



# Information Booklet

for Division 3 members

Issued 17 March 2015

## Contents

|  |    |
|--|----|
| 1. ABOUT QANTAS SUPER – DIVISION 3.....            | 3  |
| Membership .....                                   | 3  |
| Benefits of being a member in Division 3.....      | 4  |
| 2. YOUR SUPER BENEFIT .....                        | 5  |
| Types of super benefit.....                        | 5  |
| Components and factors for your super benefit..... | 5  |
| Accessing your super benefit.....                  | 8  |
| 3. CONTRIBUTIONS.....                              | 9  |
| Member Contributions.....                          | 9  |
| Company Contributions .....                        | 10 |
| Other Contributions.....                           | 10 |
| 4. HOW TO CALCULATE YOUR SUPER BENEFIT.....        | 11 |
| Calculating your Vested Benefit.....               | 11 |
| Calculating your Insured Benefit .....             | 12 |
| 5. OTHER IMPORTANT INSURANCE INFORMATION.....      | 15 |
| Definitions for TPD and Disability .....           | 15 |
| How to make a claim.....                           | 16 |
| When your Standard Insurance Cover ends .....      | 16 |
| Other insurance conditions and features .....      | 17 |
| 6. FEES AND COSTS.....                             | 20 |
| 7. DEFINITIONS.....                                | 21 |

# Before you start

Before you start to read this *Information Booklet for Division 3 members* (Information Booklet) you should be aware of the information below.

Qantas Super Division 3 (Division 3) is a division of the Qantas Superannuation Plan ABN 41 272 198 829, RSE R1005486 (Qantas Super). The trustee of Qantas Super is Qantas Superannuation Limited ABN 47 003 806 960, AFSL 288330, RSE licence L0002257 (QSL, we, us, our or Trustee). Insurance in Division 3 is provided through group policies with an external insurer, MLC Limited ABN 90 000 000 402, AFSL 230694 (MLC or Insurer).

Qantas Super is the default super fund for eligible employees of Qantas Airways Limited ABN 16 009 661 901 and associated employers (Qantas Group, Company or Employer).

This *Information Booklet* has been prepared and issued by the Trustee and outlines the superannuation arrangements for employees of the Qantas Group who are members of Division 3. It includes information about the benefits, options, entitlements and obligations of Division 3 members. Additional information about Qantas Super and general information about superannuation, which may be applicable to members of Division 3, is set out in the *Information Booklet Supplement for Defined Benefit members* (Information Booklet Supplement). This booklet is available on Qantas Super's website.

Full details of Division 3 are contained in the Qantas Superannuation Plan Trust Deed and Rules (Trust Deed), a copy of which is available on request.

A number of terms used in this *Information Booklet* have specific meanings, which are set out in the Trust Deed. There are also other terms used throughout this Information Booklet, which are not set out in the Trust Deed, that have been created with an aim to simplify the explanation of some aspects of the benefit design.

The information in this document is of a general nature and is not intended to constitute personal financial product advice as it has not been prepared taking account of your objectives, financial situation or needs. The Trustee recommends that before acting on any information contained in this document, you consider its appropriateness and seek financial advice tailored to your personal circumstances from a licensed financial adviser.

This *Information Booklet* is intended to help you understand the general features of your benefits through Qantas Super. It is not comprehensive and does not cover all terms that apply to benefits. Its content may not apply or may be modified in respect of individuals, groups or categories of members to reflect grandfathered benefits or other arrangements. For more comprehensive information, and before making a decision regarding your benefits in Qantas Super, please refer to the Trust Deed and Rules (Trust Deed) or contact the Qantas Super Helpline. In the event of any discrepancy between this *Information Booklet* and the Trust Deed, the terms of the Trust Deed will prevail.

Information in this *Information Booklet* may be subject to change from time to time. Changes that are not materially adverse will be updated and made available on Qantas Super's website. You can request a paper copy of updated information at any time free of charge.

# 1 About Qantas Super – Division 3

## Membership

Division 3 is a 'defined benefit' division of Qantas Super. **Division 3 was closed to new members on 1 July 2003.**

If you were employed by the Qantas Group between 1 April 1995 and 30 June 2003 and have continued to be employed by the Qantas Group, you may be a member of Division 3.

Your membership category within Division 3 depends on your occupation and prior membership in Qantas Super:

|                   |  |
|-------------------|--|
| <b>Category 1</b> | <ul style="list-style-type: none"><li>■ New eligible employees from 1 April 1995 to 30 June 2003</li><li>■ Members of Division 1 who transferred directly to Division 3</li></ul>  |
| <b>Category 2</b> | <ul style="list-style-type: none"><li>■ Members of Division 2 who transferred to Division 3</li></ul>  |
| <b>Category 3</b> | <ul style="list-style-type: none"><li>■ Ground staff who were contributory members of the Australian Airlines General Superannuation Plan (AAGSP)</li><li>■ Flight Attendants who were members of the Australian Airlines Flight Attendants Superannuation Scheme (AAFASS)</li></ul> |

As a member of Division 3 you are entitled to receive a benefit when you leave the Qantas Group. The amount you are entitled to is based on a range of factors including your salary, length of service, age, amount of contributions and reason for leaving the Qantas Group e.g. retirement or resignation.

## 1 About Qantas Super – Division 3 continued

### Benefits of being a member in Division 3

- **We exist entirely for the benefit of members.** We do not profit from Qantas Super members.
- **Your benefit includes a defined benefit component.** Part of your benefit is determined according to a formula, which is based on your salary and years of service with the Qantas Group. The amount of this component of your benefit is not dependent on the level of contributions or investment returns. This helps to provide greater certainty over the amount you will have to live on in retirement.
- **Convenient payment options for making contributions.** You can make Member Voluntary Contributions by regular payroll deductions, using BPAY® or by cheque.  
© Registered to BPAY Pty Ltd ABN 69 079 137 518
- **Ability to consolidate your super.** At any time you may roll over super balances from other super funds into your Division 3 account. Simply complete the online rollover tool by logging into your account at [www.qantassuper.com.au](http://www.qantassuper.com.au).
- **Investment Choice.** You can choose how certain components of your super are invested. These components of your super include the balances of the accounts that make up your Supplementary Benefit (outlined on page 6). Refer to the *Information Booklet Supplement* for detailed information on the investment options available to you.
- **We provide flexible insurance cover.** You are automatically covered for death (including Terminal Illness), Total and Permanent Disablement (TPD) and total but temporary disablement, 24 hours a day, seven days a week. Conditions apply. You also have the flexibility to increase your death and TPD cover based on your personal circumstances (provided you satisfy the eligibility and other rules) with our Additional Voluntary Cover.
- **Access to Best Doctors through our insurer, MLC Limited.** Best Doctors is a free medical advice service provided by leading medical specialists around the world.
- **Enjoy the benefits of Qantas Super over your whole life.** When retirement approaches you can invest all or part of your benefit in our income stream solution.
- **Ability to nominate who you wish to receive your death benefit.** You can nominate the person or people you wish to receive your benefit in the event of your death. Qantas Super offers a non-binding death benefit nomination or a binding death benefit nomination.
- **Solutions for you and your spouse.** You and your spouse can join Qantas Super Gateway and take advantage of many of the features and benefits we provide in the Gateway division.
- **Keeping you informed.** To help you understand your benefits and make informed decisions, we provide a member website, regular communications and education seminars.
- **You can stay with Qantas Super if you leave the Qantas Group.** If you cease employment with the Qantas Group, you can, provided you meet the minimum balance requirement, keep your money with Qantas Super.

