

TODAY'S TOPIC

Insurance 123

Thank you for joining us.
We will commence shortly



IMPORTANT NOTICE

This presentation contains factual information and general advice only, including information about financial products. It has been prepared without taking into account your objectives, financial situation and needs. You should consider whether it is appropriate having regard to your personal circumstances before making any financial decisions.

If you are not a TelstraSuper member, we cannot offer, request or invite you to purchase a financial product after this session, without your prior consent. We can, however, provide you with factual information about the benefits and features of the different superannuation products that TelstraSuper has available. If you are considering acquiring a financial product, you should obtain the relevant product disclosure statement before making a decision. Any taxation information in the presentation is factual information only. If you require taxation advice you should consult your accountant or tax adviser.

If you would like to find out more information about TelstraSuper's products, please contact us by email at contact@telstrasuper.com.au or use the Contact Form on the website to make a request about a specific product, and we will arrange for a Member Contact Centre Consultant to call you to discuss that product. Alternatively, you can call our Member Contact Centre Consultants on 1300 033 166 to ask for further information about our products

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**THE IMPORTANCE OF
INSURANCE**

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**TELSTRASUPER'S
INSURANCE OFFERING**

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**HOW INSURANCE
CAN HELP**



**HOW TELSTRASUPER
CAN ASSIST**

?

QUESTIONS



THE IMPORTANCE OF INSURANCE



1 THE IMPORTANCE OF INSURANCE

Unfortunately, risk is a part of life

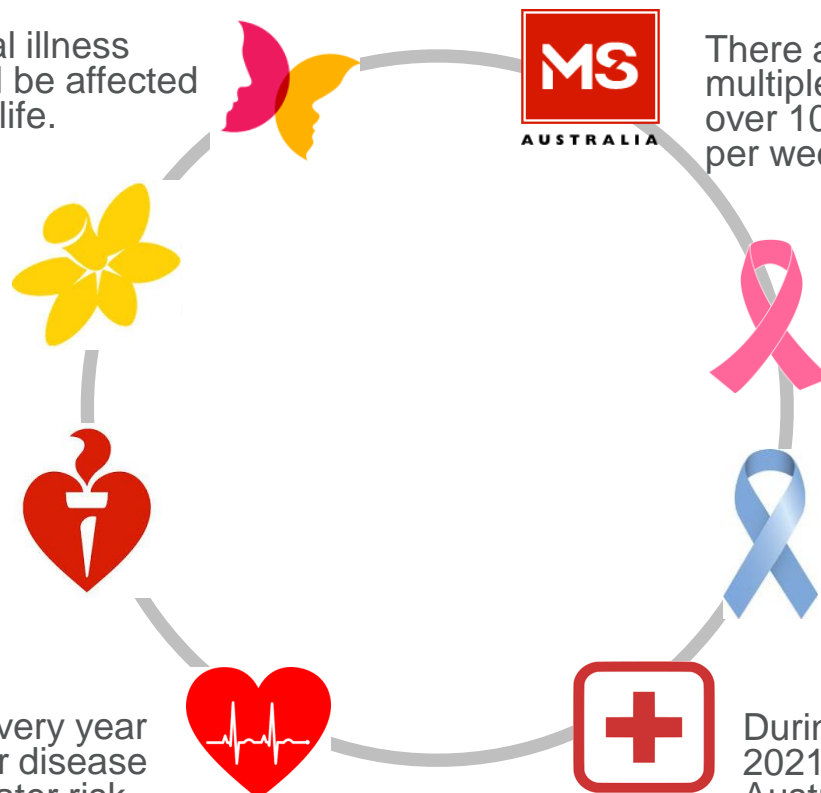


One in 5 Australians experience mental illness every year, and 45% of Australians will be affected by mental illness at some time in their life.

150,782 new cases of cancer were estimated to be diagnosed in 2021.

In 2020, 27,428 Australians experienced a stroke for the first time. This equates to 1 stroke every 19 minutes.

54,000 Australians suffer a heart attack every year and 1 Australian dies from Cardiovascular disease every 12 minutes. Males have a 40% greater risk than females



There are over 25,600 people living with multiple sclerosis in Australia. On average over 10 Australians are diagnosed with MS per week.

Estimated number of new cases of breast cancer diagnosed in 2021 was 20,030 – 164 males and 19,866 females.

In 2021, it is estimated that a male has a 1 in 8 risk of being diagnosed with prostate cancer by the age of 85.



