.84	20.52	9.04	19.11
52	10.69	23.60	7.98	16.10	5.11	9.53	4.85	6.13	17.62	42.56	13.27	29.27	11.10	22.68	10.21	21.17
53	11.76	25.51	8.88	17.54	5.73	10.42	5.43	6.89	19.54	46.35	14.89	32.05	12.56	24.98	11.58	23.35
54	12.98	27.55	9.89	19.04	6.42	11.40	6.11	7.75	21.76	50.39	16.73	35.04	14.23	27.42	13.12	25.70
55	14.38	29.69	11.05	20.64	7.23	12.42	6.87	8.73	24.32	54.65	18.87	38.17	16.15	30.02	14.91	28.16
56	15.97	31.95	12.36	22.32	8.12	13.48	7.70	9.82	27.20	59.16	21.23	41.47	18.25	32.73	16.90	30.74
57	17.71	34.40	13.78	24.12	9.09	14.62	8.63	11.03	30.37	64.04	23.83	45.03	20.57	35.61	19.06	33.52
58	19.74	36.97	15.43	26.00	10.21	15.80	9.70	12.41	33.99	69.16	26.76	48.73	23.16	38.62	21.50	36.39
59	21.99	39.67	17.25	27.95	11.44	17.02	10.87	13.92	37.99	74.52	29.97	52.55	25.99	41.73	24.17	39.35
60	24.54	42.50	19.29	30.00	12.81	18.28	12.18	15.65	42.49	80.13	33.55	56.55	29.09	44.93	27.11	42.42
61	27.48	45.49	21.61	32.12	14.37	19.61	13.64	17.56	47.09	84.97	36.69	59.20	31.54	46.50	29.00	43.18
62	30.74	48.51	24.17	34.28	16.07	20.94	15.26	19.66	46.00	77.49	35.61	53.79	30.46	42.10	27.89	38.86
63	34.49	51.67	27.06	36.55	17.97	22.34	17.07	21.22	43.06	67.08	33.06	46.31	28.09	36.04	25.51	32.93
64	31.41	45.74	23.83	31.26	15.43	18.53	14.64	17.61	31.41	45.74	23.83	31.26	15.43	18.53	14.64	17.61
65	11.89	17.33	8.80	11.52	5.60	6.66	5.33	6.12	11.89	17.33	8.80	11.52	5.60	6.66	5.33	6.12

[†] Age next birthday as at last 1 July.

* Stamp duty is payable in addition to the Income Protection premiums above and varies depending on your state of residence.

[†] 2 years benefit period and 90 days Waiting Period cover is the Default Cover.

The below table highlights default Death and TPD cover for casual employees and those members with an age next birthday (ANB) between 61 and 75 years who are eligible for age-based default Death & TPD cover or default Death only cover in Division 6 – Corporate Plus.

Table 2: Age-based Death & TPD Cover (casual Employees and members aged 61 and over)

Age next birthday*	Death Cover	TPD Cover	Age next birthday*	Death Cover	TPD Cover
16	155,194	155,194	46	61,511	61,511
17	155,194	155,194	47	56,524	56,524
18	155,194	155,194	48	52,109	52,109
19	155,194	155,194	49	48,413	48,413
20	155,194	155,194	50	44,718	44,718
21	155,194	155,194	51	41,204	41,204
22	155,194	155,194	52	37,868	37,868
23	155,194	155,194	53	34,533	34,533
24	155,194	155,194	54	31,376	31,376
25	155,194	155,194	55	29,095	29,095
26	134,681	134,681	56	25,335	25,335
27	134,681	134,681	57	22,451	22,451
28	134,681	134,681	58	19,980	19,980
29	134,681	134,681	59	18,000	18,000
30	134,681	134,681	60	16,585	16,585
31	134,681	134,681	61	14,760	14,760
32	134,681	134,681	62	13,964	13,964
33	134,681	134,681	63	13,244	13,244
34	134,681	134,681	64	12,794	12,794
35	134,681	134,681	65	12,254	12,254
36	115,560	115,560	66	11,353	0
37	112,500	112,500	67	10,519	0
38	109,260	109,260	68	9,734	0
39	101,520	101,520	69	9,016	0
40	96,415	96,415	70	8,349	0
41	90,686	90,686	71	7,733	0
42	84,484	84,484	72	7,158	0
43	78,696	78,696	73	6,624	0
44	73,898	73,898	74	6,133	0
45	68,134	68,134	75	5,676	0

* As at last 1 July.

Division 6 – Corporate Plus (permanent employee) members with an ANB between 61 and 65 years will receive age-based default Death & TPD cover for \$2.16 per week and age-based default Death only cover for members with an ANB between 66-75 at \$1.13 per week, subject to default cover conditions.

