



Perpetual WealthFocus Wholesale Super Plan

Supplementary Product Disclosure Statement

for employees of Perpetual Limited

Supplementary Product Disclosure Statement

dated 15 August 2011 for Product Disclosure Statement issue number 1
dated 15 August 2011 issued by Perpetual Superannuation Limited
ABN 84 008 416 831 AFSL 225246 RSE L0003315

About this Supplementary Product Disclosure Statement

This Supplementary Product Disclosure Statement (SPDS) applies only to members (including prospective members) of Perpetual WealthFocus Wholesale Super Plan (Wholesale Super Plan) who are employees of Perpetual Limited. For these members, this SPDS is to be read in conjunction with Product Disclosure Statement issue number 1 dated 15 August 2011 (PDS) for the Wholesale Super Plan comprising Part 1 (Features Book) and Part 2 (Investment Book).

Purpose of this SPDS

The purpose of this SPDS is to explain the different insurance arrangements offered to employees of Perpetual Limited who elect to become members of the Wholesale Super Plan.

Insurance cover

The following text replaces all of the information contained within the section 'Insurance cover' on pages 24-25 of the Features Book.

Insurance through the Wholesale Super Plan can be a tax-effective way of providing financial security to you and your family should you become permanently disabled or die.

The insurer

The insurance cover constitutes a member benefit provided under the Wholesale Super Plan and is provided to the Trustee by AIA Australia Limited (the insurer) (ABN 79 004 837 861, AFSL 230043). The description of insurance benefits, terms and conditions in this section relate to those provided by AIA Australia to eligible members of the Wholesale Super Plan.

The Trustee may, from time to time, decide to use another insurance provider, in which case the terms of cover, including premiums, may change. We will notify you in writing if this occurs.

Your insurance benefits are subject to the Fund's Trust Deed and the Policy Document of the insurer, the main features of which are described in this SPDS. Please note that this is a summary only. You can obtain a copy of the detailed Policy Document by contacting us. If any of the main features change, we will notify you in writing. If there are any inconsistencies between the information in this SPDS and the terms set out in the Policy Document, the Policy Document will prevail.

Types of cover available

Eligible members of the Wholesale Super Plan will be covered for both death and Total & Permanent Disablement (TPD)¹.

The insurance policy pays a benefit to the Trustee in the event of your death, terminal illness or if you are deemed to be totally and permanently disabled as defined by the policy¹. The Trustee will then pay the insured benefit to you or your beneficiary according to superannuation and tax laws.

¹ The definitions of TPD under the policy can be found on page 4.

Eligibility for cover

The insurance cover is available to employees whose Superannuation Guarantee contributions are paid into the Wholesale Super Plan.

Additional eligibility criteria may apply and include:

- employees must be aged less than 65 years
- employees must be an Australian national or permanent resident, residing in Australia.

Level of cover

The standard level of cover for eligible members will be an amount equal to five times your gross employment cost (GEC) for 'Senior' employees and five times base salary for 'Award' employees (refer to your conditions of employment for details), up to the Automatic Acceptance Limit (AAL) of \$1,200,000. For example, if your GEC or base salary (as applicable) is \$50,000 per annum your insured benefit payable upon death or TPD (as applicable) would be \$250,000.

The TPD cover amount will reduce by one-sixtieth for each completed month after you reach age 60, reducing to zero at age 65.

You may apply for additional cover in excess of five times your GEC or base salary (as applicable) and/or above the \$1,200,000 AAL. The maximum amount of death-only cover that you can apply for is \$10,000,000. The maximum death and TPD insurance cover that you can apply for is \$3,000,000. The insurer will require you to complete a Personal Health Statement and may request additional information before deciding whether or not to accept your application. These applications should be made through PeopleConnect. They will advise what specific medical and other information the insurer will require to assess you for this extra cover.

Automatic acceptance

'Automatic acceptance' means that the insurer has agreed to accept all eligible employees whose cover is calculated in accordance with the agreed formula for cover up to a particular AAL, without the need for them to complete a Personal Statement or provide any medical evidence.

If an employee chooses another superannuation fund, they will not be eligible to receive automatic insurance cover if they later choose to have their contributions paid into the Wholesale Super Plan. Due to standard restrictions imposed by insurance companies, employees in this situation will be required to apply for cover under the insurance policy, which may involve them providing medical evidence and there is no guarantee that cover will be accepted.

Medical evidence

Medical evidence is typically not required for the standard level of cover, so long as you are actively performing the duties of your occupation on your first day of employment with Perpetual Limited. Medical evidence will be requested where you:

- apply for additional cover above the standard level
- apply for cover in excess of the AAL
- do not qualify for automatic acceptance cover or
- were previously not eligible for this cover based on your choice of superannuation fund.

The cost of insurance cover

Insurance premiums for the standard level of cover for all eligible members are paid by Perpetual Limited as a benefit to employees, in the form of additional superannuation contributions to offset the premium amounts deducted from your member account.

Employees are responsible for paying the premiums on any additional insurance cover above the standard level and/or the AAL.

