Issued 1 October 2018

Qantas Super Gateway

Member Guide Supplement

Contents

QANTAS SUPER

About this document

This *Qantas Super Gateway Member Guide Supplement* (Member Guide Supplement) is designed to provide you with details about your benefits and entitlements and to describe the features of the Gateway division including the options available to you.

The information in this document forms part of the *Qantas Super Gateway Member Guide Product Disclosure Statement* (PDS) issued on 1 October 2018.

These documents should be read together, along with the following documents (which also form part of the PDS) available on our website:

- *Investment Guide*
- *Which Glidepath Investment Stage Am I Invested In?* fact sheet; and
- *Voluntary Cover Insurance Guide*.

Please read these documents carefully and keep them with your personal financial documents. Each year you will receive an annual statement, which will show details of your transactions and current benefit entitlements. We also publish an annual report on our website to supplement the information provided on your annual statement.

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. We recommend 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.

Note: We may update this *Member Guide Supplement* from time to time. For the latest version, please check our website. You can request a paper copy of updated information at any time free of charge by calling the Qantas Super Helpline on 1300 362 967.

Qantas Super Gateway (Gateway) 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 Gateway is provided through group policies with an external insurer, MLC Limited ABN 90 000 000 402, AFSL 230694 (MLC or Insurer). Gateway is the default division of Qantas Super for most Australian-based employees of Qantas Airways Limited ABN 16 009 661 901 and associated employers (Qantas Group).

How super works

Building your benefits

Throughout your years of employment, it is important to build your super to support your needs in retirement.

Who can contribute?

Other than compulsory employer contributions (superannuation guarantee 'SG' contributions and any contributions specified by an enterprise bargaining agreement or other industrial agreement) for Employee Members, a contribution may generally only be made into your super by or for you if you are:

- under 65 years of age; or
- aged 65 to 74 years and have been gainfully employed during the financial year in which the contribution is made for at least 40 hours over a consecutive 30 day period.

Spouse contributions cannot be made for you from age 70.

Types of contributions

There are different types of contributions that can be made. These include:

Concessional (before-tax) contributions

These include employer contributions and any contributions made from before-tax salary:

- **Employer contributions.** Minimum contributions are required to be made by your Qantas Group employer under the Superannuation Guarantee (Administration) Act 1992 (Cth) (SGAA) to a complying super fund. Your minimum contributions may be greater than the SGAA requirements due to your entitlement to an employer agreed minimum amount. Contact Qantas People Services if you are unsure of your minimum super contributions.
- Employer contributions from non-Qantas Group employers (external employer contributions) can also be made to Qantas Super on your behalf provided you are employed by a Qantas Group employer. Once you cease employment with a Qantas Group employer, Qantas Super will withdraw consent to receive such external employer contributions. You will have a short period thereafter to transition to alternative arrangements. The ability to receive external employer contributions can be withdrawn at any time by Qantas Airways Limited.
- **Personal contributions.** You can ask your employer to deduct extra money from your pay before tax is taken out. This is called a salary sacrifice contribution.

Concessional contributions also include contributions made from after-tax salary where you notify us that you intend to claim a tax deduction.

Non-concessional (after-tax) contributions

These include contributions made from after-tax salary where a tax deduction is not claimed, such as:

- **Personal and spouse contributions**. You or your spouse can make contributions from after-tax monies.

For information on how to make contributions to your account, refer to the 'Adding money to your Super Account' section of this document.

Other contributions

Other types of contributions include:

- **Government co-contribution**. The Government has a scheme to help people on low to middle incomes save for their retirement. If you're a low or middle income earner the Government will contribute extra money (up to $500 annually) to your account if you contribute your own money after-tax and meet certain rules. For more information, refer to our *Government super contributions* fact sheet available on our website.
- **Low Income Superannuation Tax Offset (LISTO).** The Government will make a contribution (up to $500 annually) of 15% of eligible concessional contributions (including employer contributions) made by or for individuals with an adjusted taxable income of up to $37,000 in a financial year. For more information, refer to our *Government super contributions* fact sheet available on our website.

Contributing the proceeds of downsizing your home

If you are aged 65 or over and sell your principal home, you can generally within 90 days use some or all of the sale proceeds to make a 'downsizer' contribution of up to $300,000 (providing the residence is in Australia and has been held for a minimum of 10 years). Downsizer contributions are not subject to the eligibility criteria shown in the 'Who can contribute?' section above. For a contribution to be treated as a 'downsizer' contribution, you must have given us a completed form in the approved format electing that treatment no later than at the time of making the contribution.

A downsizer contribution does not count towards the contribution caps (refer to 'Contribution caps' later in this section) and is not taxed when paid into your Super Account.

You can only make a downsizer contribution for one sale of one home. However, downsizer contributions allow for a combined maximum of $600,000 to be contributed for a couple ($300,000 each) for the same home.

Any subsequent transfer of these contributions to a retirement income stream product is still subject to the Transfer Balance Cap – refer to 'Tax on earnings' in the 'How Super is taxed' section of this document for more information.

For more information please refer to www.ato.gov.au

Contributions as part of the First Home Super Saver Scheme

Before-tax and after-tax (concessional and non-concessional) voluntary contributions can be made to your Super Account to save for a first home. You can contribute up to $15,000 in a financial year and $30,000 in total in voluntary contributions, which count towards the relevant contribution caps. The contributed amounts plus earnings based on a deemed rate of return can be withdrawn net of tax to help fund the purchase of a first home.

To be eligible to access the scheme, you must:

- be over the age of 18;
- have never owned property in Australia (subject to some financial hardship exceptions); and
- have not previously requested a release authority in relation to the scheme.

For more information on withdrawing these contributions including to purchase a first home, please refer to the 'Accessing your benefits' section.

For more information on eligibility and conditions please refer to www.ato.gov.au

Rollover your other super into Gateway

Having all your super in the one fund means you won't pay multiple fees to different funds and erode your super savings. It may also make managing your super easier, save you time and may mean you're less likely to lose track of your super.

You can transfer super you have in other funds into your Super Account. Visit our website for more information on how to do this or call the Qantas Super Helpline on 1300 362 967 for help.

> **Note:** Tax may apply to rollovers from some Government super funds. Refer to 'Managing your Super Account' in the 'Benefits of investing with Qantas Super Gateway' section for more information.

Or you can simply complete the relevant form available on our website and return it to us to combine your super. (Note: Tax may apply to rollovers from some Government super funds. Refer to 'Managing your Super Account' in the 'Benefits of investing with Qantas Super Gateway' section for more information).

Contribution caps

The Government has set annual limits, called contribution caps, on the amount of concessional and non-concessional contributions you can make into super.

If you exceed these limits you may need to pay additional tax. For more information about the caps on contributions to super, refer to the 'How super is taxed' section.

> ALERT: Only you can monitor the level of contributions made to all of your super funds against your contribution caps. Neither the Trustee nor your employer is able to do this on your behalf.

Accessing your benefits

Preservation

Superannuation law restricts access to your super until you retire or meet certain conditions. This restriction is called 'preservation'. All super is subject to preservation. This includes any investment earnings credited to your super.

Generally, this means that you can't access your preserved super in cash unless you satisfy a 'condition of release', such as one of the following:

- You reach your preservation age (see table below) and you permanently retire from the workforce[1];
- You are age 60 or over and you cease your current employment[1];
- You reach age 65[1];
- You reach your preservation age and you transfer your super into a transition to retirement income stream which pays you regular income payments and cannot be converted to a lump sum after commencement (except in limited circumstances), such as an Income Account in Gateway[1];
- You suffer Permanent Incapacity;
- You have a Terminal Medical Condition; or
- You die.

Preservation age

Your preservation age depends on your date of birth and can be worked out using the following table:

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
After 30 June 1964	60

Other conditions of release

You may be able to access a portion of your preserved super in cash in other circumstances, including:

- severe financial hardship[1];
- compassionate grounds[1]; or
- Temporary Incapacity.

Please refer to our website for more information on these.

Fees and costs may apply for withdrawals from your account. Refer to the 'Fees and costs' section for more information.

[1] A current or former holder of a temporary visa, who is not a permanent resident of Australia, or a citizen of Australia or New Zealand, is not eligible to access super benefits under these conditions of release. For more information about temporary residents' access to super refer to 'Temporary Residents' in this section.

Contribution splitting

Contribution splitting allows you to transfer certain concessional contributions (after the deduction of any applicable contributions tax) made to your Super Account, up to the concessional contributions cap, to an account established for your spouse. Certain criteria must be met. For information on concessional contribution caps refer to 'Tax on contributions' in the 'How super is taxed' section.

Rollovers into your Super Account and non-concessional contributions cannot be split.

Split contributions to your spouse's super may be transferred to their Super Account in Gateway or another super fund. All split contributions transferred to your spouse are subject to the preservation rules.

Criteria that must be met for contribution splitting to occur include:

- Your spouse must satisfy the definition of a spouse (as set out in the definition of 'Dependant' under 'Definitions' in the 'Other information' section of this document) and be:
  - under their preservation age; or
  - between their preservation age and 65 years and either not retired from the workforce or not ever previously gainfully employed;
- Applications for a contribution split may only be made for concessional contributions received in the prior financial year, unless you are exiting Qantas Super;
- If you are exiting Qantas Super, your concessional contributions in the current financial year may be split at the time of exit;
- Contribution splits can only be made from a Super Account. If you are commencing an Income Account and wish to split any contributions you made in the current financial year, the eligible contributions must remain in your Super Account until the end of that financial year; and
- You must complete the relevant form which is available on our website.

Fees and costs (such as the exit fee) may apply when you make a contribution split. Refer to the 'Fees and costs' section for more information.

Withdrawals under the First Home Super Saver Scheme

The first home super saver scheme is administered by the ATO, which determines the amount of contributions, and earnings at the deemed rate of return on those contributions, that can be withdrawn and instructs superannuation funds to make these payments accordingly. Withdrawals can be made by individuals 18 years or older who have made eligible voluntary contributions and have neither owned property in Australia nor previously requested a release under the scheme, subject to meeting eligibility criteria.

The taxable component of withdrawals is taxed at marginal rates less a 30% non-refundable offset. A 20% penalty is applied if you fail to notify the ATO that you either (i) entered into a contract within 12 months of the withdrawal to purchase or construct residential premises that cost at least as much as the amount withdrawn, or (ii) re-contributed the taxable component of the amount withdrawn as a non-concessional contribution within 12 months of the withdrawal.

You can apply to release your savings online, for more information please visit www.ato.gov.au

Family law

Family law legislation allows most couples living together on a genuine domestic basis, who are separating or divorcing, to 'split' their super entitlements. This applies to couples (including same sex) who are married and certain de facto (including same sex) couples depending on which State or Territory they live in.

To meet the requirements of the Family Law Act 1975 (Cth) (Family Law Act), the Trust Deed and Rules allows the Trustee to pay part or all of a member's account in accordance with the 'split', directly to the non-member spouse, to an existing account (if any) for the non-member spouse in Qantas Super or to another super fund of their choice. Preservation requirements apply to the amount paid to, or for, the non-member spouse.

This means the Trustee can pay out the separation entitlement to (or for) the non-member spouse shortly after separation or divorce. The amount paid will be deducted from a member's account in accordance with the separation agreement or order, and consistent with the Family Law Act. Under the Family Law Act, the Trustee may be required to provide certain information about a member's super to a non-member spouse or other person.

Fees and costs apply when the Trustee provides information and may apply when the Trustee makes a payment pursuant to family law legislation (such as the exit fee). Refer to the 'Fees and costs' section for more information.

Temporary residents

A temporary resident is a holder of a temporary visa under the Migration Act 1958 (Cth). The Australian Government requires Qantas Super to pay certain temporary residents' unclaimed super to the Australian Taxation Office (ATO) after at least six months have passed since the later of:

- the date a temporary resident's visa ceased to be in effect; and
- the date a temporary resident permanently left Australia.