## 2 Your super benefit

Your super benefit is the amount of money you are entitled to receive from your super fund. Your Division 3 benefit is calculated taking into consideration a range of factors including your reason for leaving the Qantas Group, your age, salary, contributions and years of service at the time your benefit is determined.

### Types of super benefit

Depending on your circumstances, you may be entitled to one of the following benefits:

#### Vested Benefits:

- Retirement Benefit;
- Early Retirement Benefit (including in the case of retrenchment);
- Late Retirement Benefit; or
- Resignation Benefit.

#### Insured Benefits:

- Death (including Terminal Illness) Benefit;
- Total and Permanent Disablement (TPD) Benefit; or
- Disability Benefit (in the case of total but temporary disablement).

Vested Benefits are subject to a minimum equal to the Minimum Requisite Benefit (MRB) amount for the period up to your Superannuation Date. After this date, they are subject to a legislated Superannuation Guarantee (SG) Minimum requirement. The MRB is the minimum benefit needed to be paid to ensure that the Qantas Group meets its SG requirements. The Plan Benefit Certificate details how the MRB is calculated. Contact the Qantas Super Helpline if you'd like a copy of the Plan Benefit Certificate.

Your Death Benefit is subject to a Minimum Death Benefit (MDB) requirement. The MDB equals the MRB plus a minimum legislated death benefit. Refer to the *Information Booklet Supplement* for more information.

### Components and factors for your super benefit

Your super benefit will be calculated using one or more of the following components/factors (depending on the type of benefit):

- AAGSP Prior Service Shortfall Amount;
- Accrued Retirement Benefit;
- Additional Voluntary Cover;
- Age Factors;
- Credited Service;
- Discount Factor;
- Projected Retirement Benefit;
- Salary Factors;
- Supplementary Benefit; and
- TN Credited Service Multiple.

#### AAGSP Prior Service Shortfall Amount

This is a negative fixed dollar amount that applies if you were previously an AAGSP member, or you were transferred from Division 3A to Division 3 in 2002 and agreed to have the cost of purchasing past service applied as an offset to your benefits in Division 3.

#### Accrued Retirement Benefit

Your Accrued Retirement Benefit (ARB) is based on the relevant Final Average Salary (FAS) and years of Credited Service, and is calculated as follows (subject to adjustment by any applicable Discount Factor):

## 2 Your super benefit continued

### Accrued Retirement Benefit

Your Accrued Retirement Benefit (ARB) is based on the relevant Final Average Salary (FAS) and years of Credited Service, and is calculated as follows (subject to adjustment by any applicable Discount Factor):

| Membership  | ARB Formula   |
|---|---|
| Category 1  | <ul style="list-style-type: none"> <li>18% x your FAS x years of Credited Service.</li> </ul>   |
| Category 2<br>Ground Staff                            | <ul style="list-style-type: none"> <li>18% x your FAS x years of Credited Service from 1 July 1995; <b>plus</b></li> <li>9.3% x your DIV2FAS x years of Credited Service from 1 July 1988 to 30 June 1995; <b>plus</b></li> <li>11% x your DIV2FAS x years of Credited Service prior to 30 June 1988.</li> </ul>    |
| Category 2<br>Flight Attendants<br>and Technical Crew | <ul style="list-style-type: none"> <li>18% x your FAS x years of Credited Service from 1 July 1995; <b>plus</b></li> <li>10.6% x your DIV2FAS x years of Credited Service from 1 July 1988 to 30 June 1995; <b>plus</b></li> <li>12.5% x your DIV2FAS x years of Credited Service prior to 30 June 1988.</li> </ul> |
| Category 3  | <ul style="list-style-type: none"> <li>18% x your FAS x years of Credited Service from 1 July 1995; <b>plus</b></li> <li>TN Credited Service Multiple x TNFAS</li> </ul>  |

### Additional Voluntary Cover

You may be eligible to increase your death and TPD cover to a level that you feel is right for you by applying for **Additional Voluntary Cover**. Conditions apply. Refer to the *Your Insurance Guide – Additional death and TPD cover* booklet (Insurance Guide), available on our website, for more information, including the costs that apply.

### Age Factors

|                     | Date  |
|---------------------|---|
| Superannuation Date | Your 65th birthday.                           |
| Retirement Date     | Any date between your 55th and 65th birthday. |

### Credited Service

Credited Service is the length of time, in years and complete days, that you were continuously employed by the Qantas Group, excluding any period during which you were on unpaid leave or a casual employee. Adjustments will usually be made for any periods of part-time employment.

### Discount Factor

If you leave the Qantas Group before your Superannuation Date for a reason other than death, your ARB will be discounted by 30%, or 1% for each year (with days counting pro-rata) remaining from the date you left the Qantas Group to age 55 if lower.

## Projected Retirement Benefit

Your Projected Retirement Benefit (PRB) is based on your Final Year Salary (FYS) and years of Credited Service up to your Superannuation Date, and is calculated as follows:

| Membership  | ARB Formula   |
|---|---|
| Category 1  | <ul style="list-style-type: none"> <li>18% x your FYS x years of Credited Service to Superannuation Date.</li> </ul>  |
| Category 2<br>Ground Staff                            | <ul style="list-style-type: none"> <li>18% x your FYS x years of Credited Service from 1 July 1995 to Superannuation Date; <b>plus</b></li> <li>9.3% x your DIV2FAS x years of Credited Service from 1 July 1988 to 30 June 1995; <b>plus</b></li> <li>11% x your DIV2FAS x years of Credited Service up to 30 June 1988.</li> </ul>    |
| Category 2<br>Flight Attendants<br>and Technical Crew | <ul style="list-style-type: none"> <li>18% x your FYS x years of Credited Service from 1 July 1995 to Superannuation Date; <b>plus</b></li> <li>10.6% x your DIV2FAS x years of Credited Service from 1 July 1988 to 30 June 1995; <b>plus</b></li> <li>12.5% x your DIV2FAS x years of Credited Service up to 30 June 1988.</li> </ul> |
| Category 3  | <ul style="list-style-type: none"> <li>18% x your FYS x years of Credited Service from 1 July 1995 to Superannuation Date; <b>plus</b></li> <li>TN Credited Service Multiple x TNFAS.</li> </ul>  |