During the 12 months ending December 2021, there were 1,127 road deaths in Australia.

Source: msaustralia.org.au, canceraustralia.gov.au, bitre.gov.au, Roadsafety.gov.au, Victor Chang Cardiac Research Institute, strokefoundation.org.au, betterhealth.vic.gov.au. Facts updated January 2022.

Reasons insurance matters

- Protection for you and your family
- Reduce stress during difficult times
- To enjoy financial security
- Peace of mind
- A legacy to leave behind

Think about how you'd pay your:

- Mortgage
- Rent
- Car repayments
- Bills
- Credit card
- Kid's school fees

What if you needed full-time care or had to renovate your home to cater for a disability or buy a specially designed car?

Insurance considerations



Advantages

- ✓ Automatic acceptance of cover
- ✓ Group Life premiums
- ✓ Life events cover
- ✓ Premiums can be paid with pre-tax income
- ✓ Cash flow advantages

Source: www.canstar.com.au/superannuation/insurance-through-super-yes-or-no/

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Considerations

- ✗ Types of cover may be limited
- ✗ Possible age restrictions for continuing cover
- ✗ Premiums can reduce your super balance
- ✗ Contribution caps
- ✗ Beneficiaries



TELSTRASUPER'S INSURANCE OFFERING

2

Insurance within super



Death Cover

Provides a lump sum for your dependents or your legal personal representative in the event of your death.

Lump sum



Terminal Illness Benefit

Pays a lump sum if you're diagnosed with a terminal illness and the insurer is satisfied, on medical or other evidence, that the illness, despite reasonable medical treatment, will lead to your death within 24 months of the date of the certification. This is an advance on the death benefit.

Lump sum



Total & Permanent Disability Cover (TPD)

Pays a lump sum if you become totally and permanently disabled and unable to work due to sickness or an accident.

Lump sum



Income Protection Cover

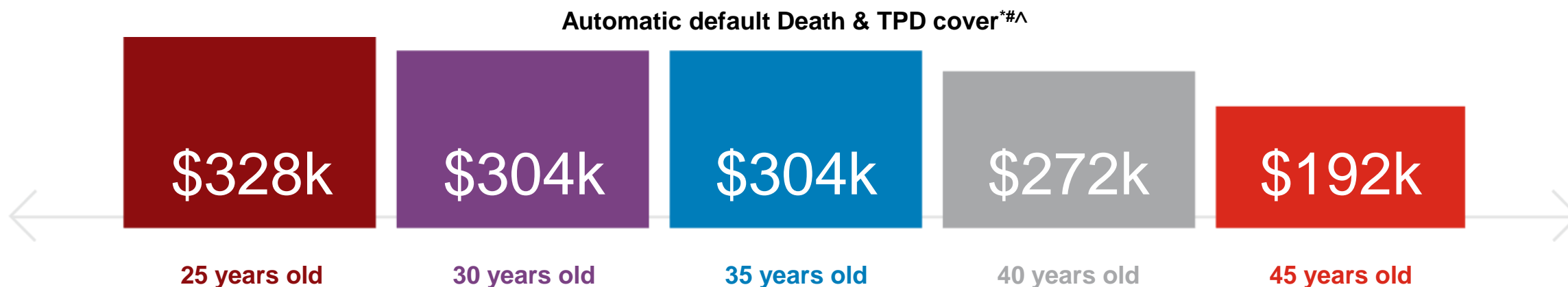
Provides a monthly income protection benefit plus a monthly super contribution if you're partially disabled or totally disabled and are unable to work due to sickness or accident.

Monthly income

Source: Refer to the relevant Product Disclosure Statement, Target Market Determination and TelstraSuper Insurance Guide dated 1 July 2022 for full terms and conditions.

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TelstraSuper Corporate Plus default insurance



Default Income Protection[^]

Your Income Protection benefit payment will be up to **75% of your salary** with an additional **10% paid into your super fund**

If you're a TelstraSuper Corporate Plus member, your default insurance cover is for Death & TPD insurance. This is generally paid for by your employer as an employee benefit [°]

If you are aged under 25 or have an account balance that is less than \$6,000 you must opt in within 120 days of commencing employment to receive member paid insurance cover subject to 'At Work' requirements. If cover is required 120 days after joining the fund, you will need to apply and be assessed by our insurer.

*Death & TPD default cover is calculated based on a salary of \$80,000 p.a.