The ATO identifies and informs Qantas Super of the impacted members on a twice yearly basis. Once your benefit has been transferred to the ATO, you will need to claim it directly from the ATO. As the Trustee relies on Australian Securities and Investments Commission (ASIC) relief, you may not be issued a notice about the transfer or an exit statement in this circumstance.

If your account has not yet been transferred to the ATO, you may be eligible to claim it from Qantas Super under the Departing Australia Superannuation Payment (DASP) regime. Information regarding DASP procedures and current taxation rates can be found at www.ato.gov.au.

If you are a temporary resident you will only be eligible to commence an Income Account in limited circumstances due to the restrictions that apply to certain temporary residents. Refer to 'Preservation' in this section for more information.

Unclaimed money and lost members

In some circumstances, if an amount is payable to you and the Trustee is unable to ensure that you will receive it, the Trustee may be obliged to pay the amount to the ATO on your behalf.

The Trustee is also required to transfer to the ATO a lost member's account balance if:

- it is less than $6,000; or
- the account has been inactive for a period of 12 months and the Trustee is satisfied that it will never be possible to pay an amount to the member.

If your account is transferred, you will be able to reclaim it from the ATO. From 1 July 2013 interest is paid on all unclaimed and lost super accounts reclaimed from the ATO.

Choice of fund and portability

Under legislation governing the ability of employees to choose their super fund, you may be eligible to select another fund to which your employer contributions may be made (this is called 'choice of fund'). Your employer will inform you if you're eligible to choose your fund.

In addition, you may request that the Trustee pay some or all of the balance in your existing account to another super fund that you nominate (this is called 'portability').

If you choose another super fund to receive employer contributions made in respect of you, but you do not transfer all of your existing account balance in Gateway to another super fund, you will become a Retained Member in Gateway. In this event, any Basic Cover you have for income protection would cease immediately. Basic Cover for death and total and permanent disablement (TPD) would continue as Fixed Dollar Basic Cover and Voluntary Cover would also continue. You will not have a continuation option for any Basic Cover for income protection at the time you become a Retained Member. Refer to the 'Insurance in your Super' section for more information about your insurance in Gateway.

Benefits of investing with Qantas Super Gateway

Super Account

Opening a Super Account

Employee Member

New employees of the Qantas Group. Gateway is the default division of Qantas Super for most Australian-based employees of the Qantas Group. There are no application forms to complete and no minimum initial investment required. We will send you a welcome letter with your membership details once your account is opened. You can select another fund to which your employer contributions may be made at any time (this is called 'choice of fund').

Existing employees of the Qantas Group. If you're a member of any other division of Qantas Super, or if you were not eligible to automatically join Qantas Super when you commenced employment, you may also join Gateway at any time. You simply need to complete the relevant form available on our website. There is no minimum initial investment amount required to open a Super Account in Gateway as an Employee Member.

Retained Member

Ceasing employment with the Qantas Group. If you are a member of Qantas Super and cease employment with the Qantas Group, you will automatically become a Retained Member in Gateway (regardless of your division in Qantas Super). There are no application forms to complete. See 'Becoming a Retained Member in Gateway' in this section for more information.

Electing choice of fund. If you are a member of Qantas Super and elect choice of fund[1], you will automatically become a Retained Member in Gateway (regardless of your division in Qantas Super). There are no application forms to complete. See 'Becoming a Retained Member in Gateway' in this section for more information.

Income Account Members. If you have an Income Account in Gateway but do not have an existing super account in Qantas Super, you are eligible to open a Super Account as a Retained Member[2]. You simply need to complete the relevant form available on our website.

There is a minimum balance requirement of $5,000 for Retained Members in Gateway. See 'Becoming a Retained Member in Gateway' in this section for more information.

Spouse Member

If you're a member of Qantas Super, your spouse may be eligible to join Gateway. You and your spouse simply need to complete the relevant application form available on our website. An initial contribution of a minimum of $1,500 is required. See 'Establishing a Super Account for your spouse' in this section for more information.

[1] Does not apply to members in Division 15.

[2] Does not apply to Beneficiary Members.

Managing your Super Account

The value of your Super Account in Gateway

The value of your Super Account is calculated as:

- Contributions made into your account; plus
- Transfers and rollovers into your account; less
- Withdrawals, rollovers and transfers out of your account; less
- Fees, costs and taxes; less
- Any insurance premiums (if applicable); plus or minus
- Investment earnings.

Adding money to your Super Account

You can add money to your Super Account in a number of ways:

- **Regular payroll deduction**

  If you want to make additional regular voluntary contributions to your Super Account, you may ask your Qantas Group employer to make regular deductions from your pay (before-tax and/or after-tax) into your Super Account.

  Employer contributions from non-Qantas Group employers (external employer contributions) can also be made to Qantas Super on your behalf provided you are employed by a Qantas Group employer. Once you cease employment with a Qantas Group employer, Qantas Super will withdraw consent to receive such external employer contributions. You will have a short period thereafter to transition to alternative arrangements. The ability to receive external employer contributions can be withdrawn at any time by Qantas Airways Limited.

If you are employed by an employer in the Qantas Group

You can commence, change or cancel your regular voluntary contributions at any time. Changes will generally take effect from your next available pay.

Simply complete the Qantas Group's online *Superannuation contribution authority* form available from the People section of the Qantas Group intranet (The Terminal) or from our website. Alternatively, you can contact Qantas People Services or the relevant payroll department.

Note: Generally, regular contributions deducted from your salary are suspended during periods of leave without pay (including during periods of maternity and parental leave).

- **Contributions with BPAY®**

  With BPAY you can make additional ad hoc after-tax (non-concessional) contributions to your Super Account whenever it suits you – seven days a week using your bank's or financial institution's internet or phone banking services, regardless of where you are in the world. All you need is Qantas Super's BPAY biller code, and your individual BPAY reference number which can be found by:

  - logging into your account online using your PIN; or
  - contacting us.

  ® Registered to BPAY Pty Ltd ABN 69 079 137 518

- **Ad hoc contributions by cheque**

  You may also make additional ad hoc after-tax (non-concessional) contributions by completing the relevant form available on our website and returning it to us (at the address on the form) with a cheque made payable to 'Qantas Superannuation Limited'.

- **Rollover to consolidate super**

  At any time you may rollover super balances from other super funds into your Super Account. Simply visit our website for details on how to do this. Tax may apply to rollovers from some Government funds.

- **Claiming a tax deduction for personal contributions**

  If you are under age 75, you may be able to claim a tax deduction for your personal contributions. You can advise us that you intend to claim a tax deduction by completing and sending us a *Notice of intent to claim or vary a deduction for personal super contributions* form available from the ATO website ato.gov.au or by calling 13 10 20.

- **First Home Super Saver Scheme**

  You can contribute voluntary concessional (before-tax) and non-concessional (after-tax) contributions to your super to help purchase your first home. You can contribute up to $15,000 per tax year and $30,000 per person in total as part of the scheme. Keep in mind: these contributions are included in the calculation of your annual contribution caps. The amounts can be contributed via regular payroll deductions, BPAY® or cheque.

- **Downsizer contributions**

  If you are aged 65 or over and sell your principal home, you can generally within 90 days use some or all of the sale proceeds to make a downsizer contribution of up to $300,000, subject to eligibility criteria (refer to the 'Building your benefits' section for more information). The contribution does not count towards the contribution caps and can be made by BPAY® or cheque.

Making contribution and rollover decisions:

The level of any contributions you may wish to make will depend on your personal circumstances and tax position. You should also consider the impact of rolling over amounts from other super funds, such as any exit fees or loss of insurance. We recommend you seek financial advice tailored to your personal circumstances from a licensed financial adviser to assist you in making your decisions.

You should also consider the effect of contribution caps and limitations that apply if your Tax File Number has not been provided to the Trustee.

Withdrawals from your Super Account

You can make a withdrawal from your Super Account in the following ways:

- **Lump sum withdrawal**

  If you have satisfied a relevant condition of release under the preservation rules (see 'Accessing your benefits' in the 'How super works' section), you may make a lump sum withdrawal in cash from your account at any time. Simply complete the relevant form available on our website. Proof of identity requirements apply (detailed on the form).

  There is no limit on the number of lump sum withdrawals you can make each year from your Super Account, however an exit fee is payable for each withdrawal (see the 'Fees and costs' section for details).

- **Transfers to another fund**
  You can transfer all or part of your existing balance out of Qantas Super to another super fund at any time (called portability).

  If you are making a partial transfer, your total account balance remaining in Gateway after the transfer must be at least $5,000.

  If you request a whole of balance transfer and we have not received an advice from your employer that you have ceased employment or exercised choice of fund prior to the transfer, you will remain in Gateway as an Employee Member, and your account balance will be zero, until we receive the relevant advice from your employer and/or the final contributions due in respect of your employment or membership in Qantas Super.

  Any contributions received after your whole of balance transfer has been completed will remain in Gateway until we receive further instructions from you. Any fees and costs (including insurance premiums) will continue to apply while sufficient funds remain in your Super Account.

  Transfers will normally be made within three business days (if you have not made an investment choice for your account in Gateway) or otherwise within 30 days of your transfer request being received by the Trustee.

  To request a transfer, complete the relevant form available on your website. Proof of identity requirements apply (detailed on the form).

- **Transfers to or from KiwiSaver**

  If you permanently emigrate to New Zealand, you may be able to transfer your super to a complying New Zealand KiwiSaver Scheme (conditions apply). For more information, please contact us.

  Qantas Super does not accept transfers from a complying New Zealand KiwiSaver Scheme into your Super Account.

- **Withdrawals under the First Home Super Saver Scheme**

  Refer to the 'Accessing your benefits' section for more information

Becoming a Retained Member in Gateway

How to become a Retained Member

If you're already a member of Gateway, when you:

- cease employment with the Qantas Group, or
- elect to have your employer contributions paid to another super fund (choice of fund),

then you will automatically become a Retained Member in Gateway effective from the date you ceased employment or your choice of fund election is effected.

Upon becoming a Retained Member there will be no change to:

- fees;
- insurance premiums[1];
- investment options;
- nominated beneficiaries;
- the dollar amount of your insurance cover for death and TPD on becoming a Retained Member[1];
- your member number; or
- your PIN for logging into your account online.

If you're in another Qantas Super division. If you do not transfer all of your existing account balance out of Qantas Super before you:

- cease employment with the Qantas Group; or
- elect to have your employer contributions paid to another super fund (choice of fund)[2],

you will automatically become a Retained Member in Gateway and your benefit will automatically be transferred to Gateway after your final super contributions have been received and processed by Qantas Super, effective the date you ceased employment or the date your choice of fund election is effected.

You will no longer be a member of your previous division once your benefit has been transferred into Gateway. Generally, you cannot transfer back into your previous division.

[1] Refer to the 'Insurance as a Retained Member' section on the next page for more information on insurance, including changes to your Basic Cover for income protection.

[2] A Division 15 member who exercises choice of fund will remain a member in Division 15 (subject to certain conditions). Insurance cover for death and TPD in Division 15 will cease from the date the choice of fund election is effected. Refer to the *Division 15 Transfer Guide* available on our website for more information.

Upon transfer to Gateway:

- You may receive a new member number and PIN for logging into your account online;
- Fees and costs applicable for Gateway (including administration fees) and insurance premiums will apply to your account from commencement of your Gateway membership;
- Your beneficiary nomination will be transferred to your Gateway account;
- The amount of your insurance cover for death and TPD (if any) will continue in Gateway (however, the way it is calculated and the cost of cover may change) – see 'Insurance as a Retained Member' in this section;
- Your account balance will be invested as follows:
  - for members transferring from **accumulation Divisions 3A, 5, 6, 7 and 10**. Your transferred benefit will be invested in the same investment options and in the same proportion that applied to your account balance in your previous division on the day of exiting that division;
  - for members transferring from **defined benefit Divisions 1, 2, 3, 4, 12 and 15**. If you have chosen investment options for your accumulation accounts in your previous division, upon transfer to Gateway your total benefit (including the value of your defined benefit component) will be invested in the same investment options and in the same proportion that applied to your accumulation accounts in your previous division on the day of exiting that division;

    If you have **not** chosen investment options for your accumulation accounts in your previous division, upon transfer to Gateway your total benefit (including the value of your defined benefit component) will be invested in **Glidepath**, the default option in Gateway; and
- Your future contributions will be invested as follows:
  - if you have chosen investment options for future contributions in your previous division, this will continue to apply in Gateway; or
  - if you have not chosen investment options for your future contributions in your previous division, then all future contributions will be invested in **Glidepath**, the default option in Gateway.