## Salary Factors

|                            | For members of            | Description  |
|----------------------------|---------------------------|--|
| Superannuation Salary*     | All membership categories | <b>Superannuation Salary</b> – Includes your base pay and functional allowances and any applicable shift penalties or band payments (or equivalent), but generally excludes any overtime and other allowances. The hours included in your base pay vary in accordance with the requirements of your occupational group.  |
|                            | Category 2                | <b>DIV2 2nd Superannuation Salary</b> – provided for use in the calculation of DIV2FAS (see below). The DIV2 2nd Superannuation Salary is based on the superannuation salary for Division 2 members, at the time of transfer from Division 2 to Division 3, which is generally lower than Superannuation Salary for Division 3 members as it does not include actual shift penalties.        |
|                            | Category 3                | <b>TN 2nd Superannuation Salary</b> – provided for use in the calculation of TNFAS (see below). The TN 2nd Superannuation Salary is based on the superannuation salary for Category 3 members at the time of transfer from AAGSP or AAFASS to Division 3, which was based on different income components to the Superannuation Salary for Division 3.  |
| Final Average Salary (FAS) | All membership categories | <b>FAS</b> – The greater of: <ul style="list-style-type: none"> <li>your highest average annual Superannuation Salary calculated over any consecutive three complete financial years ending 30 June in the most recent ten year period, and</li> <li>your average annual Superannuation Salary over the three years of service immediately prior to you leaving the Qantas Group.</li> </ul> |
|                            | Category 2                | <b>DIV2FAS</b> – Applies to the pre 1 July 1995 part of the ARB and PRB. It is your highest final average annual DIV2 2nd Superannuation Salary calculated over any consecutive three years in the most recent 10 year period.   |
|                            | Category 3                | <b>TNFAS</b> – Applies to the TN Service Multiple (pre 1 July 1995) part of ARB and PRB. It is the average annual equivalent of your TN 2nd Superannuation Salary in the period of three years immediately prior to you leaving the Qantas Group.  |
| Final Year Salary (FYS)    | All membership categories | <b>FYS</b> – Your average annual Superannuation Salary for the 12 months up to and including your last day worked. Your FYS is used to calculate your death and disablement benefits, if required.   |

\* Superannuation Salary amounts are as advised by the Qantas Group. Details on how salary is calculated can be found on the People section of the Qantas Group intranet, or by contacting Qantas People Services or the relevant payroll department.

## 2 Your super benefit continued

### Supplementary Benefit

Your Supplementary Benefit is made up of the following accounts within Division 3:

- Company Account;
- Voluntary Contribution Account;
- Salary Sacrifice Account;
- Rollover Account;
- Transfer Account;
- Company Contribution Account (applicable only if you transferred from Division 3A);
- Surcharge Account;
- Family Law Account; and
- DB Offset Account.

For accounts other than the Surcharge Account, Family Law Account and DB Offset Account, your balance is the sum of any contributions credited to the account plus interest at the applicable Credited Interest Rate, less any contributions tax.

Any balances in your Surcharge Account, Family Law Account and/or DB Offset Account will be negative and are equal to the amount of any surcharge tax, family law payments or partial withdrawal payments made by us on your behalf, plus interest applied on the outstanding balances, less any contributions you make to offset these amounts. When you leave Division 3, any balance in these accounts is deducted from your benefit.

**Note:** You can choose how the accounts that make up your Supplementary Benefit (also known as voluntary accumulation accounts) are invested. Refer to the 'How we invest your money' section of the *Information Booklet Supplement* for more information.

### TN Credited Service Multiple

This is applicable to Category 3 members and is calculated as your undiscounted ARB at 30 June 1995 divided by your TNFAS at 30 June 1995.

### Accessing your super benefit

All super accumulated after 30 June 1999 is subject to preservation. This includes any investment earnings credited to your super. The preservation rules, set out below, do not apply to any non-preserved super which had accrued before 1 July 1999.

Generally, you can only access the preserved portion of your super in cash when you permanently retire from the workforce after reaching your preservation age (between age 55 and 60 depending on your date of birth).

You may also be able to access your super in certain other circumstances such as if you become totally and permanently disabled or to start a transition to retirement account after reaching your preservation age. If you die, a death benefit will be payable to your beneficiaries. Please refer to the *Information Booklet Supplement* for information about nominating a beneficiary, including the different types of nominations and the conditions that apply.

If you resign or are retrenched from the Qantas Group, the preserved component of your benefit will need to be transferred to another division of Qantas Super or to another complying super fund. You will generally be able to access any non-preserved components of your benefit in cash.

Please refer to the *Information Booklet Supplement* for more information about when you can access your super, including details of the tax, if any, that may be payable.



## 3 Contributions

Contributions are the amounts of money you, or your employer, pay to your super. As a member of Division 3, you are required to make Member Compulsory Contributions to Qantas Super from your salary. You may also choose to make additional contributions, referred to as Member Voluntary Contributions, from your after-tax salary or request your employer to make additional contributions from your before-tax salary on your behalf.

Once you reach your Superannuation Date, your employer will make Superannuation Guarantee (SG) Contributions to your Division 3 account. Prior to this date, your employer contributes to the funding of the defined benefit component of your membership in Division 3.

The Government has set general limits on the amount of contributions that can be made to super. Additional tax may be payable if these limits are exceeded. Please refer to the *Information Booklet Supplement* for more information.

This section outlines the types of contributions that may be, or in some cases are required to be, made to your Division 3 account.

### Member contributions include:

- Member Compulsory Contributions;
- Member Voluntary Contributions; and
- Other Member Voluntary Contributions.

These are detailed in the following table.

| Contribution type   | Amount of contribution  |
|---|---|
| <p><b>Member Compulsory Contributions</b><br/>Contributions you are required to pay to your Division 3 account.<br/>You must make Member Compulsory Contributions each pay period until you reach your Superannuation Date.</p>             | <p>5% of your Superannuation Salary.<br/>Used to fund your <b>Accrued Retirement Benefit</b>.</p>   |
| <p><b>Member Voluntary Contributions</b><br/>Additional amounts, if any, you choose to pay to your Division 3 account from your after-tax salary, or that you request your employer to make on your behalf from your before-tax salary.</p> | <p><b>After-tax contributions</b><br/>A percentage (via payroll deduction) or a dollar amount (via BPay or cheque) of your after-tax salary nominated by you.<br/>If you choose to make regular Member Voluntary Contributions you may vary the amount throughout the year. Changes will take effect from the next available pay period following your change notification being received.<br/>Credited to your <b>Voluntary Contribution Account (also known as Member Voluntary Account)</b>.</p>   |
|   | <p><b>Before-tax contributions</b><br/>Also known as salary sacrifice contributions. These contributions are an amount agreed between you and your employer, and can be made on a regular basis or as one-off contributions at any time via payroll.<br/>Credited to your <b>Salary Sacrifice Account</b>.</p>  |
| <p><b>Other Member Voluntary Contributions</b></p>  | <p><b>Surcharge offset contributions</b><br/>A dollar amount nominated by you to offset all or part of any negative Surcharge Account balance arising from Surcharge Tax payments made to the Australian Tax Office by Qantas Super on your behalf. Surcharge Tax was applicable to certain contributions made between 20 August 1996 and 30 June 2005 by, or on behalf of, 'high income' earning members.<br/>Credited to your <b>Surcharge Account</b>.</p>   |
|   | <p><b>Family Law offset contributions</b><br/>A dollar amount nominated by you to offset all or part of any negative Family Law Account balance arising from any family law payments made on your behalf by Qantas Super to your spouse as a consequence of a divorce or split (under the Family Law Act 1975).<br/>Credited to your <b>Family Law Account</b>.<br/><b>Note:</b> Surcharge offset contributions and Family Law offset contributions can only be made by you as lump-sum after-tax contributions to Qantas Super. These contributions cannot be made through payroll deductions.</p> |

For further information on how you can make Member Voluntary Contributions, refer to the *Information Booklet Supplement*, available on our website.