[^] To be eligible for default cover in TelstraSuper Corporate Plus, you must join TelstraSuper within 120 days of commencing employment otherwise all cover is subject to application and acceptance. Income protection is not available to casual employees.

[°] For many permanent full-time and part-time TelstraSuper Corporate Plus members, your Default Death & TPD Cover is currently paid by your Employer, as an employee benefit, except for employees of Sensis (new employees from 1 July 2014), 1300 Australia, Chief Entertainment and Telstra SNP Monitoring, Telstra Health and Telstra Purple (new employees from 1 June 2019) where premiums will be deducted from your account quarterly in arrears or on withdrawal if you leave TelstraSuper Corporate Plus. It also excludes members who don't have their Superannuation Guarantee (SG) contributions paid to TelstraSuper. As a casual employee, if you satisfy the Default Cover Conditions, you will receive an age-based level of Default Death & TPD Cover, however the premiums are not paid for by your employer. Refer to the relevant Product Disclosure Statement, Target Market Determination and TelstraSuper insurance guide dated 1 July 2022 for full terms and conditions.

Member paid insurance premium rebate



- ✓ Members who pay for insurance premiums from their account for any type of insurance cover will be eligible for the 15% Tax Rebate on the amount of premium that has been paid.
- ✓ This initiative has commenced for member paid insurance premiums deducted from 1 July 2021.
- ✓ The rebate will be itemised in the transaction listing at the applicable dates on periodic Member Statements, Exit Statements and Quotes and on SuperOnline.

Source: www.telstrasuper.com.au/campaigns/retirement-destination/building-a-better-future

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Insurance ancillary benefits

Through our insurer MLC Life Insurance, TelstraSuper members who have insurance have access to innovative programs and services to support their health and wellbeing.

- ✓ Best Doctors Service
- ✓ Mental Health Navigator
- ✓ Pre-Claim Early Engagement Service
- ✓ CancerAid Health Coach Program



Need help with insurance cover?

TelstraSuper Financial Planning has a team of phone-based Advisers who can help you work out how much insurance you need. If you'd like to discuss your insurance, you can contact us on 1300 033 166 or fill in our online contact form. There's no additional charge for our phone-based service as this is included in your TelstraSuper membership. Telstra Super Financial Planning Pty Ltd (TSFP) AFSL 218705 – which is wholly owned by Telstra Super Pty Ltd (TSPL)

Who can receive your death benefit?

Your eligible dependents are:



Binding nomination

A valid binding death benefit nomination gives you certainty about who will receive your benefit in the event of your death and means TelstraSuper must pay your death benefit to the beneficiaries nominated in the proportion set out in the nomination. To be valid and in effect, the binding nomination must meet all the superannuation law requirements.

Non-Binding nomination

A non-binding nomination is not binding on the Trustee of TelstraSuper. The Trustee will take your nomination into consideration when determining to whom to pay your death benefit.



HOW INSURANCE CAN HELP

3

3

HOW INSURANCE CAN HELP

Underinsurance

Underinsurance is the gap between the amount of life insurance needed by an individual or family and the amount of life insurance held.



It is estimated 94% of working Australians have some level of life cover



Approximately 64% of Australians hold life insurance within their super funds



On a basic level, the current level of insurance held, covers 92% of death needs but only 29% of TPD needs



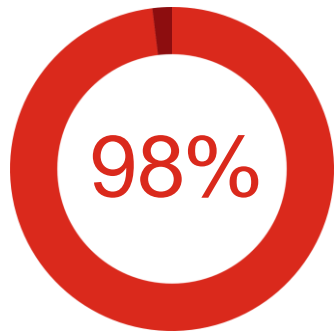
The underinsurance gap is much greater for parents with young children



It is estimated the current total cost to the Government in social security payments of death and TPD underinsurance across Australia is well over \$600 million p.a.