Current premium rate

As at the issue date of this SPDS, the current unit rate for the death and TPD insurance policy is **\$1.02 per annum per \$1,000 sum insured**. The premium rate includes stamp duty, commission and GST.

When cover commences

If you are eligible, this insurance cover commences on your first day of employment with Perpetual Limited provided you are not suffering from an injury or illness that prevents you from being at work on that day. If you are absent on your first day you may be required to provide evidence of satisfactory health before your cover can commence.

If you apply for an insured amount in excess of the standard level of cover (that is, five times GEC/base salary) and/or above the AAL your cover will commence on the date both the Trustee and the insurer agree to accept it on standard terms and conditions (including premium rates). Where the insurer seeks to accept the cover on non-standard terms, conditions and/or premiums, cover will commence when the insurer receives your written acceptance of the 'special acceptance terms'.

You will be notified in writing when your cover commences. Your investment balance must be sufficient to meet the yearly insurance premiums.

Interim accidental death cover

If you are applying for insurance in excess of the standard level of cover you will be covered for accidental death from the date the insurer receives your fully completed insurance application:

- for the lesser of the amount of death cover you have applied for or \$1,500,000 and
- until the earlier of the date when your application is accepted or declined by the insurer, withdrawn by you or the expiration of 90 days.

Declining insurance cover

Eligible employees who do not wish to receive the standard insurance cover should notify PeopleConnect in writing, advising their decision and the effective date.

If you later decide to reinstate your cover you will need to submit an application for the standard insurance cover.

World-wide cover

You are generally covered 24 hours a day and may travel in any part of the world. For more details please contact us.

Your duty of disclosure

For any additional voluntary cover the Trustee imposes a duty on you to disclose every matter that you know, or could reasonably be expected to know, that is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms. If you do not, the insurer may void the contract within three years of entering into it. If your non-disclosure is fraudulent, the insurer may void the contract at any time. You have the same duty to disclose those matters to the insurer before you extend, vary or reinstate a contract of life insurance.

If you fail to comply with the duty of disclosure and the insurer would not have entered into the contract, or agreed to its extension, variation or reinstatement, on any terms if the failure had not occurred, your claim may not be payable and your cover may be terminated or the sum insured reduced.

When cover ceases

For each of death and TPD cover, the components of your cover (as applicable) will cease upon each of the circumstances listed in the table below.

Insurance cover while on leave without pay

You will remain covered for all types of unpaid leave (including maternity/paternity leave) for a period up to 12 months provided there is documented evidence of an agreed 'return to work' date. In this instance there is no need to notify the insurer. If your return to work is not made on the expected due date the cover will automatically cease 30 days after the expected 'return to work' date and you will need to re-apply to reinstate your cover. If you are taking unpaid leave for more than 12 months we suggest you contact us for details to ensure the continuity of cover.

When insurance cover ceases

Event	Death	TPD
On the day you reach age 65	✓	✓
60 days after you terminate employment with Perpetual	✓	✓
If a premium payment is not made (that is, due to lack of funds or otherwise)	✓	✓
The date that an insurance benefit is paid (or becomes payable) with respect to the Insured Member	✓	✓
The date of termination of the policy	✓	✓
The date the Insured Member retires from the workforce	✓	✓
The date the Insured Member commences active duty in the armed forces of any country	✓	✓
Once you have been on unpaid leave for a period of more than 12 months including maternity/paternity leave (unless otherwise agreed with the insurer before the relevant period has expired)	✓	✓
The date the Insured Member departs Australia to work overseas (only applies to 457 visa holders), unless continuity of cover has been pre-approved by the insurer	✓	✓
The date the Insured Member ceases to be a member of the Wholesale Super Plan	✓ ¹	✓ ¹
The date the Insured Member effects a continuation option with the insurer	✓	✓

¹ Please refer to the section 'Leaving the Wholesale Super Plan' on page 5 of this SPDS for information about applying for continuation of your death and TPD cover.

Making a claim

You or your representative must notify Perpetual in writing as soon as you become aware of any claim or potential claim. Claim forms and details of other paperwork required are available from PeopleConnect.

You or your representative must provide any information the insurer or Trustee may reasonably require. For any TPD claims you may also be required to undergo medical or other examinations in order to properly assess the claim.

Limitations and exclusions

No benefit will be payable by the insurer under the Policy Document for a claim which is caused wholly or partly, directly or indirectly by:

- active service in the armed forces of any country or international organisation or any act of invasion or war, whether declared or undeclared, in which the Commonwealth of Australia's armed forces are involved, or the country of residence is involved
- for voluntary TPD cover, any deliberate self-inflicted injury, sickness or disease or attempted suicide or self-destruction while either sane or insane
- death caused by suicide within 13 months of effecting any underwritten cover
- any other exclusions imposed by the insurer.

Assessment of TPD claims

If you have TPD cover in place, in order for you to be considered for assessment for a total and permanent disablement benefit under the standard TPD definition (see below for details), you will be required to be permanently employed (including a fixed term contractor – see definition below) and working for an average of 15 hours or more per week in the period immediately before the date giving rise to the disablement. Holders of a 457 visa will be required to be employed for 15 hours or more for a three month period immediately prior to the commencement of a claim.