### 3 Contributions continued

#### Company Contributions

Company contributions include:

- Company Contributions; and
- Superannuation Guarantee (SG) Contributions

These are detailed in the following table.

| Contribution type  | Amount of contribution   |
|--|--|
| <p><b>Company Contributions</b><br/>Contributions made by your employer, prior to your Superannuation Date, to fund the balance of your super benefit not covered by your Member Compulsory Contributions.</p> | <p>The amount of Company Contributions varies due to changes in investment returns and other factors and is assessed regularly to ensure there are sufficient assets within Qantas Super to meet members' benefits.<br/>Used to fund your <b>Accrued Retirement Benefit</b>.</p> |
| <p><b>Superannuation Guarantee (SG) Contributions</b><br/>Before-tax contributions made by your employer after your Superannuation Date.</p>   | <p>The SG amount specified by the Government.<br/>Credited to your <b>Company Account</b>.</p>   |

#### Other Contributions

| Contribution type  | Amount of contribution  |
|--|---|
| <p><b>Transfers from another Qantas Super division or an Australian Airlines superannuation fund</b></p> | <p>If you transferred to Division 3 from another division of Qantas Super, or from an Australian Airlines superannuation fund, your balance in the former division or fund was allocated to the applicable sub-account(s) at the time of transfer. As a result of this process, you may also have amounts in the following account types:</p> <ul style="list-style-type: none"> <li>■ <b>Company Contribution Account:</b> for amounts transferred from Division 3A; and</li> <li>■ <b>Transfer Account:</b> for 'accumulation' balances transferred from Division 1 or 2, or an Australian Airlines superannuation fund, that were not allocated to another sub-account in Division 3.</li> </ul> |
| <p><b>Transfers from other super funds</b></p>   | <p>If applicable, you may transfer amounts you hold in other complying superannuation funds to your Division 3 account. Any tax that may apply to this amount will be deducted when it is paid.<br/>Credited to your <b>Rollover Account</b>.</p>   |
| <p><b>Government co-contribution</b></p>   | <p>If you're a low or middle income earner the Government will contribute extra money to your account if you contribute your own money after-tax and meet certain rules. For more information, refer to our <i>Government super contributions</i> fact sheet available on our website.<br/>Credited to your <b>Voluntary Contribution Account</b>.</p>  |
| <p><b>Low income super contribution</b></p>  | <p>The Government will make a contribution (of up to \$500) of 15% of eligible concessional contributions (including employer contributions) made by or for individuals with an adjusted annual taxable income of up to \$37,000. For more information, refer to our <i>Government super contributions</i> fact sheet available on our website.<br/>Credited to your <b>Voluntary Contribution Account</b>.</p>   |

## 4 How to calculate your super benefit

### Calculating your Vested Benefit

The following table outlines the different types of vested benefits and how they are calculated. For details on when you can access these benefits as cash, refer to 'Accessing your super benefit' in the 'Your super benefit' section.

**Note:** If you were a former contributory member of AAGSP or AAFASS, your vested benefit is subject to a minimum benefit guarantee (except in the case of summary dismissal).

| Benefit type  | Amount  |
|---|---|
| <b>Retirement Benefit/Early Retirement Benefit</b><br>If you retire upon reaching your Retirement Date (or may be payable if you leave the Qantas Group, prior to retirement, due to retrenchment). | This is a lump sum benefit equal to your: <ul style="list-style-type: none"> <li>■ Accrued Retirement Benefit; <b>plus</b></li> <li>■ AAGSP Prior Service Shortfall Amount (if applicable); <b>plus</b></li> <li>■ Supplementary Benefit</li> </ul> |

#### ➤ Example

Tom, who joined the Qantas Group in 1999, retires at age 65 after 15 years of Credited Service. His FAS is \$60,000 and he has the following balances: Salary Sacrifice Account \$50,000 and Rollover Account \$150,000. He has a \$0 balance in all other accounts.

**Accrued Retirement Benefit**  
 = 18% x \$60,000 x 15 = **\$162,000**

**Supplementary Benefit = \$200,000**

Tom's **Retirement Benefit** is:

|                                   |                  |
|-----------------------------------|------------------|
| Accrued Retirement Benefit        | \$162,000        |
| <b>plus</b> Supplementary Benefit | \$200,000        |
| <b>Total benefit</b>              | <b>\$362,000</b> |

| Benefit type  | Amount  |
|---|---|
| <b>Late Retirement Benefit</b><br>If you retire after your Superannuation Date. | This is a lump sum benefit equal to your: <ul style="list-style-type: none"> <li>■ Retirement Benefit (as at your Superannuation Date); <b>plus</b></li> <li>■ Additional contributions (net of tax) made after your Superannuation Date, to your accounts that make up your Supplementary Benefit; <b>plus</b></li> <li>■ Additional interest (at the applicable Credited Interest Rates), credited after your Superannuation Date.</li> </ul> |

#### ➤ Example

Using the above Retirement Benefit example above, let's assume Tom retires instead at age 70 (five years past his Superannuation Date). His Retirement Benefit (as calculated above, at his Superannuation Date) is **\$362,000**.

**Additional contributions** (net of contributions tax) made to Tom's account following his Superannuation Date = **\$52,500**, calculated as:

- SG Contributions of **\$50,000; plus**

- Member Voluntary Contributions of **\$10,000; less**
  - Contributions tax (on the SG Contributions) of **\$7,500**.
- Additional interest** of **\$3,000** is credited to Tom's account.

Tom's **Late Retirement Benefit** is:

|                                      |                  |
|--------------------------------------|------------------|
| Retirement Benefit                   | \$362,000        |
| <b>plus</b> Additional contributions | \$52,500         |
| <b>plus</b> Additional interest      | \$3,000          |
| <b>Total benefit</b>                 | <b>\$417,500</b> |

## 4 How to calculate your super benefit continued

| Benefit type   | Amount   |
|--|--|
| <b>Resignation Benefit</b><br>If you leave the Qantas Group prior to your Superannuation Date for reasons other than retirement, retrenchment, death or disablement. | This is a lump sum benefit equal to your: <ul style="list-style-type: none"> <li>■ Accrued Retirement Benefit (with a Discount Factor applied); <b>plus</b></li> <li>■ AAGSP Prior Service Shortfall Amount (if applicable); <b>plus</b></li> <li>■ Supplementary Benefit</li> </ul> |

### Example

George, who joined the Qantas Group in 2000, resigns at age 45 with 15 years of Credited Service. He has 10 complete years remaining until he reaches age 55. He has a FAS of \$50,000 and he has the following balances: Salary Sacrifice Account \$25,000 and Rollover Account \$50,000. He has a \$0 balance in all other accounts.