Minimum account balance for Retained Members

If you're a Retained Member, there is a minimum balance requirement of $5,000 for your Super Account. This requirement will generally be tested no sooner than 45 days after you become a Retained Member in Gateway. If your account balance is below $5,000 at that time:

- we will automatically transfer your benefit out of Gateway and into Qantas Super's nominated eligible rollover fund (ERF); or
- if you hold another account in Qantas Super that is not an Income Account, your benefit may be automatically transferred to that other account. Depending on your circumstances, this may have implications on your benefits in Qantas Super (including insurance) and the fees that you pay.

We may also automatically transfer your benefit as outlined above if your account balance falls below $5,000 at any subsequent time. Refer to 'Eligible Rollover Fund' in the 'Other information' section for details of our nominated ERF.

Insurance as a Retained Member

- **If you're already a member of Gateway**. When you become a Retained Member:
  - Your Basic Cover for death and TPD will automatically continue as Fixed Dollar Basic Cover (with the fixed dollar amount of cover calculated at the date you cease to be employed with the Qantas Group, or at the date your choice of fund election is effected). The level of this cover will remain fixed and will not change with salary, age or membership. Any restrictions, exclusions or premium loadings will continue to apply. Insurance premiums will continue to be deducted from your account to meet the cost of your insurance cover;
  - Any Voluntary Cover for death only or death and TPD also automatically continues and premiums continue to be deducted from your account. Any restrictions or exclusions continue to apply; and
  - Basic Cover for income protection will cease 90 days after the day you cease employment with the Qantas Group, or cease immediately on the date your choice of fund election is effected, and you become a Retained Member. See the 'Insurance in your super' section for information.

- **If you transfer from another Qantas Super division**. When you become a Retained Member in Gateway:
  - Any Standard Cover for death and TPD you have in your previous division as at the date you cease employment, or at the date your choice of fund election is effected will be transferred to your Gateway account as Fixed Dollar Basic Cover[1]. Your Fixed Dollar Basic Cover will be set as a fixed dollar amount based on the amount of Standard Cover for death (with dependants where applicable) you have on the date you ceased employment or your choice of fund election was effected. Where your Standard Cover for TPD is a monthly benefit or less than your Standard Cover for death, your Fixed Dollar Basic Cover for TPD in Gateway is set at a fixed dollar amount equal to your Standard Cover for death. The level of this cover will remain fixed and will not change with salary, age or membership. Any restrictions, exclusions or premium loadings will continue to apply;
  - Insurance premiums are deducted from your account in Gateway to meet the cost of your insurance cover. It is very important to note that if you are currently a member of Division 1, 2, 3, 3A (former non-contributory members of the AAGSP only), 4, 5, 10, 12 or 15, you currently do not pay for all or a portion (as applicable) of your Standard Cover but you will commence paying for Basic Cover when you become a Retained Member in Gateway. **These costs might be significant**;
  - Your Fixed Dollar Basic Cover in Gateway can be cancelled or reduced at any time and premium deductions will then stop or be reduced. To cancel or reduce your Fixed Dollar Basic Cover, complete the relevant form available on our website;
  - Any Voluntary Cover for death and TPD you have in your previous division as at the date you cease employment, or at the date your choice of fund election is effected, will be transferred to your Gateway account as Voluntary Cover and premiums continue to be deducted from your account. Any restrictions or exclusions continue to apply; and
  - If you transfer from Division 5, 6, 7 or 10 of Qantas Super, any Standard Cover you have for income protection (if applicable) will cease 90 days after the day you cease employment with the Qantas Group, or cease immediately on the date your choice of fund election is effected. If you transfer from Division 1, 2 or 3 of Qantas Super, any Standard Cover you have for income protection will cease on the day you cease to be a member of that division.

[1] If you subsequently lodge a claim for a TPD benefit after you cease employment or your choice of fund election is effected, the rules for determining and calculating your TPD benefit will be determined by the division you were in at the date of disablement.

Establishing a Super Account for your spouse

If you're a member of Qantas Super and employed by the Qantas Group (Employee Member), you can apply to establish a Super Account in Gateway for your spouse.

To be eligible, your spouse must not already be a member of Qantas Super, and must satisfy the definition of a spouse (as set out in the definition of 'Dependant' in 'Definitions' in the 'Other information' section).

An initial contribution of a minimum of $1,500 is required to establish a Super Account in Gateway as a Spouse Member.

Upon joining Gateway, a Spouse Member will automatically receive $100,000 of Basic Cover for death and TPD (subject to eligibility). Your spouse can opt out of this Basic Cover when completing the application form. Your spouse can also apply to increase or reduce their Basic Cover to a level that they feel is right for them. Competitive insurance premiums apply. See the 'Insurance in your super' section for information.

To open an account, you and your spouse will need to meet the eligibility requirements and complete the relevant form available on our website.

We will send a welcome letter with membership details once the account has been opened for your spouse.

Income Account

Opening an Income Account

Retirement Member

If you are an existing member of Qantas Super, you want to start receiving regular income payments and you have met a condition of release for your super (see 'Accessing your benefits' in the previous section for more information), you can open an Income Account in Gateway as a Retirement Member with a minimum initial investment of $30,000 and a maximum amount of the Transfer Balance Cap. For more information, refer to 'Transfer Balance Cap' under 'Definitions' in the 'Other Information' section.

Investment earnings on Income Accounts held by Retirement Members are generally tax-free.

When it comes to establishing your Income Account in Gateway as a Retirement Member, you can choose our easy 'pre-set' **Auto-pilot** option or alternatively you can choose to tailor your income stream to suit your specific needs.

Auto-pilot income stream

The **Auto-pilot** option is designed to provide you with an easy path for commencing a retirement income stream, with **pre-set features** that provide a regular income stream but allow flexibility for you to take control and adjust the features at any time.

Our **Auto-pilot** option has the following **pre-set features**:

1. 15% of your initial investment will be invested in our Cash option and 85% in our Glidepath option (in the investment stage that applies for your age group). Refer to the *Investment Guide* for information on these investment options;
2. Your annual income will be 6% of your opening balance each year, subject to the minimum payment required (refer to the table in the 'Withdrawals from your Income Account' section);
3. Your payments will be drawn from the Cash option until it runs out, then drawn from the Glidepath option; and
4. You will receive fortnightly income payments to your bank account until your Income Account is exhausted.

You have the flexibility to change any of the **Auto-pilot pre-set features** at any time. For details on how to change any features on your Income Account, refer to 'Managing your Income Account' in this section.

Tailor your income stream

If you want to tailor your income stream to suit your specific needs, you have the option to do this as part of the application process.

You can tailor your income stream by choosing:

1. which investment option(s) you want to invest in;
2. how much income you want to be paid each year (subject to the minimum payment required (refer to table in the 'Withdrawals from your Income Account' section);
3. which investment option(s) you want us to pay your income from (refer to the 'Withdrawals from your Income Account' section for more information); and
4. how often you want us to make income payments to your bank account (which must be at least annually).

Transition to Retirement Member

If you are an existing member of Qantas Super, when you reach your preservation age (see 'Accessing your benefits' in the previous section for more information), you may be able to access your super without having to leave the workforce permanently. To access your super and start drawing down an income stream from your super, you can open an Income Account in Gateway as a Transition to Retirement Member with a minimum initial investment of $30,000. Investment earnings on an Income Account held by a Transition to Retirement Member are generally taxed at 15%.

Simply complete the application form available on our website.

Note: Upon reaching age 65 or meeting another condition of release with a nil cashing restriction, Transition to Retirement Members will automatically become a Retirement Member and investment earnings will generally become tax free. The Transfer Balance Cap will apply upon becoming a Retirement Member, therefore you may be required to withdraw or transfer a portion of your benefit. For more information, refer to 'Transfer Balance Cap' under 'Definitions' in the 'Other Information' section.

Beneficiary Member

If you are a beneficiary of a death benefit that is payable in relation to a Qantas Super member and you are the spouse of that member, you can choose to transfer part or all of the death benefit to open an Income Account and draw that benefit as an income stream.

A minimum investment of $30,000 and a maximum amount of the Transfer Balance Cap applies. For more information, refer to 'Transfer Balance Cap' under 'Definitions' in the 'Other Information' section.

The 'Managing your Income Account' section below provides information on the calculation of your Income Account and the regular income payments and/or lump sum withdrawals you can choose to receive.

As a Beneficiary Member, no money can be added to your Income Account once it is set up and you are not able to transfer or rollover the benefit into a Super Account.

Investment earnings on Income Accounts held by Beneficiary Members are generally tax-free. For more details of the taxation of your Income Account, including your income payments, refer to 'Tax on death benefits' in the "How Super is taxed' section.

If there is an account balance remaining at the time of your death, it will be paid as a lump sum withdrawal to your legal personal representative.

To apply for an Income Account, simply complete the application form available on our website.

Important notes:

- There is a $1.6 million Transfer Balance Cap (for the financial year 2018/2019) on the total amount of superannuation that is generally allowed to be transferred into retirement income stream accounts, including an Income Account for Retirement Members and Beneficiary Members, on which earnings are generally tax free. This amount will be indexed periodically in $100,000 increments (rounded down) in line with the consumer price index (CPI).
- The total amount transferred from your existing Qantas Super account will be used to start a single income policy in your Income Account. We refer to separate income streams under an Income Account as 'income policies'. However, please note that income policies are account-based income streams and are not insurance policies.
- You cannot add money to an existing income policy in your Income Account. However, unless you are a Beneficiary Member, you can commence a new, separate income policy (within your existing Income Account) at any time.
- If you're in Division 1, 2, 3, 4 or 12 of Qantas Super and have not ceased employment with the Qantas Group, you are unable to use amounts relating to a defined benefit. This means that only certain voluntary accumulation accounts can be used to start an Income Account. If you are a member of Division 15, once you have transferred 100% of your voluntary accumulation accounts, you can draw down up to a maximum of 50% of your net accrued defined benefit (net of any existing offset accounts such as surcharge) to establish an Income Account. Please call us if you would like more information.
- Insurance is not available as part of an Income Account.
- The capital value of the Income Account and the income from it cannot be used as security for a borrowing.

Managing your Income Account

The value of your Income Account in Gateway

The value of your account is calculated as:

- Initial investment made into your account;[1] less
- Regular income payments; less
- Lump sum withdrawals (if eligible), rollovers and transfers out of your account; less
- Fees, costs and taxes (if applicable); plus or minus
- Investment earnings.

[1] You cannot contribute, transfer or rollover to an existing income policy in an Income Account after it has commenced.

Making your initial investment

You can only use money transferred from your existing Super Account in Gateway, your account in another division of Qantas Super or the proceeds you are entitled to as a beneficiary of a death benefit payable in relation to a member of Qantas Super who is also your spouse (subject to eligibility, see 'Important notes' above).

Refer to the 'Adding money to your Super Account' section to find out ways you can increase the amount in your existing Qantas Super Account so you have more money to open your Income Account.

Adding money to your Income Account

Commencing an additional income policy

You cannot add money to an existing income policy in your Income Account. However, unless you are a Beneficiary Member, you can commence a new, separate income policy (within your existing Income Account) at any time.