A 'fixed term contractor' means a person who is performing all the normal duties of their occupation and is working on a contracted basis for at least 15 hours per week, is entitled to annual leave, sick leave and long service entitlements and is under a fixed term contract of not less than 12 months.

If you have TPD cover in place and are working less than 15 hours per week or employed on a casual basis at the date giving rise to the disablement, your TPD claim may instead be assessed against the 'Activities of daily living' TPD definition (see below for details).

Receiving a benefit

If you die while covered under the Wholesale Super Plan, your death benefit will be paid to one or more of your dependants or to your legal personal representative, as explained on page 31 of the Features Book.

In the case of TPD, your claim will be assessed by the insurer against the Policy Document and by the Trustee against the Policy Document, Trust Deed and superannuation law before any benefits are paid.

Terminal illness benefit

If you are diagnosed with a terminal illness and, in the opinion of the insurer, not expected to live for more than 12 months, the death benefit will be payable. The maximum amount payable in respect of your terminal illness is \$1,500,000. If you are covered for more than \$1,500,000 the balance of your death cover will be paid when you die. The death sum insured will be reduced by any amount previously paid for a terminal illness benefit.

Standard definition of Total & Permanent Disablement (TPD)

Under the Policy Document if you are employed on a full-time or permanent part-time basis for 15 hours or more per week, a 457 visa holder working 15 hours or more per week or an eligible contractor working 15 hours or more per week for a three month period immediately prior to commencement of a claim, TPD means, in the opinion of the insurer, you (the Insured Member) are deemed to be permanently disabled if you have:

1. suffered the total and irrecoverable loss of the:

- use of two limbs (whole hand/foot) or
- sight of both eyes or
- use of one limb and the sight of one eye

or

2. suffered a disability through injury, sickness or disease for which you:

- have not performed any work for an uninterrupted period of at least six consecutive months solely due to the same injury, sickness or disease and
- are attending and following the advice of a registered medical practitioner and have undergone all reasonable and usual treatment, including rehabilitation for the injury, sickness or disease and
- after considering all the medical and other evidence the insurer may require, have become, in the insurer's opinion, incapacitated to such an extent that you are unlikely ever to be able to engage in your own occupation or any occupation for which you are reasonably suited by education, training or experience.

Please note we cannot pay you a benefit in these circumstances unless you also satisfy a condition of release under superannuation law (see 'Accessing your superannuation benefit' on page 9 of the Features Book for details).

Activities of daily living (ADL) definition of TPD

If you don't qualify for assessment under the standard TPD definition, you will be assessed against the ADL definition of TPD if you are:

- employed on a full-time or permanent part-time basis working less than 15 hours per week or
- a 457 visa holder working less than 15 hours per week or
- a 457 visa holder working more than 15 hours per week for a period of less than three months immediately prior to the commencement of a claim or
- an eligible contractor working less than 15 hours per week or
- a casual employee.

Under the ADL definition TPD means that you:

1. have suffered the total and irrecoverable loss of the:

- use of two limbs (whole hand/foot) or
- sight of both eyes or
- use of one limb and the sight of one eye

or

2. have been, for a period of six consecutive months after the occurrence of an injury, sickness or disease, continuously, totally and permanently unable to perform at least two of the following activities of daily living as certified by a medical practitioner:

- **bathing** – the ability to wash yourself either in the bath or shower or by sponge bath without the standby assistance of another person

- **dressing** – the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them without the standby assistance of another person
- **eating** – the ability to feed yourself once food has been prepared and made available, without the standby assistance of another person
- **toileting** – the ability to get to and from and on and off the toilet without the standby assistance of another person and the ability to manage bowel and bladder functions through the use of protective undergarments or surgical appliances (if appropriate)
- **transferring** – the ability to move in and out of a chair without the assistance of another person.

Leaving the Wholesale Super Plan

You may be eligible to continue your death and TPD cover on leaving the Wholesale Super Plan. Please contact PeopleConnect for details of the continuation option. In order to be eligible you must apply to continue the cover before you leave the Wholesale Super Plan.

Fees and other costs

Additional explanation of fees and costs

Adviser remuneration

Financial adviser insurance commissions

The following text replaces all of the information contained within the sub-section 'Financial adviser insurance commissions' on page 16 of the Features Book.

The premium rate includes commission of 10% (inclusive of GST). The commission is paid to Perpetual Private Clients.

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Addendum to Wholesale Super Plan application form

This form is to be completed by the new member and attached to your completed 'Wholesale Super Plan application' form from the Product Disclosure Statement before sending to Perpetual.

1. New member details (must be completed)

title	Mr	Mrs	Miss	Ms	other		date of birth	/	/											
first name(s)																				
last name																				

2. Declaration and acknowledgment (must be completed)

I have been given this Supplementary Product Disclosure Statement by my employer (Perpetual Limited) and have read it in conjunction with the current Product Disclosure Statement for Perpetual WealthFocus Wholesale Super Plan.

signature of new member		date	/	/							
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