#### Discount Factor

= 10% (1% for each year remaining until age 55)

#### Accrued Retirement Benefit

= (18% x \$50,000 x 15), discounted by 10% = **\$121,500**

#### Supplementary Benefit = \$75,000

George's **Resignation Benefit** is:

|                                   |                  |
|-----------------------------------|------------------|
| Accrued Retirement Benefit        | \$121,500        |
| <b>plus</b> Supplementary Benefit | \$75,000         |
| <b>Total benefit</b>              | <b>\$196,500</b> |

## Calculating your Insured Benefit

**IMPORTANT NOTE:** Your Disability Benefit, and a portion of your Death and Total and Permanent Disablement (TPD) Benefit which is above your relevant Vested Benefit, is known as Standard Insurance Cover. Standard Insurance Cover is provided through group policies with the Insurer and is subject to certain terms and conditions. These terms and conditions (including definitions that determine when an insurance benefit will be paid, how unpaid leave impacts your Standard Insurance Cover and how to make a claim) are detailed later in this section.

It is important to remember that although an insurance benefit may be payable to the Trustee as the policy owner, you can only receive that insurance benefit if the preservation rules have been satisfied (see 'Accessing your super' in the 'Your super benefit' section for more information). If an insurance benefit is paid to the Trustee as the policy owner and it cannot be paid to you under the preservation rules, it will be held in your account until a preservation rule has been satisfied.

You can't reduce the amount of standard insurance you have (you were automatically provided with this cover when you joined Qantas Super). But you can increase your insurance by buying voluntary insurance for death and total and permanent disablement (TPD). For more information please read the *Insurance Guide* available on our website.

If you cease employment with the Qantas Group, your insurance benefits may continue in a retained division within Qantas Super. Refer to our website for more information.

| Benefit type  | Amount  |
|---|---|
| <b>Death Benefit</b> (with or without Dependants)<br>Payable if you die (or are diagnosed with a Terminal Illness*), prior to your Superannuation Date. | This is a lump sum benefit equal to: <ul style="list-style-type: none"> <li>■ Projected Retirement Benefit; <b>plus</b></li> <li>■ AAGSP Prior Service Shortfall Amount (if any); <b>plus</b></li> <li>■ Supplementary Benefit; <b>plus</b></li> <li>■ Additional Voluntary Cover for death (if any)</li> </ul> |

\* If you are diagnosed with a Terminal Illness, you may receive an advance payment of up to \$3 million of your death cover.

### ➤ Example

Sarah, who joined the Qantas Group in 1998, dies at age 40, with 16 years of Credited Service and 25 years remaining until her Superannuation Date. Her FYS is \$55,000 and she has the following balances: Salary Sacrifice Account \$15,000. She has a \$0 balance in all other accounts.

#### Projected Retirement Benefit

$$= 18\% \times \$55,000 \times 41 = \$405,900$$

#### Supplementary Benefit = \$15,000

Sarah's **Death Benefit** is:

|                                   |                  |
|-----------------------------------|------------------|
| Projected Retirement Benefit;     | \$405,900        |
| <b>plus</b> Supplementary Benefit | \$15,000         |
| <b>Total benefit</b>              | <b>\$420,900</b> |

| Benefit type  | Amount   |
|---|--|
| <b>TPD Benefit</b> (with or without Dependants)<br>Payable if you become Totally and Permanently Disabled (as defined under the Trustee's insurance policy with the Insurer and set out on page 15), prior to your Superannuation Date. | This is a lump sum benefit equal to your: <ul style="list-style-type: none"> <li>■ Projected Retirement Benefit; <b>plus</b></li> <li>■ AAGSP Prior Service Shortfall Amount (if any); <b>plus</b></li> <li>■ Supplementary Benefit; <b>less</b></li> <li>■ any Disability Benefit (see below) or other payments, relating to your disability (e.g. payment received under a loss of licence policy<sup>^</sup>), already paid; <b>plus</b></li> <li>■ Additional Voluntary Cover for TPD (if any).</li> </ul> |

<sup>^</sup> Refer to the *Application of Loss of Licence Insurance Plan* fact sheet, available on our website.

### ➤ Example

Using the Death Benefit example above, assume instead that Sarah, who joined the Qantas Group in 1998, becomes permanently incapacitated at age 40, with 16 years of Credited Service and 25 years remaining until her Superannuation Date. Prior to becoming permanently incapacitated, Sarah was in receipt of a Disability Benefit for six months (see below). Her FYS is \$55,000 and she has the following balances:

Salary Sacrifice Account \$15,000. She has a \$0 balance in all other accounts.

#### Projected Retirement Benefit

$$= 18\% \times \$55,000 \times 41 = \$405,900$$

#### Supplementary Benefit = \$15,000

#### Offset of Disability Benefit already paid

$$= (75\% \times \$55,000 \div 12) \times 6 = \$20,625$$

Sarah's **TPD Benefit** is:

|                                   |                  |
|-----------------------------------|------------------|
| Projected Retirement Benefit      | \$405,900        |
| <b>plus</b> Supplementary Benefit | \$15,000         |
| <b>less</b> Offsets               | -\$20,625        |
| <b>Total benefit</b>              | <b>\$400,275</b> |

## 4 How to calculate your super benefit continued

| Benefit type  | Amount   |
|---|--|
| <p><b>Disability Benefit</b></p> <p>Payable if you are totally but temporarily disabled (and satisfy the definition of Totally Disabled* under the Trustee's insurance policy with the Insurer and set out on page 15).</p> | <p>Regular monthly payments (payable, in arrears, for up to 2 years) equal to:</p> <ul style="list-style-type: none"> <li>■ 75% of your Final Year Salary; <b>less</b></li> <li>■ other income earned during this period or lump sum payments relating to the disability e.g. other disability income, insurance payments or income from other paid work (see 'Other income that reduces/offsets a Disability Benefit' below for more information).</li> </ul> <p><b>Note:</b> This benefit is only payable to you in arrears after a minimum waiting period of 90 days (subject to using up any accrued sick or annual leave). If a disability claim recurs within 6 months of you returning to full time work, your claim will be treated as a continuation of the original claim. There will be no new waiting period so you can claim as soon as the disability recurs. The cause of the disability must be the same or related to the cause of the original disability. The maximum benefit period of 2 years will apply to the original disability, including continuation of that disability.</p> |

\* A proportion of the Disability Benefit may be paid to you, if you return to work in a reduced capacity and satisfy the definition of Partially Disabled under the Trustee's insurance policy with the Insurer and set out on page 15.

### Example

Stuart is injured at home and becomes totally but temporarily disabled. His FYS at the time of injury is \$65,000.

Stuart's **Disability Benefit** payment will be equal to:

$$(75\% \times \$65,000) \div 12 = \mathbf{\$4,062.50 \text{ per month}}$$

### Contributions during a period of total but temporary disablement

Member Compulsory Contributions continue while you are in receipt of a Disability Benefit. These contributions will be funded by the Qantas Group during the period of total but temporary disablement.