To establish an additional income policy[2]:

- The minimum amount required is $30,000 for each income policy; and
- You can only use money transferred from:
  - your existing Super Account in Gateway; or
  - your account in another division of Qantas Super.

This means that, if you wish to make a lump sum contribution to super (if eligible), or rollover an amount from another super fund, for the purpose of commencing a new income policy, you must firstly contribute the lump sum amount or rollover to your existing super account in Qantas Super. If you do not have an existing super account in Qantas Super, you can, as part of your application to commence a new income policy, request that a Super Account be opened for you in Gateway (as a Retained Member, subject to eligibility). We recommend you seek advice from a licensed financial adviser before doing this. Please call the Qantas Super Helpline for more information.

[2] Subject to the Transfer Balance Cap for Retirement Members.

Multiple Income Policies

If you hold more than one income policy in your Income Account, these will appear as separate income policies under your one Income Account in Gateway. The balances of the multiple income policies will be combined for the purpose of applying the fee cap of $1,200 for the relevant components of the administration fee each year.

You can also apply to consolidate multiple income policies in your Income Account at any time by completing the relevant form available on our website.

Consolidating income policies means that your existing income policies will be closed and the combined closing balance will be used to commence a new income policy in your existing Income Account.

Please note that this process may have tax implications or impact any Government income you may receive. We recommend you seek advice from a licensed financial adviser before doing this.

Withdrawals from your Income Account

The rules set out in this section assume you hold a single income policy in your Income Account. If you hold multiple income policies, please note that these rules apply separately to each income policy.

Setting up regular income payments

You can nominate the amount of income you wish to receive from your account each financial year, provided the amount is between the minimum and (for Transition to Retirement Members only) maximum payments as set out by the Government (see table on the right). Factors that may influence the amount you nominate are:

- the amount you need to live on and your expenses;
- how long you want your account to last; and
- any other income you are receiving.

You can choose from which investment options your regular income payments will be deducted.

- Option 1: Proportionate drawdown.

  Income payments will be drawn down proportionately from each of your investment options.

- Option 2: Priority drawdown.

  You can choose the investment option from which your income payments are drawn. We will draw down from your first nominated investment option until it is depleted, and then continue drawing your income payments from your second nominated investment option and so on.

You can choose from either option 1 or option 2, but not both. If you do not advise us of your drawdown preference, option 1 will apply.

Income payment amounts

Minimum and, if applicable, maximum payment amounts are calculated as a percentage of your account balance when your Income Account commences and then recalculated on 1 July each year. The percentage that will apply is based on your age, as set out in the table below.

Your age	Minimum	Maximum
Under 65	4%	10%[1]
65 – 74	5%	No maximum applies after your 65th birthday
75 – 79	6%	
80 – 84	7%	
85 – 89	9%	
90 – 94	11%	
95 or over	14%	

[1] This only applies to Transition to Retirement Members. If you are under age 65 and have advised us that you have met a condition of release that gives you full, unrestricted access to your super or you are a Beneficiary Member, the maximum payment amount will not apply. Refer to 'Accessing your benefits' in the 'How super works' section for more information on meeting a condition of release.

If your Income Account commences part way through a year:

- your minimum payment amount will be pro-rated based on the number of days remaining in that financial year, unless your account commences on or after 1 June (in which case, no minimum payment is required for that financial year);
- if applicable, your maximum payment amount is not pro-rated for the first year.

Example 1

On 1 July, Mary is 66 years old and has $300,000 in an Income Account in Gateway. The minimum payment amount percentage applying to Mary at that date is 5%.

Therefore, the minimum amount of income Mary must receive from her Income Account for the financial year is $300,000 x 5% = $15,000 ($1,250 per month).

Example 2

Peter has reached his preservation age of 55 but has not permanently retired and is still working. He has $200,000 in an Income Account in Gateway on 1 July. The minimum amount of income Peter must receive from his Income Account for the financial year is $200,000 x 4% = $8,000 ($667 per month).

A maximum payment amount also applies. For the financial year, this is $200,000 x 10% = $20,000 ($1,667 per month).

Income payment frequency and timing

Once your Income Account has been opened, your first income payment will be made on the next date that income payments are scheduled to be paid. To find out the next income payment date, please call us on 1300 362 967.

You can elect to have income payments made to you fortnightly, monthly, quarterly, half yearly or annually.

Payments will be deposited directly into your nominated bank account on, or around, the 28th of a month (except for fortnightly payments which are paid fortnightly generally on Wednesdays). Payments will continue to be made whilst there are funds in your account.

> **Note:** Tax may be deducted from your income payments at the time of payment. See the 'How super is taxed' section for more information.

Changes to your income payments

You can find out what your minimum payment amount and, if applicable, your maximum payment amount is for a financial year by logging into your Income Account online, or by calling the Qantas Super Helpline on 1300 362 967. We will also list your minimum and if applicable, maximum payment amounts for the next financial year in your annual statement.

You can nominate the amount you wish to receive each financial year provided the amount you nominate is within your limits.

If you do not nominate a new amount for a financial year, your payments will continue at the same amount as previously nominated, provided they are within your limits. If necessary, we will increase or reduce your payment amount so that it remains within your limits.

At the time of setting up your Income Account (and for each year thereafter, by 31 May), you can also request for your income payments to be indexed each 1 July in line with the Consumer Price Index (CPI). This will then be applied each year to your income payments. (If needed, we will automatically adjust your income payments in a year so that your payments remain within your minimum and, if applicable, maximum payment amounts.)

You can change the amount of your income payments at any time (provided the change is within the minimum and, if applicable, maximum payment limits). To do this, simply log into your Income Account online or complete the relevant form available on our website. To be effective for your next income payment date, we must receive your online request or completed form at least two weeks prior.

Lump sum withdrawals and transfers from your Income Account

For Retirement Members and Transition to Retirement Members, you can:

- make a lump sum withdrawal as cash from your Income Account at any time provided you have met a condition of release that gives you unrestricted access to your super; or
- request to transfer all or part of your Income Account to another super fund at any time; or
- subject to meeting eligibility conditions, transfer all or a part of your Income Account:
  - back to an open account you have in another Qantas Super division[1];
  - into an existing Super Account in Gateway; or
  - into a new Super Account in Gateway (as a Retained Member).

If you have established your Income Account as a Beneficiary Member you can make a lump sum withdrawal as cash from your Income Account at any time.

[1] Please refer to the *PDS* or member disclosure documents for the relevant division for eligibility information.

Transfers will normally be made within 30 days of your transfer request being received by the Trustee.

If you choose to withdraw or transfer only part of your Income Account you should ensure that you have received the minimum payment amount for the current financial year, or that you leave sufficient amounts in your account to allow the minimum payment amount to be paid to you.

You should be aware that withdrawals from your Income Account will affect how long your income payments continue. The more you withdraw, the less you will have for future income payments.

To make a withdrawal or transfer, simply log into your account online at www.qantassuper.com.au and lodge a request, or complete the relevant form available from our website.

There is no limit on the number of lump sum withdrawals you can make each year from your Income Account, however an exit fee may be payable if you withdraw your Income Account in full (see the 'Fees and costs' section for details).

Your Centrelink/DVA entitlements

If you satisfy the age and residency requirements you may be eligible for a full or part Age Pension payable by Centrelink or the Department of Veteran Affairs (DVA). The general qualifying age to commence an Age Pension payable by Centrelink is currently 65 and a half. The minimum qualifying age will increase to 66 on 1 July 2019 and will continue to increase by six months every two years, until it reaches 67 on 1 July 2023.

Your Super Account and Income Account in Gateway are usually taken into consideration when determining the amount of Centrelink/DVA Age Pension entitlements you may be entitled to.

We recommend you speak to a licensed financial adviser about how a Super Account or Income Account in Gateway may impact your Centrelink/DVA entitlements.

Other information

Nominating your beneficiaries for your Super Account or Income Account

Unless you are a Beneficiary Member or a reversionary beneficiary of an Income Account, you can nominate the person or people you wish to receive your benefit in the event of your death. Gateway offers a:

- non-binding death benefit nomination; or
- binding death benefit nomination.

You can choose which type of nomination you wish to make.

If you don't make a nomination, you revoke your nomination or you do not have a valid binding or non-binding nomination in place, the Trustee will decide, subject to Qantas Super's Trust Deed and Rules and the relevant legislative requirements, who should receive the death benefit and in what proportions.

For Income Accounts, any nomination you make will apply to all income policies in your Income Account (ie you cannot have different nominations for each income policy in your Income Account).

If you are Beneficiary Member or a reversionary beneficiary of an Income Account, any remaining account balance you have at the time of your death will be paid as a lump sum withdrawal to your legal personal representative.

Non-binding nomination

A non-binding death benefit nomination enables you to indicate your preference for the distribution of your death benefit between your Dependants and/or your legal personal representative. This nomination does not bind the Trustee to pay your death benefit to these individuals, but it will be an important consideration.

The Trustee has the obligation to decide, subject to Qantas Super's Trust Deed and Rules and the relevant legislative and general law requirements, who should receive the benefits and in what proportions. Benefits are paid as lump sum amounts under a non-binding death benefit nomination. Where the benefit is to be paid to your spouse, your spouse then has the option to receive this benefit in cash or open an Income Account (refer to the 'Income Account' section for eligibility requirements).

For more information on who qualifies as a dependant, refer to 'Dependant' under 'Definitions 'in the 'Other Information' section.

How to make a non-binding nomination

For Super Accounts. Complete the relevant form available on our website. Or you can make a non-binding nomination online.

For Income Accounts. Complete the relevant form when you open your account or if you already have an Income Account, you can make your nomination by completing the relevant form available on our website.

Binding nomination

If you provide Qantas Super with a binding nomination that is valid and remains valid and in effect at the date of your death, the Trustee in accordance with superannuation legislation **must** pay your benefit to the beneficiaries you have nominated if they remain eligible at the date of your death.

For Super Accounts. If you have a Super Account, you can make a **lump sum binding nomination**. This means, if you die, your death benefit will be paid as a lump sum to the Dependants and/or legal personal representative you have nominated in the proportions set out in your nomination. Where the benefit is to be paid to your spouse, your spouse then has the option to receive this benefit in cash or open an Income Account (refer to the 'Income Account' section for eligibility requirements).

For Income Accounts. If you have an Income Account, you can make one of the following binding nominations:

- A **lump sum binding nomination** – your death benefit will be paid as a lump sum to the Dependants and/or legal personal representative you have nominated in the proportions set out in your nomination. Where the benefit is to be paid to your spouse, your spouse then has the option to receive this benefit in cash or open an Income Account (refer to the 'Income Account' section for eligibility requirements); or
- A **reversionary binding nomination** – your income payments will continue to be paid to either your spouse or child as nominated by you, subject to certain conditions (see 'Making a reversionary binding nomination' in this section below). This means, if you die, your beneficiary will continue to receive regular income payments from Qantas Super, or they can choose to withdraw any remaining account balance as a lump sum.

There may be significant tax consequences, depending on your choice. Before making a decision, we recommend you seek financial advice tailored to your personal circumstances from a licensed financial adviser to assist you in making your decisions.

Making a lump sum binding nomination

To make a valid lump sum binding nomination for a Super Account or an Income Account, you must complete the relevant form available on our website.

For a **lump sum binding nomination** to be valid, the following requirements must **all** be met:

- any person nominated to receive all or part of your death benefit must either be one of your Dependants, and/or your legal personal representative as at the date of your nomination;
- the allocation of your death benefit between each of the nominated beneficiaries must be clear and add up to exactly 100%;

- the binding nomination must be made on the relevant Qantas Super form and be signed and dated by you in the presence of two witnesses who are at least 18 years of age, neither of whom are nominated in the form;
- the binding nomination must be signed and dated by each of the witnesses;
- the binding nomination must be given to the Trustee before the date of your death; and
- the binding nomination must be made or last confirmed or amended within the past three years and must not have been revoked subsequently.