TelstraSuper insurance claims

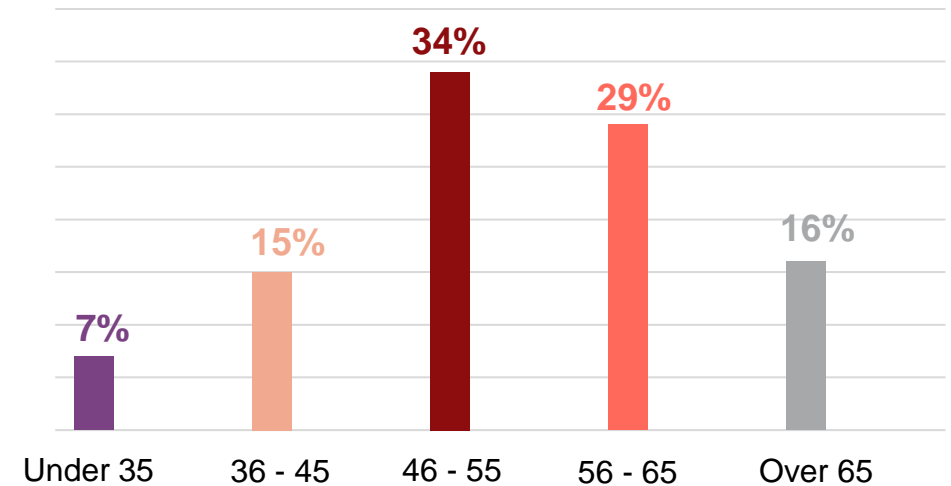
Approved claims
(for the financial year
ended 30 June 2022)



Dominant cause of claims

- Cancer - 33%
- Mental Health – 23%
- Respiratory, Digestive system – 18%
- Musculoskeletal / Injury – 10%
- Cardiovascular – 6%
- Diseases of the nervous system – 5%