Company Contributions will also continue to be made during a period of Disability Benefit payments.

### Other income that reduces/offsets a lump sum TPD Benefit or a monthly Disability Benefit

Your TPD or Disability Benefit may be reduced by other income you receive, or are entitled to receive, from other sources. This includes, but is not limited to:

- other income you are entitled to or receive for disability from employment under another insurance policy (including income you receive from Loss of Licence insurance<sup>^</sup>),
- workers compensation payments, social security payments or other similar compensation payments under state, federal or common law, and
- monies paid in respect of any claim for past or future economic loss arising from any claim you make for personal injury.

Any income from a source which is in the form of a lump sum, or is commuted to a lump sum, will be converted to an equivalent monthly income amount for the purpose of determining the amount of the offset to be applied.

<sup>^</sup> Loss of Licence insurance offsets lump sum TPD and monthly Disability Benefits differently. Refer to the *Application of Loss of Licence Insurance Plan* fact sheet, available on our website.

### When do Disability Benefit payments stop?

Your monthly Disability Benefit payments will stop if any of the following occur:

- you cease to be a member of Division 3;
- you cease employment;
- you are no longer Totally or Partially Disabled as defined;
- you reach the maximum benefit period of two years
- you reach your Superannuation Date;
- you are no longer under the regular and continuous care of a doctor who is acceptable to the Insurer;
- you fail to provide the Insurer with all the information and evidence reasonably required to assess your claim;
- you are paid a TPD or Terminal Illness Benefit; or
- you die.

## 5 Other important insurance information

### Definitions for TPD and Disability

On 1 August 2014\*, under new insurance policies with the Insurer (MLC), the following new definitions were introduced for TPD and Disability Benefits.

|  |  |
|--|--|
| <p><b>Total and Permanent Disablement (TPD) Benefit</b></p>        | <p><b>TPD</b> means a member having been absent from his or her Occupation solely through injury or Illness for a period of 3 consecutive months and incapacitated to such an extent that, in the Insurer's opinion, after consideration of medical and other relevant evidence, the member was, in the Relevant Period, unlikely to ever engage in or work for reward in any occupation for which he or she is reasonably suited by education, training or experience.</p> <p>'Relevant Period' means:</p> <ul style="list-style-type: none"> <li>■ for an member whose employment with the Employer has terminated prior to the end of the period of the member being absent from employment for 3 consecutive months, the day on which the member was absent from employment for 3 consecutive months; or</li> <li>■ for all other members, the period commencing at the end of the period of the member being absent from employment for 3 consecutive months and ending on the earlier of:             <ul style="list-style-type: none"> <li>– 12 consecutive months' absence from his or her Occupation solely through injury or Illness; or</li> <li>– the date of termination from employment with the Employer.</li> </ul> </li> </ul> |
| <p><b>Disability Benefit (total but temporary disablement)</b></p> | <p><b>Total Disability or Totally Disabled</b> means that, solely as a result of an injury or Illness, you are continuously:</p> <ul style="list-style-type: none"> <li>■ unable to perform at least one of the Important Duties of your Own Occupation, and</li> <li>■ under the care of and following the regular and continuous advice for treatment from a Doctor in relation to that Illness or injury; and</li> <li>■ not engaged in any occupation, paid or unpaid.</li> </ul> <p><b>Partial Disability or Partially Disabled</b> means that immediately following at least 14 consecutive days of Total Disability and as a direct result of the injury or Illness which caused the Total Disability, you return to work in your own or another occupation and are:</p> <ul style="list-style-type: none"> <li>■ continuously unable to perform the Important Duties of your Own Occupation;</li> <li>■ earning less than your Monthly Income prior to Total Disability;</li> <li>■ under the continuous care and following the advice for treatment from a Doctor in relation to that Illness or injury.</li> </ul>   |

\* Prior to 1 August 2014, the Insured Benefits for Division 3 were wholly self-insured, this meant that whenever the Trustee paid an Insured Benefit to a member, the amount (including the amount above the Vested Benefit) was paid from Qantas Super's assets without being backed by an insurance policy.

These are terms defined in the Trustee's insurance policies with the Insurer. The Trustee may change insurer or policy terms at any time. The Trustee has arrangements in place with the Insurer and the Company from 1 August 2014 and ensure that members are not adversely impacted by the changes to the definitions.

## 5 Other important insurance information continued

### Do these new definitions apply to me?

The new definitions for TPD and Disability Benefits apply for any claim you submit after 1 August 2014, except if:

- you were not at work on the last working day before 1 August 2014 due to illness or injury, and you have not returned to work<sup>1</sup> and you subsequently submit a TPD or Disability Benefit claim for an illness/injury that first occurred or became apparent before 1 August 2014; or
- you were entitled to or are already receiving a TPD or Disability Benefit on 1 August 2014; or
- you lodged a claim for a TPD or Disability Benefit before 1 August 2014 and a final decision has not yet been made on that claim.

If the new definitions do not apply to you, the old definitions will continue to apply.

<sup>1</sup> Return to work means you are actively performing all the duties and work hours of your usual occupation with your employer, for 30 consecutive days, free of any limitation due to injury or illness. During this period, you'll have Limited Cover. Refer to 'Limited Cover' in the 'Definitions' section.

### How to make a claim

#### Death

Once we are advised of your death, we will send claim forms to the person advising us of the claim, or to anyone nominated as a possible beneficiary.

#### Terminal Illness, TPD and Disability

If you'd like to make a claim, you should notify us as soon as possible. We'll send you the relevant claim forms to complete and return. The Insurer will assess your claim and will liaise with you directly if additional information or medical evidence is required.

You'll be required to provide, at your own expense, reports from two treating doctors prepared using the forms we send you. The Insurer may also require you to undergo further medical assessment with a Doctor of its choice, at the Insurer's expense.

If you lodge a claim for Terminal Illness, TPD or Disability more than one year after the event giving rise to the claim and the delay results in the Insurer's interests being prejudiced, your claim may be declined or reduced.

When a decision has been made by the Insurer about your claim, you will be advised of the decision in writing.

If you don't understand the decision or would like further information, please contact us.

### When your Standard Insurance Cover ends

Your Standard Insurance Cover in Division 3 ceases on the earliest of the following events:

- the date you cease Employment;
- your Superannuation Date;
- for death and TPD, the date you take out a continuation option;
- two years (or five years if you've taken leave without pay/parental leave to work for another part of the Qantas Group) after you commence leave without pay/parental leave approved by your employer, if you have not returned to work. This term may be extended in special circumstances as approved by the Insurer;
- the day before you commence service in the armed forces of any country (excluding Australian Defence Force Reservists not deployed overseas);
- for death and TPD, when a Death or TPD Benefit is paid or if you receive your Death Benefit prior to your death; or
- you die.