Division 6 – Corporate Plus (casual employee) members aged 65 and under receive age-based default Death & TPD cover for \$2.17 per week and age-based default Death only cover for members with an ANB between 66-75 at \$1.13 per week, subject to default cover conditions.

The below table highlights default Death & TPD cover in Division 4 – Personal Plus.

Table 1: Default Death & TPD Cover					
Age next birthday*	Death Cover	TPD Cover	Age next birthday*	Death Cover	TPD Cover
16	155,194	155,194	46	61,511	61,511
17	155,194	155,194	47	56,524	56,524
18	155,194	155,194	48	52,109	52,109
19	155,194	155,194	49	48,413	48,413
20	155,194	155,194	50	44,718	44,718
21	155,194	155,194	51	41,204	41,204
22	155,194	155,194	52	37,868	37,868
23	155,194	155,194	53	34,533	34,533
24	155,194	155,194	54	31,376	31,376
25	155,194	155,194	55	29,095	29,095
26	134,681	134,681	56	25,335	25,335
27	134,681	134,681	57	22,451	22,451
28	134,681	134,681	58	19,980	19,980
29	134,681	134,681	59	18,000	18,000
30	134,681	134,681	60	16,585	16,585
31	134,681	134,681	61	14,760	14,760
32	134,681	134,681	62	13,964	13,964
33	134,681	134,681	63	13,244	13,244
34	134,681	134,681	64	12,794	12,794
35	134,681	134,681	65	12,254	12,254
36	115,560	115,560	66	11,353	0
37	112,500	112,500	67	10,519	0
38	109,260	109,260	68	9,734	0
39	101,520	101,520	69	9,016	0
40	96,415	96,415	70	8,349	0
41	90,686	90,686	71	7,733	0
42	84,484	84,484	72	7,158	0
43	78,696	78,696	73	6,624	0
44	73,898	73,898	74	6,133	0
45	68,134	68,134	75	5,676	0

* As at last 1 July.

The cost of insurance for Division 4 – Personal Plus members with age-based Death & TPD cover is \$2.17 per week and for Death only cover is \$1.13 per week for insurance as at last 1 July age next birthday.

The below tables highlights voluntary Death & TPD cover rates (which is underwritten cover) for Division 4 – Personal Plus members.

Table 2: Voluntary* Death & TPD rates annual cost per \$1,000 sum insured				
Age next birthday*	Death Only Cover		Death & TPD Cover	
	Male	Female	Male	Female
16	0.63	0.35	0.64	0.36
17	0.75	0.35	0.76	0.36
18	0.81	0.33	0.86	0.35
19	0.87	0.33	0.95	0.35
20	0.88	0.32	0.96	0.33
21	0.88	0.32	0.98	0.33
22	0.87	0.29	0.98	0.30
23	0.82	0.27	0.95	0.29
24	0.80	0.26	0.95	0.29
25	0.75	0.25	0.91	0.27
26	0.73	0.21	0.87	0.27
27	0.69	0.20	0.84	0.26
28	0.63	0.20	0.79	0.27
29	0.61	0.19	0.76	0.29
30	0.55	0.19	0.75	0.30
31	0.54	0.20	0.73	0.31
32	0.53	0.20	0.71	0.36
33	0.53	0.21	0.71	0.40
34	0.53	0.26	0.73	0.46
35	0.53	0.27	0.75	0.53
36	0.54	0.29	0.79	0.57
37	0.55	0.33	0.83	0.68
38	0.62	0.37	0.95	0.76
39	0.66	0.42	1.01	0.88
40	0.73	0.48	1.15	0.99
41	0.75	0.53	1.29	1.14
42	0.83	0.56	1.44	1.25
43	0.93	0.66	1.63	1.42
44	1.00	0.73	1.82	1.61
45	1.11	0.79	2.07	1.79
46	1.21	0.87	2.32	1.99
47	1.35	0.96	2.62	2.20
48	1.44	1.01	2.92	2.44
49	1.61	1.11	3.26	2.69
50	1.72	1.20	3.62	3.01
51	1.88	1.29	4.04	3.30
52	2.01	1.37	4.43	3.69
53	2.18	1.48	4.89	4.07
54	2.36	1.61	5.42	4.53
55	2.54	1.69	5.92	4.98
56	2.72	1.81	6.50	5.55
57	2.93	1.90	7.08	6.13
58	3.17	2.01	7.77	6.78
59	3.41	2.14	8.47	7.46
60	3.68	2.24	9.22	8.12
61	3.96	2.38	10.05	8.79
62	4.28	2.50	10.91	9.48
63	4.62	2.64	11.83	10.16
64	5.00	2.80	12.85	10.87
65	5.42	2.96	13.92	11.56
66	5.84	3.14		
67	6.30	3.34		
68	6.81	3.54		
69	7.36	3.75		
70	7.94	3.98		
71	8.58	4.22		
72	9.27	4.47		
73	10.02	4.74		
74	10.82	5.02		
75	11.69	5.32		

* As at last 1 July.