Claims by age



Claims by gender



32%

68%





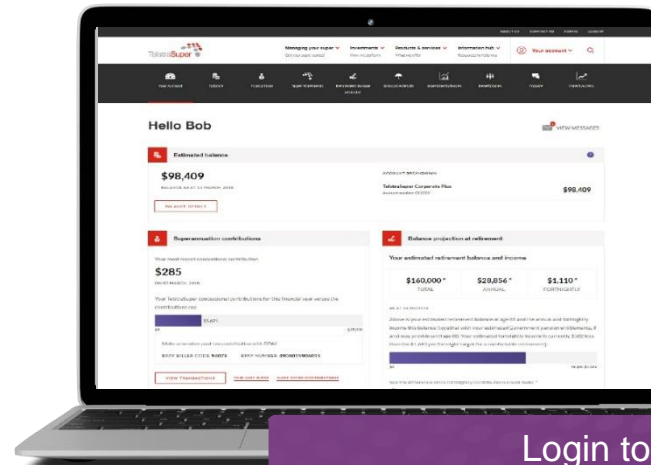
HOW TELSTRASUPER CAN ASSIST



Keeping in touch with your super



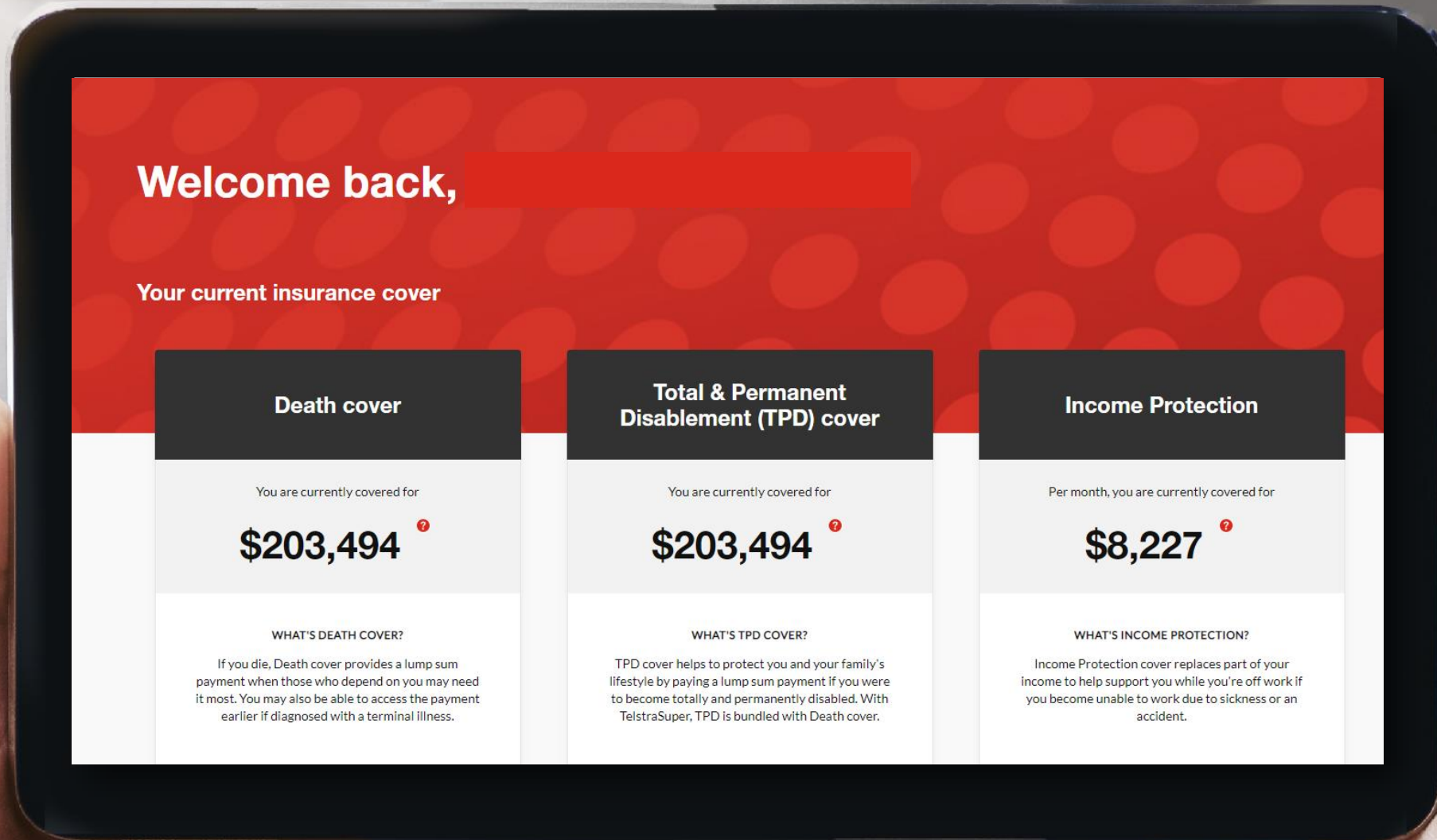
- ✓ Update your email address and personal details
- ✓ Check your account balance
- ✓ Review your insurance cover
- ✓ View your nominated beneficiaries and make a non-binding nomination
- ✓ Review your investment options and investment returns
- ✓ Keep track of pre-tax contributions against the concessional contributions cap
- ✓ Review benefit statements
- ✓ View latest contributions and transactions



Login to SuperOnline at telstrasuper.com.au



Insurance portal



Welcome back,

Your current insurance cover

Death cover

You are currently covered for

\$203,494 [?]

WHAT'S DEATH COVER?

If you die, Death cover provides a lump sum payment when those who depend on you may need it most. You may also be able to access the payment earlier if diagnosed with a terminal illness.

Total & Permanent Disablement (TPD) cover

You are currently covered for

\$203,494 [?]

WHAT'S TPD COVER?

TPD cover helps to protect you and your family's lifestyle by paying a lump sum payment if you were to become totally and permanently disabled. With TelstraSuper, TPD is bundled with Death cover.