If the relevant form does not satisfy all of these requirements, the nomination will be invalid. An invalid binding death benefit nomination will be treated as a non-binding death benefit nomination by the Trustee.

If, during the period of the binding nomination, a nominated person is not eligible to receive part of the death benefit at the date of your death (for example, a nominated spouse is, at the date of your death, no longer your spouse and therefore not considered an eligible Dependant) and the nomination is otherwise valid, that portion of the death benefit will be paid to the remaining eligible nominated beneficiaries. The death benefit will be allocated to each of the remaining eligible beneficiaries in the same proportion that their benefit bears to the total benefit payable to all remaining eligible beneficiaries. If there are no remaining eligible nominated beneficiaries, the death benefit will be paid to your legal personal representative.

A valid binding nomination remains in effect for three years from the date it was signed, unless it is revoked by you.

Details of your binding nomination will appear on your annual statement each year along with its expiry date and you can also view these details after logging into your account on our website.

It is your responsibility to ensure your nomination is up to date and confirmed before it expires.

You can amend, confirm or revoke your binding nomination by completing a new form available on our website.

For more information on who qualifies as a Dependant, refer to 'Dependant' under 'Definitions' in the 'Other Information' section.

Making a reversionary binding nomination

If you have an Income Account, you also have the option of making a reversionary binding nomination. The requirements for a lump sum binding nomination detailed under 'Making a lump sum binding nomination' above apply, except you can only nominate one person, either your spouse or child, as your reversionary beneficiary.

If you die, your reversionary beneficiary will continue to receive regular income payments from your remaining account balance. Or they can choose to withdraw any remaining account balance as a lump sum.

You can only nominate your spouse or a child who qualifies as a Dependant (see 'Dependant' under 'Definitions' in the 'Other Information' section) as a reversionary beneficiary. However, if you nominate a child, they will only be able to receive regular income payments from your remaining account balance if, at the date of your death, they are:

- under 18; or
- 18 or over and either:
  - financially dependent on you and under age 25; or
  - qualify to continue to receive regular income payments because of a disability.

You can amend, confirm or revoke your reversionary binding nomination by completing a new form available on our website.

Regular income payments will be paid to your reversionary beneficiary until:

- his or her death (at which point any remaining account balance will be paid as a lump sum withdrawal to their legal personal representative);
- the account balance is zero or the Trustee is prohibited by law from paying regular income payments (for example where the payments are to a financially dependent child and the child turns 25 and does not have a qualifying disability) in which case, any remaining account balance will be paid as a lump sum withdrawal; or
- they choose to withdraw the remaining account balance as a lump sum (where permitted), or transfer it to another super fund.

We will contact your reversionary beneficiary with more information on payment options at the relevant time.

For so long as regular income payments are payable to your reversionary beneficiary, the Trustee will ensure that at least one income payment equal to the minimum amount required by law is made to your reversionary beneficiary during each financial year.

If the nominated reversionary beneficiary is no longer your Dependant at the time of your death, the remaining balance in your Income Account will be paid to your legal personal representative. Income Accounts that do not continue to be paid as regular income payments to a reversionary beneficiary following your death will be paid as a lump sum withdrawal.

Payments to a legal personal representative

If the Trustee is required (or has decided) to pay the death benefit to your legal personal representative and no legal personal representative is appointed or able to be identified within 90 days (or such longer time as the Trustee considers reasonable), the Trustee will pay the death benefit to one or more of your Dependants or, if none, to another person as permitted under relevant legislation.

Financial advice

We offer you access to a range of financial advice services. This advice is provided by licensed financial advisers, who are authorised to provide financial product advice by an external third party, but are familiar with Qantas Super, either over the phone or face-to-face.

Simple super advice over the phone. This service is provided over the phone, and is available to Qantas Super members for a range of common questions such as:

- What is the right investment option for you?
- Do you have the right level of insurance cover?
- How are you tracking for retirement? What is the level of income you are likely to achieve in retirement?
- How can you maximise your retirement income by using any surplus cashflow now?

Simply contact the Qantas Super Helpline.

There is no additional cost to you for simple advice – the costs are included in the administration fees.

Comprehensive advice. For advice that is designed specifically for you, taking into account all your financial arrangements both inside and outside of super, you can make an appointment with a licensed financial adviser who can help you with wealth building strategies, effectively transitioning to retirement, managing your money if you're moving overseas or about to receive a payment due to suffering from TPD or a Terminal Illness, or help you if you're about to receive a redundancy payment.

You can call your own financial adviser, or you can call the Qantas Super Helpline and we can arrange an appointment with a licensed financial adviser who is authorised to provide financial product advice by an external third party but is familiar with Qantas Super.

A fee will generally apply for comprehensive advice. In many cases, the cost of advice relating to your account in Qantas Super can be paid from your Super Account or Income Account. Refer to the 'Fees and costs' section for more information.

Keeping in touch

We like to communicate with our members electronically – it's a much quicker way of keeping in touch with you.

Information we must tell you

We will deliver important information that we must tell you about electronically whenever we can. This includes sending information direct to your email address or mobile number (provided by you or your employer), and making important information available to you on our website or in other electronic ways (such as delivering your annual statements online and letting you know about significant events and material changes to your super on our website).

When this important information is made available on our website or in another electronic way, we'll use your email address or mobile number to let you know where and how to find it. If we don't have your email address or mobile number, we'll notify you by post.

If you prefer to receive this type of communication from us in the post, log into your account online on our website to change your communication preferences, or call us on 1300 362 967 to let us know, after which we will send communications by post. If you notify us within 7 days of receiving this PDS, we will also send this type of communication that was made available electronically during that period to you by post.

Other information that may be relevant to you and your super

We may also use your email address and mobile number to send you or notify you about information that we think may be relevant to you and your membership of Qantas Super, unless you let us know that you do not want us to use your email address or mobile number for this purpose. You can opt out of receiving emails or text messages relating to this type of information by unsubscribing from email and text messages we send you, logging into your account online and changing your communication preferences or calling us on 1300 362 967. If you unsubscribe from email and text messages, we may still send you this type of information by post.

Other offers

From time to time, we may also use your email and mobile number to send or notify you of marketing information about other products and services that are available to you because of your membership of Qantas Super (eg travel offers), and to send you invitations to participate in member surveys and research about Qantas Super. We will use your email and mobile number in this way unless you let us know not to use them for this purpose. You can opt out of receiving email and text messages relating to this type of information by unsubscribing from email and text messages we send you. If you unsubscribe from email and text messages, we may still send you this type of information by post unless you opt out as described below.

You can opt out of receiving marketing information and survey/research invitations via email, text message and post by logging into your account online and changing your communication preferences, calling us on 1300 362 967 or by writing to the Privacy Officer (see 'Privacy Policy' under the 'Other information' for contact details).

Member identification

Under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), the Trustee is required to identify you before paying you your benefit. When requesting a withdrawal from your account, opening a Super Account for your spouse or opening an Income Account, we may need to obtain certain documents as proof of identification. Payments generally cannot be paid and we may not be able to open a Super Account for your spouse or an Income Account in Gateway for you unless this is provided. For more information about proof of identification requirements, please refer to the relevant form on our website or contact us.

Fees and costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.[1]

To find out more

If you would like to find out more, or see the impact of fees and costs based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a superannuation fee calculator to help you check out different fee options.

[1] Please note the fees and costs in Qantas Super are not negotiable.

The wording shown above is included as it is prescribed by law.

The table on the next page shows fees and other costs that you may be charged. These fees and other costs may be deducted from your account, from the returns on your investment or from the assets of Qantas Super as a whole. Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged but these will depend on the nature of the activity, advice or insurance cover chosen by you.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

Type of fee or cost[1]	Amount	How and when paid
Investment fee[2]	A percentage (%) pa of your account balance as shown in the table below: **Investment option** Glidepath – Take-Off stage 0.42 – Altitude stage 0.44 – Cruising stage 0.45 – Destination stage 0.44 Aggressive 0.42 Growth 0.44 Balanced 0.44 Conservative 0.46 Cash 0.09	Deducted from the investment return of each investment option before the Credited Interest Rate (CIR) or interim CIR is calculated for the period.
Administration fee	Fixed administration fee of $98 pa[3] **plus** asset based administration fee of 0.23% pa[3,4], of your account balance **plus** asset based APRA fee of 0.01% pa[5] of your account balance	Calculated and deducted from your account monthly in arrears or when you leave Gateway (in the same proportions that your account is invested in one or more investment options at the date of deduction).
Buy-sell spread	Nil	Not applicable.
Switching fee	Nil	Not applicable.
Exit fee	$120.68 for each withdrawal (indexed on 1 April each year)[6]	Deducted from your account at the time of each withdrawal from your account (does not apply to amounts transferred to another account in Qantas Super, or to income payments and partial withdrawals from an Income Account).
Advice fee *relating to all members investing in a particular investment option*	Nil	Not applicable.
Other fees and costs[7]	$100 for family law information requests	Paid by the eligible person requesting the information at the time of the request.
Indirect cost ratio[8]	A percentage (%) pa of your account balance as shown in the table below: **Investment option** Glidepath – Take-Off stage 0.68 – Altitude stage 0.58 – Cruising stage 0.51 – Destination stage 0.44 Aggressive 0.68 Growth 0.58 Balanced 0.44 Conservative 0.31 Cash 0.00	Deducted from the return of the underlying investments of each investment option before the Credited Interest Rate (CIR) or interim CIR is calculated for the period.

Refer to 'Defined fees' in this section for the definition of each type of fee.

[1] Fees are inclusive of any applicable stamp duty and GST (less any reduced input tax credits) payable by Qantas Super.

[2] Includes all investment costs that relate to each investment option that have been **incurred and paid by the Trustee** for the 12 months to 30 June 2018 to the extent known (or reasonable estimates if they are not known). Past costs may not always be a reliable indicator of future costs.

[3] The total of these components of your administration fee is capped at $1,200 each year ending 30 June for each account you hold in Gateway.

[4] If you hold both a Super Account and an Income Account, and if the asset based administration fee (excluding the APRA fee) exceeds $1,200 in a financial year (totalled across all your Super and Income Accounts), you'll get a refund of any portion of that asset based administration fee you pay over $1,200 into your Super Account in September of the following financial year.

[5] This rate may change over time. We will notify you of any changes as required by law.

[6] This fee will increase each 1 April by the annual increase, if any, in the private sector average weekly ordinary time earnings (AWOTE). This increase is currently based on the change in AWOTE in the 12 months to 30 November of the previous year. Refer to our website for the current exit fee that applies. The exit fee reflects the charge paid to the administrator.

[7] Refer to 'Additional explanation of fees and costs' in this section for more information and details of other fees, such as insurance fees and advice fees for personal advice.

[8] Includes all investment costs that relate to each investment option that have been **incurred and paid by the managers of underlying investments** for the 12 months to 30 June 2018 to the extent known (or reasonable estimates if they are not known). Past costs may not always be a reliable indicator of future costs.

Additional explanation of fees and costs

Tax

The fees and costs are inclusive of any applicable stamp duty and GST (less any reduced input tax credits). Information about tax, including the impact of adjustments and offsets on the tax payable on earnings, is provided in the 'How super is taxed' section.

Qantas Super may be eligible to claim a tax deduction for certain expenses incurred by Qantas Super and for premiums paid for insurance cover for eligible members. Where we are eligible to claim a tax deduction for insurance premiums, we will pass the benefit of this tax deduction directly onto eligible members. An estimate of the expense related tax deductions is taken into account when determining Qantas Super's administration fees and any variance between the estimated and actual tax deductions is paid to or borne by Qantas Super's general assets.

Administration fee cap

The total of the fixed administration fee and the asset based administration fee (excluding the APRA fee) is capped at $1,200 each year ending 30 June for each Super Account and Income Account you have in Gateway.