^ For members with Top Up Cover, Voluntary Cover rates apply to Top Up Cover.

Appendix C - TelstraSuper and MLC Life Insurance's Joint Claims Philosophy ¹⁸

Together with our insurer, MLC Limited (MLC Life Insurance), our joint claims philosophy is to act in the best interest of TelstraSuper members and provide support in their times of need. We are committed to compassionately guiding members through the claims process. As TelstraSuper's insurer, MLC Life Insurance endeavours to make the right decisions and supports ethical and fair outcomes for TelstraSuper members.

Both TelstraSuper and MLC Life Insurance will work together to:

- explain the claims process in simple and easy to understand terms
- assist you to complete the requirements of the claim process, based on your individual circumstances
- have your claim finalised as quickly and efficiently as possible.

TelstraSuper will act as your advocate to ensure that our Insurer, MLC Life Insurance, and any other third parties involved in your claim also act in accordance with this philosophy.

We understand that this may be a difficult time, so we'll both do our best to make the claims process as straight-forward as possible for you, with consultants acting in a consistent, fair, professional and empathetic manner. If you are well prepared and you have all the information that we need, making a claim is usually straightforward.

¹⁸ TelstraSuper, www.telstrasuper.com.au/products-and-services/insurance/making-a-claim

Our Contemporary Claims Management Model

Our contemporary claims management model, and the team that uses it, is designed to put the customer first. Here are some of the key features of our model which emphasise the most important values in our claims philosophy:

1. Cross-functional claims teams – Our claims teams are set-up to ensure **better and faster customer outcomes** with claims consultants, lead consultants and recovery specialists (rehabilitation consultants) to ensure each team has the capability to holistically manage claims.
2. End-to-end claims model – We support our customers with a focus on **early intervention**, functional capacity, holistic case management, return-to-work and ongoing support processes.
3. Customer conversations - We focus on conversations (telephone calls particularly) to **understand our customers** as best as possible; we minimise use of claims forms wherever reasonably possible.
4. Case conferencing - Our case consultants and internal specialists regularly confer to provide **evidence-based management solutions** for each customer.
5. Long duration claims – We've created a specialist claims team to provide **support for customers** with claims that are longer in duration.
6. ClaimVantage – We've implemented an industry leading cloud-based claim management system, ClaimVantage. It delivers a single, streamlined view of the customer and their claim to provide our customers with an **easier, faster experience**.

¹⁹ MLC Life Insurance, www.mlcinsurance.com.au/partnering-with-us/financial-advisers/our-claims-philosophy

Appendix E – Insurance in Super Voluntary Code of Practice Definitions²⁰

business days means Monday to Friday excluding public holidays.

exceptional cases mean any of the following:

- (a) the claim is lodged so late that there are significant difficulties obtaining information necessary for the claim assessment
- (b) we believe that a claim which has been declined by the insurer may have a reasonable prospect of success, but involves complex matters that require further consideration by us
- (c) despite reasonable follow up, reports from third parties have not been received
- (d) the insurer has not provided information to us that we require to make a decision about a claim or complaint, which we have requested in line with our Code commitments
- (e) you or your representative has not responded to our reasonable enquiries or requests for information in a reasonable period of time
- (f) there are difficulties communicating with you that are out of our control
- (g) you have requested a delay
- (h) we or the insurer reasonably suspect the claim is fraudulent.

External Dispute Resolution means the external organisation that is relevant to your complaint, which may include the Australian Financial Complaints Authority, the Superannuation Complaints Tribunal, the Financial Ombudsman Service, or a complaints handling process mandated by legislation.

Financial Services Council Insurer Code means the Financial Services Council's Life Insurance Code of Practice.

in writing means a communication conveyed by mail or via electronic means such as via email, facsimile or text message, or any other means permitted by legislation or regulation.

inappropriately erode means the erosion of retirement balances as a result of insurance premiums to the extent that the primary purpose of superannuation, to provide income in retirement to substitute or supplement the Age Pension, is not met.

Service Provider means another party that we engage to provide a service on our behalf; for example, a claims management service or a fund administrator. A life insurer in its capacity as an insurer is not a Service Provider.

Insurance in Super Code Owners means the Australian Institute of Superannuation Trustees (AIST), the Association of Superannuation Funds of Australia (ASFA) and the Financial Services Council (Financial Services Council).

Superannuation Guarantee means the compulsory superannuation contributions made by employers on behalf of their employees.

younger means the category of our membership who are under the age of 25, or another age that we determine to be appropriate taking into account the characteristics of our membership (we will publish the age that we choose and the justification for this in our annual Code compliance report).

²⁰ Insurance in Super Voluntary Code of Practice, dated 1 March 2020