## Other insurance conditions and features

The following conditions and features apply to you if your claim is eligible for assessment under the new definitions for TPD and Disability that applied from 1 August 2014. Refer to 'Definitions for TPD and Disability Benefits' on page 15 for more information.

| Conditions and features  | What this means  |
|--|--|
| <p><b>Maximum insured benefits</b></p>   | <p>Your Standard Insurance Cover will be subject to a maximum of \$3 million for death and \$3 million for TPD.</p> <p>Disability Benefits are subject to a maximum of \$30,000 a month.</p> <p>Your combined cover in Qantas Super - that is, standard cover in your defined benefit division, standard cover in your accumulation division (if applicable) and Additional Voluntary Cover - is subject to a maximum of \$10 million for death and \$3 million for TPD.</p>   |
| <p><b>Exclusions on your Disability Benefit</b></p>  | <p>A Disability Benefit will not be payable if your disability arises directly or indirectly from:</p> <ul style="list-style-type: none"> <li>■ normal and uncomplicated pregnancy or childbirth;</li> <li>■ war or warlike operations (except where you are performing your duties of employment); or</li> <li>■ service in the armed forces.</li> </ul>  |
| <p><b>Continuation option</b><br/>(applies to death and TPD Benefits only)</p>   | <p>If you leave employment with the Qantas Group (for reasons other than ill-health) and leave Qantas Super, you may be eligible to continue your death and TPD cover by buying a policy direct with the Insurer – without having to provide further medical evidence. This is called a continuation option.</p> <p>You must be under age 60 and have your continuation option approved and accepted by the Insurer within 60 days of leaving employment or leaving Qantas Super. You will be responsible for paying premiums directly to the Insurer. The amount of the premiums will depend on the premium rates the Insurer charges for individual policies. If you'd like a quote for a continuation option, please call the Insurer, MLC Limited, on (02) 8908 6111 or email them at <a href="mailto:group_insurance@mlc.com.au">group_insurance@mlc.com.au</a>.</p> <p>For TPD cover, you must commence full time employment with another employer within 90 days of ceasing employment with the Qantas Group.</p> <p>The Insurer may also have additional eligibility criteria before a continuation option is offered.</p> |
| <p><b>Ancillary benefits</b><br/>(applies to Disability Benefits only)</p> <p>An ancillary benefit is coverage for specific expenses that may be incurred during the period of your disablement.</p> | <p>The Insurer may pay ancillary benefits in some circumstances where a Disability Benefit is being paid.</p> <p>The following benefits may be payable:</p> <ul style="list-style-type: none"> <li>■ Rehabilitation expense benefit</li> <li>■ Bereavement benefit</li> <li>■ Family carer benefit</li> <li>■ Emergency transport benefit</li> <li>■ Workplace modification benefit</li> </ul> <p><b>Rehabilitation expense benefit:</b> If you are receiving Total or Partial Disability Benefits, the Insurer may meet an expense incurred on your behalf as the result of your participation in a rehabilitation program. The Insurer must approve the program before the expenses are incurred, your Doctor must approve the program, and the maximum amount payable is 24 times your monthly Disability Benefit minus any amount that can be claimed from any other source.</p> <p>These expenses must be incurred directly to help you return to work in a gainful occupation, or to undertake a vocational retraining program because of your disability. The Insurer has the discretion to pay this expense.</p>           |

## 5 Other important insurance information continued

| Conditions and features              | What this means  |
|--------------------------------------|--|
| Ancillary benefits (cont)            | <p><b>Bereavement benefit:</b> If you die while Total or Partial Disability Benefits are being paid to you, then the Insurer will pay a lump sum equal to three times your monthly Disability Benefit from the date of your death. (This payment will be made to the Trustee, and will be passed onto your estate.)</p> <p><b>Family carer benefit:</b> This benefit will be paid if a member of your family takes employer-approved leave of absence without pay to care for you while you are suffering a Total Disability for which you are receiving benefits. This may be payable for up to six months. The amount will be the lesser of:</p> <ul style="list-style-type: none"> <li>■ the amount the Insurer estimates the carer would have earned if you had not been disabled; or</li> <li>■ \$3,000 a month.</li> </ul> <p>This benefit accrues, and payment will commence from the later of the end of the waiting period and the date the family member takes leave without pay from employment to care for you.</p> <p>The family member must not have been employed by you, or be an employee of an entity under your control, or of which you are a principal or director. This benefit is paid to you, but must not exceed 100% of your pre-disability Monthly Income.</p> <p><b>Emergency transport benefit:</b> If you have an illness or injury which results in Total or Partial Disability the Insurer will reimburse you for emergency transportation costs incurred up to \$500. This benefit will not be payable if the emergency transport costs are payable from any other source.</p> <p><b>Workplace modification benefit:</b> If Total or Partial Disability Benefits are being paid to you, the Insurer may pay Qantas Super an additional benefit up to 2.5 times your monthly Disability Benefit for the purpose of modifying your workplace to facilitate your return to work. Payment of this benefit is at the Insurer's discretion.</p> |
| Leave without pay/<br>Parental leave | <p>Upon commencing leave without pay/Parental leave:</p> <p>Your death and TPD cover will continue uninterrupted for a maximum of two years (or five years if you have taken leave without pay to work for another part of the Qantas Group). After this time, if you haven't returned to work, your cover will cease and you'll need to be underwritten if you want cover reinstated upon your return to work; and</p> <p>Your Disability cover will be suspended during your period of leave. Upon returning to work, your cover will recommence provided you return within a maximum leave period of two years (or five years if you have taken leave without pay to work for another part of the Qantas Group). After this time, you'll need to be underwritten if you want your cover reinstated upon your return to work.</p> <p>If your cover needs to be extended beyond the initial two or five year period, you will need to obtain the Insurer's written approval to extend cover at least 60 days before the expiry of the relevant period. The Insurer has an absolute discretion whether to approve this extension of cover.</p>   |
| Interim Accident cover               | <p>If you're eligible to apply for recommencement of Standard Insurance Cover for death, TPD and Disability cover and are required to undergo the underwriting process, you'll receive interim Accident cover during this period. This cover is different to the insurance you'll be applying for. The Interim Accident cover will be paid for injury resulting from an Accident, and will commence when the Insurer has received a fully completed request for insurance form and declaration of health in the form it requires. The interim Accident Benefit will be the lesser of the Benefit being applied for, the Benefit that would be allowed under the Insurer's normal assessment guidance, and:</p> <ul style="list-style-type: none"> <li>■ \$15,000 per month for Disability;</li> <li>■ \$1 million for death and TPD.</li> </ul> <p>You'll receive an interim Accident Benefit if you die, suffer Total Disability or Total and Permanent Disability (if applicable) as a result of an injury while you're covered by the interim Accident Cover.</p>   |