If you hold both a Super Account and an Income Account, the asset based administration fee (excluding the APRA fee) will also be assessed against the total balance across all your Super and Income Accounts in Gateway, and the amount of that fee will be capped at $1,200 in a financial year. You'll get a refund of any portion of that asset based administration fee that you pay over $1,200 into your Super Account in September of the following financial year.

Insurance fees

If you have insurance cover in Gateway, insurance premiums will be calculated according to your age, the type and level of cover you have and deducted from your account balance on a monthly basis. Refer to the 'Insurance in your super' section for more information.

Family law fees

The Family Law Act allows Qantas Super to charge fees for certain activities relating to family law. In Gateway, a family law fee of $100 applies for a request for information.

Investment fees

Investment fees represent the costs of investing and managing your investments that are incurred directly by Qantas Super. They do not include costs incurred in respect of underlying investments that are not charged directly to Qantas Super.

Investment fees are not deducted directly from your account but are reflected in the CIR applied to your account. A different percentage applies for each investment option.

The investment fees stated in the fees and costs table on page 20 are based on the actual costs incurred for the 12 months to 30 June 2018 (or reasonable estimates where the actual costs are not known). The exact cost of managing your investments will vary from time to time.

We will let you know what the investment fee for each investment option has been for the relevant financial year in the Qantas Super annual report.

Indirect cost ratio (ICR)

In addition to investment fees there may be indirect costs associated with managing the investments. They represent the costs of investing and managing your investments through underlying investment vehicles.

Indirect costs are not deducted directly from your account but are reflected in the CIR applied to your account. A different percentage applies for each investment option. ICRs stated in the fees and costs table on page 20 are based on the actual costs incurred for the 12 months to 30 June 2018 (or reasonable estimates where the actual costs are not known). The exact cost of managing your investments will vary from time to time.

We will let you know what the ICR for each investment option has been for the relevant financial year in the Qantas Super annual report.

Transactional & operational (T&O) costs

Transaction costs are incurred when underlying investment managers buy and sell assets. Different transaction costs arise depending on the assets involved. For example, the transaction costs incurred in buying or selling listed securities and derivatives are different to the transaction costs in buying or selling property, and private equity and infrastructure businesses.

Transaction costs can be divided into "explicit" and "implicit" costs. Explicit transaction costs are amounts we know and are paid to implement a transaction, such as brokerage fees. These costs are included in either the investment fee or the ICR shown in the fees and costs table on page 20. Implicit transaction costs are amounts we do not know upfront but which can be determined by comparing the excess of the amount payable to acquire an investment over the amount that would be received if the same investment was disposed of at that time.

Property operating costs

Property operating costs are part of the ongoing management of property assets. These expenses, incurred throughout the life of the investment, include council and water rates, utilities and lease renewal costs.

The following table shows the impact of all transactional and operational costs and property operating costs for the year ending 30 June 2018:

Investment options	Explicit T&O costs (% pa)	Implicit T&O costs (% pa)*	Property operating costs (% pa)*	Total T&O and Property operating costs (% pa)
Glidepath				
– Take-Off stage	0.11	0.18	0.06	0.35
– Altitude stage	0.10	0.15	0.04	0.29
– Cruising stage	0.09	0.14	0.04	0.27
– Destination stage	0.08	0.12	0.03	0.23
Aggressive	0.11	0.18	0.06	0.35
Growth	0.10	0.15	0.04	0.29
Balanced	0.08	0.12	0.03	0.23
Conservative	0.06	0.10	0.01	0.17
Cash	0.00	0.00	0.00	0.00

* These costs are in addition to the amounts shown in the fees and costs table on page 20 (and are based on reasonable estimates). Past costs may not always be a reliable indicator of future costs.

Borrowing costs

Borrowing costs may arise in a number of circumstances, including (but not limited to) where money is borrowed to purchase an asset. The Trustee does not engage in borrowing of any nature, however some of the underlying investment vehicles do borrow. The following table shows the actual borrowing costs incurred for the year ending 30 June 2018.

Investment options	Borrowing costs (% pa) *
Glidepath	
– Take-Off stage	0.04
– Altitude stage	0.04
– Cruising stage	0.03
– Destination stage	0.03
Aggressive	0.04
Growth	0.04
Balanced	0.03
Conservative	0.02
Cash	0.00

* These costs are in addition to the amounts shown in the fees and costs table on page 20. Past costs may not always be a reliable indicator of future costs.

Performance-related fees

A performance-related fee is a type of fee payable to an investment manager who manages a sub-group of assets within an investment option. Performance-related fees are incurred if the performance of the assets under their management exceeds a specific agreed upon target level for that investment manager. Given performance-related fees are tied to the performance of the assets they are difficult to predict from year to year. The performance-related fees incurred for the year ending 30 June 2018 are included in the amounts shown in either the investment fee or the ICR in the fees and costs table on page 20.

Revenue sharing

Revenue sharing refers to a situation when income is given up to a third party under a profit sharing arrangement. The most common forms of revenue sharing occur in relation to securities lending and class actions. In these cases the help of a third party is enlisted in order to access additional revenue. For this assistance the third party is given a percentage of the profits, which are considered costs. Total revenue sharing costs incurred for the year ending 30 June 2018 are included in the amounts shown in either the investment fee or the ICR in the fees and costs table on page 20.

Advice fee for personal advice

If you seek advice from an eligible (as determined by the Trustee) licensed financial adviser about your Qantas Super account, the fees charged by the financial adviser for this advice may be deducted from your Super Account or Income Account as authorised by you. These fees (if applicable) will be detailed in the Statement of Advice provided by the adviser.

As a member of Qantas Super you also have access to simple super advice over the phone at no additional cost to you, as these costs are included in the administration fees.

Defined fees

Following are the standard, industry definitions of the fees that may be charged by certain products within a superannuation fund.

Note: Not all of the fees below apply to Qantas Super. Refer to the 'Fees and costs' table in this section for details of the fees and costs that apply.

Activity fees – A fee is an activity fee if:

- the fee relates to costs incurred by the trustee of the super fund that are directly related to an activity of the trustee:
  - that is engaged in at the request, or with the consent, of a member; or
  - that relates to a member and is required by law; and
- those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an exit fee, an advice fee or an insurance fee.

Administration fees – An administration fee is a fee that relates to the administration or operation of the super fund and includes costs that relate to that administration or operation, other than:

(a) borrowing costs; and

(b) indirect costs that are not paid out of the super fund that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the fund or in an interposed vehicle or derivative financial product; and

(c) costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.

Advice fees – A fee is an advice fee if:

- the fee relates directly to costs incurred by the trustee of the super fund because of the provision of financial product advice to a member by:
  - the trustee of the fund; or
  - another person acting as an employee of, or under an arrangement with, the trustee of the fund; and
- those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an insurance fee.

Buy-sell spreads – A buy-sell spread is a fee to recover transaction costs incurred by the trustee of the super fund in relation to the sale and purchase of assets of the fund.

Exit fees – An exit fee is a fee to recover the costs of disposing of all or part of members' interests in the super fund.

Indirect cost ratio – The indirect cost ratio (ICR), for a MySuper product or an investment option offered by a super fund, is the ratio of the total of the indirect costs for the MySuper product or investment option, to the total average net assets of the super fund attributed to the MySuper product or investment option. Note: A fee deducted from a member's account or paid out of the super fund is not an indirect cost.

Insurance fee – A fee is an insurance fee if:

- the fee relates directly to either or both of the following:
  - insurance premiums paid by the trustee of a super fund in relation to members of the fund;
  - costs incurred by the trustee of the super fund in relation to the provision of insurance for members of the fund; and
- the fee does not relate to any part of a premium paid or cost incurred in relation to a life policy or a contract of insurance that relates to a benefit to the member that is based on the performance of an investment rather than the realisation of a risk; and
- the premiums and costs to which the fee relates are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an advice fee.

Investment fees – An investment fee is a fee that relates to the investment of the assets of a super fund and includes:

(a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and

(b) costs that relate to the investment of assets of the fund, other than:

  (i) borrowing costs; and

  (ii) indirect costs that are not paid out of the super fund that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the fund or in an interposed vehicle or derivative financial product; and

  (iii) costs that are otherwise charged as an administration fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee;

  but does not include property operating costs.

Switching fees – A switching fee for a MySuper product is a fee to recover the costs of switching all or part of a member's interest in the super fund from one class of beneficial interest in the fund to another.

A switching fee for a super product other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the super fund from one investment option or product in the fund to another.

How super is taxed

This section provides a general explanation as to how Australian tax legislation may apply to Qantas Super and your benefits. However, it is not intended to take into account your personal circumstances or needs, or your personal taxation position. You should obtain professional advice prior to making any decision based on the taxation treatment on your benefits.

Tax on contributions

Concessional contributions

Concessional contributions (under the cap – see below) are taxed at 15%. An additional 15% tax will apply to individuals with combined earnings and concessional contributions exceeding $250,000 in an income year.

Concessional contributions cap

The concessional contributions cap for the 2018/2019 year is $25,000, indexed in line with AWOTE in increments of $2,500 (rounded down).

If you have a total superannuation balance for tax purposes of less than $500,000 on 30 June of the previous financial year, you may be entitled to make additional concessional contributions for any unused amounts.

The first year you will be entitled to carry forward unused amounts is the 2019-20 financial year. Unused amounts are available for a maximum of five years, and after this period will expire.

The Australian Taxation Office (ATO) will include any concessional contributions made in excess of the cap in your assessable income and apply tax at your marginal tax rate (subject to a 15% tax offset to account for the contributions tax payable on the contributions within the super fund – see above). Interest will also be charged to you by the ATO for any excess concessional contributions that increase your tax liability for the relevant financial year; this is to account for the deferred payment of tax on these monies.

You will also have the option to withdraw, via the ATO, any excess concessional contributions (less the 15% contributions tax) from your account. Upon request in the approved form, Qantas Super will transfer the excess concessional contributions (less the 15% contributions tax) to the ATO. You will be refunded this amount net of any tax you owe through the issue of an amended income tax assessment.

Unless withdrawn in this way, any concessional contributions in excess of the cap will also count against the non-concessional contributions cap.

More information on the concessional contributions caps are contained on our website.

ALERT: If you have more than one super fund, all concessional contributions made to all your funds will be added together and collectively count towards the cap.

Only you are able to monitor the level of concessional contributions made to all of your super funds against your cap. Neither the Trustee nor your employer is able to do this on your behalf. Qantas Super can accept concessional contributions above the cap.

Non-concessional contributions

No tax is paid on non-concessional contributions (NCCs) within the NCC cap. NCCs above the cap would generally be taxed at the rate of 47% (payable by you), but you would be able to withdraw the excess, via the ATO, to eliminate that tax. You would also be required to withdraw an amount of imputed earnings on the excess, and you would be taxed on that amount.

Non-concessional contributions cap

For the 2018/2019 year the non-concessional contributions (NCC) cap is $100,000 (indexed).

If you are under 65 on 1 July in a financial year, and your NCCs exceed the annual cap, you will trigger an aggregation of your cap for that year and the following two years.

The NCC cap was higher prior to 1 July 2017. If aggregation was triggered in 2016/2017, when the NCC cap was $180,000, then a blended three-year aggregated cap will apply for the balance of the aggregation period remaining from 1 July 2017. For example, if you made a $250,000 contribution in 2016/2017 that triggered the three-year aggregated cap, you will be able to make a further $130,000 of non-concessional contributions in 2017/2018 and 2018/2019 (ie a total of $380,000).

However, individuals whose total superannuation balances for tax purposes (including the balances of a Super Account and Income Account in the case of Qantas Super) reach or exceed $1.6 million have an NCC cap of $0, meaning they cannot make further NCCs within the cap.

For individuals aged 65 and over a contribution from the sale proceeds of your principal place of residence does not count towards the NCC cap – refer to 'Contributing the proceeds of downsizing your home' in the 'Building your benefits' section of this document for more information.

ALERT: If you have more than one super fund, all NCCs made to all your funds will be added together and collectively count towards the NCC cap.