Income Protection

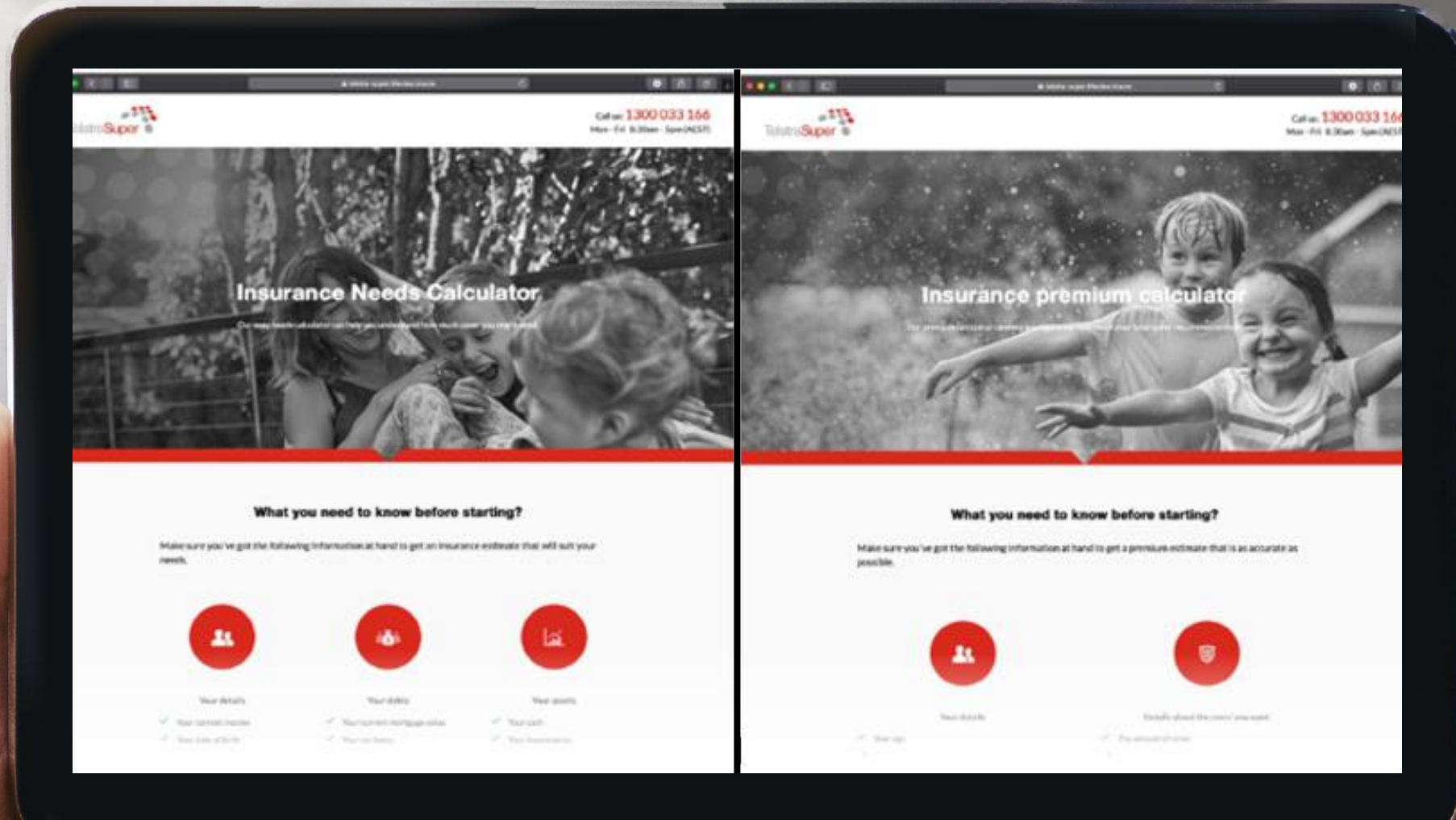
Per month, you are currently covered for

\$8,227 [?]

WHAT'S INCOME PROTECTION?

Income Protection cover replaces part of your income to help support you while you're off work if you become unable to work due to sickness or an accident.

TelstraSuper's insurance calculators



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Source: www.telstra-super.lifeview.insure/calculators/premium and www.telstra-super.lifeview.insure/calculators/needs

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Four financial advice services to empower you



SUPER *sorter*

Simple phone advice and info to max your super.

No additional cost to members



STEP *it up*

Want to take that next step with your super or finances? We'll find you a simple solution.

Low cost options



BIG *picture it*

Let's check out your whole financial situation and make a plan.

One off fee for service



STAY *on track*

Ongoing expert coaching on super and wealth. We'll nudge and encourage you, keeping you on track as life changes.

Annual fee for service

Financial advice is provided by Telstra Super Financial Planning Pty Ltd (TSFP) AFSL 218705. TSFP is wholly owned by TelstraSuper Pty Ltd (TSPL) in its capacity as trustee for the Telstra Superannuation Scheme (TelstraSuper). Refer to the current TSFP Financial Services Guide (FSG) on our website (www.telstrasuper.com.au) for important information about the services.

Share the fund *love*

We're open to everyone

Exciting news! If you're a TelstraSuper member, you can refer your friends and family.

As new members, they'll enjoy all the benefits of membership, just like you. So share the fund love.

telstrasuper.com.au/refer



Happy to answer your questions.



1300 033 166

8:30am - 5:30pm (Melbourne time) Monday to Friday



talkingsense@telstrasuper.com.au



telstrasuper.com.au



**As a leading profit-to-member fund, TelstraSuper is committed to helping our members build a financially secure future.
As a current TelstraSuper member, you are able to refer friends and family members to join TelstraSuper.**

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