| Conditions and features                     | What this means   |
|---|---|
| <p><b>Interim Accident cover (cont)</b></p> | <p>It will expire on the earliest of these situations:</p> <ul style="list-style-type: none"> <li>■ 90 days after the commencement of the interim Accident cover;</li> <li>■ the date on which the Insurer gives notice that the request for insurance under the policy is accepted;</li> <li>■ the date on which the Insurer cancels the interim Accident cover;</li> <li>■ the date either you or the employer cancels or withdraws the request for insurance; or</li> <li>■ the date you cease to be eligible for cover.</li> </ul> <p>Interim Accident Benefit will not be payable for:</p> <p>Injury to you caused by engaging in hazardous pastimes or sports that would not be covered under normal assessment guidelines;</p> <p>Injury occurring prior to you becoming eligible.</p> <p>It will also not apply if:</p> <ul style="list-style-type: none"> <li>■ The cover you've applied for would have been declined under the Insurer's current assessment guidelines; or</li> <li>■ You lodge a claim for an event or condition that would have been excluded under the Insurer's normal underwriting process.</li> </ul> <p>The Insurer will pay only one Benefit under this interim Accident cover for any one Accident to any person.</p>  |
| <p><b>Duty of disclosure</b></p>            | <p>Before you can be provided with underwritten cover under an insurance policy issued by the Insurer, you must disclose to the Insurer every matter that you know, or could reasonably be expected to know, which is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms.</p> <p>You must also disclose those matters to the Insurer before your insurance cover is extended, varied or reinstated. However, you're not required to disclose a matter that diminishes the risk to be undertaken by the Insurer, is of common knowledge, that the Insurer knows or, in the ordinary course of business, ought to know, or for which your duty of compliance is waived by the Insurer.</p> <p><b>Non-disclosure</b></p> <p>If you fail to comply with this requirement to disclose certain information to the Insurer and the Insurer would not have provided the insurance cover for you on any terms if the failure had not occurred, the Insurer may avoid the insurance cover provided to you within three years of providing it. If your nondisclosure is fraudulent, the Insurer may avoid the insurance cover at any time.</p> <p>If the Insurer is entitled to avoid insurance cover, the Insurer may, within three years of providing cover, elect not to avoid the insurance cover but reduce the sum that you have been insured for, in accordance with a formula that takes into account the premium that would have been payable if you'd disclosed all relevant matters to the Insurer.</p> |

## 6 Fees and costs

The table below outlines the administration and insurance costs you may incur as a member of Division 3. Tax and costs relating to investment options may also be incurred. Please refer to the *Information Booklet Supplement* for full details about these fees and costs.

| Type of cost                                  | Amount and How and when paid   |
|---|--|
| Administration costs                          | These costs are met by the Qantas Group.   |
| Standard Insurance Cover – death              | The cost of this cover is met by the Qantas Group.   |
| Standard Insurance Cover – TPD and Disability | The cost of this cover is met by the Qantas Group.   |
| Additional Voluntary Cover – death and TPD    | If you choose to purchase Additional Voluntary Cover, this cost is paid by you and deducted from one of your super accounts monthly. |

Qantas Super may be eligible to claim a tax deduction for premiums paid for Additional Voluntary Cover. Where we are eligible to claim a tax deduction, we may pass the benefit of this deduction directly onto our members. The premium rates in the *Insurance Guide* do not take into account any tax deduction.

## 7 Definitions

In explaining how Qantas Super works, it is necessary to use certain terms which have a very specific meaning. These are defined below (or earlier in this document).

**Accident** means an event where bodily injury is caused directly and solely by external and visible means, independently of all other causes.

**Additional Voluntary Cover** You can apply to increase your death and Total and Permanent Disablement insurance cover to a level that you feel is right for you with our Additional Voluntary Cover. Please see the *Insurance Guide*, available on our website, for information about Additional Voluntary Cover, including how to apply. Conditions apply.

**Benefit** means the death, Terminal Illness, TPD, Disability and interim Accident benefits.

**Dependant** means the following:

- your spouse which includes:
  - your husband, wife, widower or widow;
  - a person who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple regardless of whether you are of the same sex or opposite sex; or
  - any other person (whether of the same or opposite sex) with whom you are in a relationship registered under a law of certain States or Territories (currently Queensland, Victoria, Tasmania, the ACT and NSW);
- your children which includes:
  - an adopted child, a stepchild or an ex-nuptial child;
  - a child of your spouse; and
  - someone who is your child under the Family Law Act 1975 (Cth);

- any person who, in the opinion of the Trustee, was wholly or partially financially dependent on you at the time of your death;
- any person with whom you had an interdependency relationship<sup>1</sup> at the time of your death; and
- any other person who is a dependant under the Superannuation Industry (Supervision) Act 1993 (Cth).

Note: Other conditions may need to be satisfied for an individual to qualify as a dependant, depending on circumstances at the time.

<sup>1</sup> An 'interdependency relationship' exists where you and another person satisfy the following four requirements at the time of your death:

- you had a close personal relationship; and
- you lived together; and
- one or each provided financial support to the other; and
- one or each provided domestic support and personal care to the other of a type and quality normally provided in a close personal relationship (other than by a friend or flatmate).

If a close personal relationship existed but the other requirements of an interdependency relationship were not satisfied because one or both of you suffered from a physical, intellectual or psychiatric disability, or if you are temporarily living apart, then an interdependency relationship may still exist.

**Doctor** means a registered medical practitioner who is acceptable to the Insurer and who is not you, your spouse, family member, business partner, employee or Employer.

**Employed** means engaged in regular employment with the Qantas Group.

**Employment** Generally means continuous employment in the service of the Company including any period of leave of absence with the consent and approval of the Company.

## 7 Definitions continued

**Illness** means a sickness, disease or medical disorder.

**Important Duties** The duties of your occupation which are essential in producing a salary.

**Insurer** MLC Limited ABN 90 000 000 402.

**Limited Cover** means you are only covered by the Insurer for claims arising from an Illness which first became apparent or an injury which first occurred on or after you became eligible for cover.

**Monthly Income** 1/12th of your Final Year Salary.

**Occupation** means the employment or activity in which you were employed.

**Own Occupation** The normal occupation in which you are employed immediately prior to becoming Totally Disabled.

**Qantas Group/Company/Employer** Includes Qantas Airways Limited ABN 16 009 661 901 and any other associated employers.

**Standard Insurance Cover/Standard Insurance**

**Benefit** As a member of Division 3, you are automatically covered 24 hours a day, seven days a week for death, disablement and Terminal Illness until your Superannuation Date. This automatic cover is known as Standard Insurance Cover. Standard Insurance Cover is part of a package of benefits for members, so you are not able to decline, change or cancel the cover.

**Superannuation Date** Generally, your Superannuation Date is the date at which you're entitled to a Qantas Super retirement benefit.

**Terminal Illness** means you suffer an Illness which in the Insurer's opinion, after consideration of medical evidence, would reasonably be expected to reduce your life expectancy to less than 12 months. The reduced life expectancy must occur while you are a member of Division 3 and have Standard Insurance Cover and/or Additional Voluntary Cover.

**Vested Benefit** means the accrued benefit you are entitled to upon ceasing employment for reasons not due to Illness or injury.



## Contacting us



**Postal  
address**

Qantas Superannuation Plan  
GPO Box 4303  
Melbourne VIC 3001



**Qantas Super  
Helpline**

1300 362 967 (within Australia)  
+61 3 8687 1866 (outside Australia)  
Monday to Friday 8am to 7pm AEST/AEDT



**Website and  
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