Only you are able to monitor your NCCs made to all of your super funds against the NCC cap. Neither the Trustee nor your employer is able to do this on your behalf.

Spouse contribution tax offset

If you contribute to a super fund on behalf of your spouse who is earning a low income or not working, you may be entitled to claim a tax offset. For more information refer to our *Tax on Super* fact sheet, available on our website or by contacting us.

Tax on earnings

Generally, Qantas Super's investment returns in respect of Super Accounts or an Income Account for Transition to Retirement Members[1] are subject to tax at the rate of 15%, although adjustments are made for imputation credits, capital gains and other factors.

The tax on investment returns is incorporated into the Credited Interest Rates (CIRs) and Interim Credited Interest Rates (ICIRs) for each investment option which are declared on an after-tax basis. CIRs and ICIRs are the rate of investment earnings applied to your account. For more information on CIRs and ICIRS, please read the Investment Guide available on our website.

Investment earnings from assets supporting Income Accounts for Retirement Members and Beneficiary Members are generally tax free.

> **Note**: There is a maximum on the amount allowed to be transferred into retirement income streams (known as a Transfer Balance Cap). For the 2018/2019 year this maximum is generally $1.6 million. Exceeding the cap will cause loss of the tax-free status of the investment earnings for the amount in excess of the cap.

[1] If you are a Transition to Retirement Member, upon reaching age 65 or meeting another condition of release with a nil cashing restriction, you will automatically become a Retirement Member and investment earnings will generally become tax free. The Transfer Balance Cap will apply upon becoming a Retirement Member, and therefore you will be required to withdraw or transfer any portion of your benefit in excess of the cap.

Tax on withdrawals

Tax on lump sum withdrawals

For **taxation** purposes, lump sum withdrawals will be divided into two parts – a tax free component and a taxable component.

If you withdraw any part of your account as a lump sum after age 60, generally no tax will be payable.

Prior to age 60 some tax may be payable on the taxable component. This tax will be deducted from your benefit by Qantas Super.

The tax payable depends on your age. If you are:

- **age 60 and over**. Generally you won't pay tax on withdrawals from your account.
- **aged between your preservation age and 60**. The first $200,000[1] of your taxable component is tax free. Amounts of the taxable component above this limit are taxed at up to 17%[2].
- **under your preservation age**. The full 'taxable component' is taxed at 22%[2].

There is generally no tax payable if your benefit is paid to you due to a Terminal Medical Condition.

For further information on tax on your benefit, refer to our *Tax on Super* fact sheet, available on our website or by contacting us.

[1] Indexed in line with changes in AWOTE in increments of $5,000, and reduced by the taxable components of lump sum amounts previously received from Qantas Super or another fund since reaching preservation age.

[2] Inclusive of the current Medicare Levy of 2%.

Tax on withdrawals under the First Home Super Saver Scheme

The taxable component of withdrawals under this scheme (explained further under 'Withdrawals under the First Home Super Saver Scheme' in the 'Accessing your benefits' section of this document) are to be taxed at marginal rates less a 30% non-refundable offset.

Tax on income payments

No tax is payable on income payments made to you once you reach age 60.

If you are under age 60, tax will be withheld from your payments at different rates for each of the tax components (tax free and taxable components) of your income policies, as set out in the table below.

If you are a reversionary beneficiary who has elected to continue receiving income payments or a Beneficiary Member, please refer to 'Tax on death benefits' in this section for information on how your income payments are taxed.

Your age	Tax-free component	Taxable component
Between preservation age[3] and age 60	Nil	Your marginal tax rate *plus* the Medicare levy, less a 15% tax offset
Under your preservation age[3]	Nil	Your marginal tax rate *plus* the Medicare levy[4]

[3] To determine your preservation age, refer to 'Accessing your benefits' in the 'How super works' section.

[4] A 15% tax offset may apply if the income payments are as a result of a Permanent Incapacity benefit and two medical practitioners have certified that, because of ill-health, you are unlikely to ever be able to engage in gainful employment again for which you are reasonably qualified through education, experience or training.

If you are under age 60 during a financial year, we will send you a PAYG Payment Summary after 30 June each year showing the amount of income paid and tax withheld, to help you prepare your tax return. Adjusted withholding rates may apply in the year you turn 60 in recognition that income tax is not payable on income payments to you from age 60.

The Medicare levy is currently 2%. The tax offset cannot be applied against the Medicare levy. Some higher income taxpayers and families without qualifying private hospital insurance cover also pay a Medicare levy surcharge. Some taxpayers do not pay Medicare levy or pay it only at a reduced rate.

Withdrawals that partially commute an income stream are treated as a lump sum for tax purposes.

Your tax components

Your income payments will be made proportionately from your tax-free and taxable components of your income policies in your Income Account. Your tax-free and taxable proportions will be calculated when your income policy commences, based on the tax-free and taxable components of the amount used to start your income policy.

Your **tax-free component** is generally made up of any tax-free component you had at 1 July 2007 plus any after-tax (non-concessional) contributions since 1 July 2007. The tax-free component calculation differs for income policies commenced before 1 July 2007.

Your **taxable component** is the balance of your income policy.

Example

Peter is aged 58 and has $400,000 in his Super Account. This amount includes a tax-free component of $100,000 and a taxable component of $300,000.

Peter uses all of his Super Account to commence an income policy in an Income Account in Gateway.

$$\text{Tax-free portion} = \frac{\text{Tax-free component}}{\text{Total transfer amount}} = \frac{\$100{,}000}{\$400{,}000} = 25\%$$

The taxable portion of Peter's income policy is therefore 75%.

Peter receives a monthly income payment of $2,000 from his income policy. The tax-free component of this income payment is: $2,000 x 25% = $500 (no tax is paid on this amount)

The taxable component of Peter's income payment is therefore: $1,500 ($2,000 - $500).

The taxable component is taxed at Peter's marginal tax rate plus the Medicare levy. However, Peter is eligible for the 15% tax offset, reducing the tax he has to pay.

ALERT: **Your Tax File Number (TFN)**: If you are under age 60 it is important that you give us your TFN. If we do not have your TFN, tax will be deducted from your income payments at the top marginal tax rate plus Medicare levy without reduction for the 15% tax offset. However providing your TFN is not mandatory.

Tax on death benefits

Death benefit paid as a lump sum

Death benefits paid to dependants (as defined under tax laws) as a lump sum are tax-free. Death benefits paid to a non-dependant (under tax laws) may be subject to tax of up to 32% (including the Medicare levy).

Note that a 'dependant' for these tax purposes differs from the definition of 'Dependant' in the 'Other information' section. An adult child is not a 'dependant' for these tax purposes unless the child is actually dependent on you at the time of your death (eg dependent on financial support) or otherwise in an interdependency relationship with you.

Tax will generally be withheld at the rates shown in the table below:

Paid to	Tax-free component	Taxable component
Dependant (for these tax purposes)	Nil	Nil
Non-dependant (for these tax purposes)	Nil	15%[1] tax plus Medicare levy, currently 2%[2].

[1] Tax on a portion of the taxable component paid to a non-dependant may need to be withheld at 32%.

[2] Some higher income taxpayers and families without qualifying private hospital insurance cover also pay a Medicare levy surcharge. Some taxpayers do not pay Medicare levy or pay it only at a reduced rate.

If some or all of your death benefit is paid to your legal personal representative, the tax payable will depend on who the benefit is ultimately paid to (a dependant or non-dependant under tax laws). The appropriate tax is a matter for your legal personal representative to determine. Qantas Super is not required to withhold tax from lump sums paid to a legal personal representative.

The tax-free and taxable components of a death benefit before adding any anti-detriment payment (described below) are paid proportionately from your account. Any anti-detriment payment is added solely to the taxable component.

Anti-detriment payments

If a member died before 1 July 2017 and a lump-sum benefit is paid to certain eligible Dependant(s) before 1 July 2019, the Trustee may add an additional amount known as an 'anti-detriment payment' to the lump sum. This payment is intended to increase the death benefit to what it would have been if contributions tax (of up to 15%) had not been paid on the taxable contributions.

An anti-detriment payment is only made where a death benefit is paid to an eligible Dependant.

Anti-detriment payments are being phased out and are not payable where either the death occurs on or after 1 July 2017 or the payment occurs on or after 1 July 2019.

Death benefit paid as income payments

If you have an Income Account and a valid reversionary beneficiary nomination in place when you die, your reversionary beneficiary will continue receiving regular income payments from Qantas Super unless they elect to receive your death benefit as a lump sum.

A Beneficiary Member with an Income Account will also receive regular income payments. Tax will generally be withheld from the income payments to the reversionary beneficiary or Beneficiary Member at the rates shown in the table below:

	Tax-free component	Taxable component
Reversionary beneficiary or Beneficiary Member is age 60 or more[1]	Nil	Nil
Reversionary beneficiary or Beneficiary Member is less than age 60[1] but deceased member was age 60 or more at date of death	Nil	Nil
Reversionary beneficiary or Beneficiary Member is less than age 60[1], and deceased member was less than age 60 at date of death	Nil	Marginal tax rates less 15% tax offset

[1] Age at the time an income payment is made to your reversionary beneficiary or the Beneficiary Member.

Tax on income protection payments

This section applies for Super Accounts only.

Because income protection benefits are paid as a monthly income payment, they are taxed differently. These benefit payments are treated as if they were income (salary) and hence are taxed at personal tax rates.

Benefits transferred or rolled over

If your account is **transferred** to another complying super fund or rollover fund, no tax is paid at the time of transfer. The assessment of whether any tax is payable will be deferred until you access your benefit as cash.

A rollover into Qantas Super is not subject to tax, unless the rollover is from an untaxed source. Generally, untaxed sources are limited to some Government funds.

Temporary residents

The taxable component of a benefit paid to a former temporary resident as a Departing Australia Superannuation Payment is generally taxed at 35%, and 65% for working holiday makers.

Providing your TFN

Superannuation legislation authorises the Trustee to collect your Tax File Number (TFN), which will only be used for legal purposes. These purposes may change in the future as a result of legislative change. The Trustee may disclose your TFN to another super provider when your benefit is being transferred unless you request (in writing) that your TFN is not to be disclosed to any other trustee.

You are not required to provide your TFN and declining to do so is not an offence. However, giving your TFN to the Trustee will have the following advantages (which may not otherwise apply):

- the Trustee will be able to accept all types of contributions to your Super Account (subject to Trustee discretion);
- the tax on contributions to your Super Account will not increase;
- other than the tax that may ordinarily apply, no additional tax will be deducted when you start receiving your super benefit; and
- it will make it easier to trace different super accounts in your name so that you may receive all your super benefits when you retire.

If you have an Income Account, you do not provide your TFN and you are under age 60, tax will be deducted from your income payments at the top marginal tax rate plus Medicare levy from the taxable component of any lump sum withdrawal. (This does not apply for Beneficiary Members with an Income Account or reversionary beneficiaries who continue to receive income payments from Qantas Super and the deceased member was aged 60 or more at the date of death.)

The Qantas Group will automatically provide the TFN to Qantas Super for new employees who provide their TFN to the Qantas Group. To check whether Qantas Super has your TFN, log into your account online or contact us.

Insurance in your super

This section only applies if you have a Super Account in Gateway. Insurance is not available as part of an Income Account in Gateway.

There are terms used in this section 'Insurance in your super' that have a specific meaning. Those terms are listed and defined under 'Definitions' in the 'Other information' section.

Your insurance options at a glance

Gateway provides eligible members with flexible insurance cover. You are covered 24 hours a day, seven days a week.

Basic Cover

We offer you Basic Cover in Gateway for:

- **Death**. A lump sum amount is paid, on top of your account balance, if you die while you are a member of Gateway. Conditions apply. (If you meet the definition for Terminal Illness, you may receive an advance payment of this Basic Cover. Conditions and limits apply.)
- **Total and permanent disablement (TPD)**. A lump sum amount is paid, on top of your account balance, if you become totally and permanently disabled while you are a member of Gateway. Conditions apply.
- **Income protection** (eligible Employee Members only). Basic Cover for income protection provides you with a monthly income, in arrears, for up to two years if you are temporarily unable to work as a result of Illness or injury. Conditions apply. Cover for income protection is available for employees engaged in Regular permanent or fixed term employment for 15 hours or more a week. Basic Cover for income protection is not available for Retained Members, Spouse Members, casual employees, contractors who are not fixed term employees or employees who have exercised choice of fund.

Circumstances that must be satisfied for your Basic Cover to be paid are detailed under 'When is my Basic Cover paid?' in this section.

Voluntary Cover

Voluntary Cover provides you with further flexibility when it comes to arranging insurance cover at a level you feel is right for you and your personal circumstances. Eligible members can apply for Voluntary Cover for death and TPD or death only. Any approved Voluntary Cover is separate to any Basic Cover provided in Gateway.

Different terms and conditions, and premium rates apply to Voluntary Cover. Refer to the *Voluntary Cover Insurance Guide* available on our website for more information.

Basic Cover

Eligibility for Basic Cover

When you join Gateway, subject to meeting the eligibility requirements detailed in the following table, if you are:

- an Employee Member, you are automatically provided with Salary-Linked Basic Cover for death and TPD and income protection;
- a Spouse Member, you are eligible to automatically receive up to $100,000 of Fixed Dollar Basic Cover for death and TPD; or
- a Retained Member, you automatically receive Fixed Dollar Basic Cover equal to the amount of Basic Cover you had in Gateway or Standard Cover you had in another Qantas Super division, for death and TPD, on the day you ceased employment with the Qantas Group or your choice of fund election was effected.

For further details, please refer to 'Insurance as a Retained Member' in the 'Becoming a Retained Member in Gateway' section.

Cover type	Death, Terminal Illness and TPD[1]	Income protection
Eligible members	■ Employee Members ■ Spouse Members[2] ■ Retained Members	■ Employee Members (eligibility criteria apply)
Ceasing age for cover	Death (including Terminal Illness): 70 TPD: 65	65
Maximum amount of cover in Qantas Super	Death: $10 million[3] (inclusive of Terminal Illness up to $3 million) TPD: $3 million[3]	$50,000 a month
Conditions for eligibility	To be eligible for Basic Cover for death, TPD and income protection, you must: ■ be under the ceasing age for Basic Cover; ■ for income protection, be an employee engaged in Regular permanent or fixed term employment working for 15 hours or more a week. Cover is not available for Retained Members, Spouse Members, casual employees, contractors who are not fixed term employees or employees who have exercised choice of fund; and ■ be an Australian resident who has always lived in Australia or has come to live in Australia, or is eligible to work in Australia.	
Eligibility for automatic Salary-Linked Basic Cover	Available for Employee Members only To be eligible for automatic Salary-Linked Basic Cover including income protection (up to the Automatic Acceptance Limits specified below), you must (in addition to the eligibility criteria set out above): ■ join Gateway within 120 days of commencing employment with the Qantas Group; ■ be At Work on your first day of employment with the Qantas Group. If not, Limited Cover will apply until you return to Active Employment for 30 consecutive days; and ■ not already have insurance cover through your membership in another division of Qantas Super (excluding divisions that provide defined benefits).[4] Automatic Acceptance Limits (AAL)[5] ■ Death and TPD: $2 million ■ Income protection: $30,000 a month	
Commencement of automatic Salary-Linked Basic Cover	Automatic Salary-Linked Basic Cover will commence effective the first day of the period to which the first employer contribution made to your Super Account in Gateway relates.	
When underwriting will apply	Underwriting refers to cover which is subject to approval by the Insurer prior to you becoming eligible for the cover. Underwriting may be required in the following circumstances: ■ you do not satisfy the criteria to be automatically provided with Basic Cover, if applicable (see above); ■ you cancel or reduce your cover for a period and you subsequently request for it to be reinstated; ■ for Salary-Linked Basic Cover: – the amount of your Salary-Linked Basic Cover exceeds the AAL; – you apply for Salary-Linked Basic Cover above the AAL; – your increase in Salary-Linked Basic Cover due to an increase in your age or your Salary for Insurance Purposes exceeds any Forward Underwriting Limit (FUL)[6] that may apply; ■ you apply for an additional multiple of Salary-Linked Basic Cover more than 120 days after commencement of employment; or ■ you apply for additional Fixed Dollar Basic Cover. In these circumstances, your eligibility for cover or cover above the AAL or FUL (as applicable), will be subject to approval by the Insurer. This means that you will be required to submit a specific application for your cover (or the amount of your cover above the AAL or FUL). Your application will be assessed by the Insurer and you may need to submit medical evidence (the cost of which will be paid by the Insurer). If the Insurer approves the cover you have applied for, restrictions, exclusions or loadings (as additional premiums above the normal premiums) may apply.	

[1] The TPD definition that applies to you will depend on your circumstances (see 'When an amount under Basic Cover is paid' for further information).

[2] If you are a Spouse Member who joined Gateway on or after 1 October 2015, to be eligible for an automatic amount of Basic Cover for death and TPD you must, on the day you join Gateway, be At Work (see the 'Definitions' section for details). If not, Limited Cover will apply until you return to being At Work for 30 consecutive days.

[3] Inclusive of any Voluntary Cover and Standard Cover associated with other accounts you may have in Qantas Super.

[4] If you are an Employee Member and have transferred from another Qantas Super division to Gateway, Limited Cover will apply for the first 12 months to the difference in cover, if the new cover amount is higher than in your previous division. If you transfer from a division that provides defined benefits, Limited Cover will apply to your Income Protection cover for the first 12 months, irrespective of cover level.

[5] The AAL is the maximum level of cover accepted for eligible members without the need to provide medical or other evidence.

[6] The FUL is the level of cover (if any) up to which the Insurer will accept future increases in the amount of cover without the need to provide medical or other evidence. You will be advised if this applies to you.

Calculating your Basic Cover

There are two methods for calculating Basic Cover.

- **Salary-Linked Basic Cover** (Employee Members only). The amount of cover is calculated as a multiple of your Salary for Insurance Purposes.
- **Fixed Dollar Basic Cover**. The amount of cover is a fixed dollar amount.

1. Salary-Linked Basic Cover (Employee Members only).

- **Death and TPD**. Your Basic Cover for death and TPD is calculated as a multiple (based on your age) of your Salary for Insurance Purposes. Use the table below to work out the multiple for your Basic Cover:

Your age at last 1 October	Multiple of your Salary for Insurance Purposes	
	Death	TPD
16 – 20	1	2
21 – 25	2	4
26 – 30	3	4
31 – 45	5	5
46 – 50	4	4
51 – 55	3	3
56 – 60	2	2
61 – 64	1	1[1]
65 – 69	1[1]	Nil from your 65th birthday
From your 70th birthday	Nil	Nil

[1] **Please note**: Basic Cover for TPD ceases on your 65th birthday and Basic Cover for death ceases on your 70th birthday.

- **Income protection** (eligible Employee Members only). Basic Cover for income protection is equal to 75% of your Salary for Insurance Purposes, **less** any other income you are entitled to from your employer or other sources, including but not limited to, annual or sick leave payments, any disability income from other insurance policies and workers compensation. Further detail of the types of income that will reduce your income protection payments is provided on page 38.

  Basic Cover for income protection is paid as a monthly payment in arrears after a minimum Waiting Period of 90 days and paid for a maximum period of two years for the same Illness or injury. Basic Cover for income protection ceases on your 65th birthday.

The amount of your Salary-Linked Basic Cover is calculated upon joining Gateway and then on 1 October each year thereafter.

Below is an example of how to calculate your Salary-Linked Basic Cover.

Example 1 – death and TPD

Sam's Salary for Insurance Purposes is $80,000 on the previous 1 October. He is age 40 on the previous 1 October, so the multiple used for calculating his Salary-Linked Basic Cover is 5 (see table at left).

So Sam's Basic Cover for death and TPD is calculated as:

5 x $80,000 = **$400,000**

Example 2 – income protection

Jo's Salary for Insurance Purposes is $80,000 on the previous 1 October. She is injured at home and is not receiving any other income. Jo's Basic Cover for income protection is calculated as:

75% x $80,000 = $60,000 pa ($5,000 a month).

2. Fixed Dollar Basic Cover – death and TPD only

The amount of cover will be a fixed dollar amount of cover which can be requested by you (subject to Insurer approval).

In addition, if you are:

- a Spouse Member, $100,000 of death and TPD cover will be provided automatically when you join Gateway (subject to eligibility) unless you opt out of this cover;
- a Retained Member who was already in Gateway at the time you ceased employment with the Qantas Group or elected choice of fund, your Basic Cover for death and TPD continues in Gateway as Fixed Dollar Basic Cover equal to the dollar amount of Salary-Linked Basic Cover plus any Fixed Dollar Basic Cover you had on the day you ceased employment with the Qantas Group or your choice of fund election was effected; or
- a Retained Member who transferred from another division of Qantas Super, your Fixed Dollar Basic Cover for death and TPD in Gateway is equal to the amount of your Standard Cover transferred from your other division when you ceased employment or your choice of fund election was effected. Please see 'Insurance as a Retained Member' in the 'Benefits of investing with Qantas Super Gateway' section for more information.

Insurance fees – cost of Basic Cover

The cost of your Basic Cover (insurance premiums) is deducted from your account each month. Your annual insurance premium is adjusted each year on 1 October, based on your age and the amount of Basic Cover you have.

Your annual insurance premium depends on the premium rate for every $1,000 of Basic Cover you have, depending on your age.

Your age at last 1 October	Annual premium rate for every $1,000 of Basic Cover			
	Death	TPD	Death and TPD	Income protection
16 – 30	$0.43	$0.13	$0.56	$7.63[1]
31 – 45	$0.53	$0.53	$1.06	
46 – 50	$1.09	$1.64	$2.73	
51 – 55	$1.99	$2.98	$4.97	
56 – 60	$3.52	$5.29	$8.81	
61 – 64	$5.74	$8.61	$14.35	
65 – 69	$7.61	Nil from your 65th birthday	$7.61 (death only from your 65th birthday)	Nil from your 65th birthday
From your 70th birthday	Nil	Nil	Nil	Nil

[1] Includes stamp duty.

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

Insurance premiums for Basic Cover for income protection will not be deducted from your account while you are receiving monthly payments for income protection.

In circumstances where you are required to submit a specific application so that the Insurer may assess your eligibility for cover, the Insurer may approve the cover you have applied for subject to a premium loading, being additional insurance premiums above the normal insurance premiums. You will be notified if this applies to you.

Note: The more you pay in insurance premiums from your super, the less you will have in your super at retirement. You may consider making extra contributions to your super to fund the cost of insurance premiums and/or boost your super balance. Don't forget if you are increasing your before-tax (concessional) contributions or after-tax (non-concessional) contributions, you will need to assess their impact on your contribution caps. If you exceed the contribution caps, you may pay additional tax. Refer to the 'How super is taxed' section for more information.

Premium rates are subject to change in accordance with the policy terms. We will notify you of any changes in premium rates.

Below is an example of how to calculate your insurance premium.

Example 1 – death and TPD

Sam's Basic Cover for death and TPD (as shown on the previous page) is $400,000. At last 1 October he was aged 40, so his premium rate is $1.06 for every $1,000 of Basic Cover. Sam's insurance premium is:

$1.06 x $400,000 ÷ 1,000
= **$424 a year ($35.33 a month)**.

Example 2 – income protection

Jo's Basic Cover for income protection (as shown on the previous page) is $60,000 pa. At last 1 October she was aged 56, so her premium rate for every $1,000 of cover for income protection is $7.63. Jo's insurance premium is:

$7.63 x $60,000 ÷ 1,000
= **$457.80 a year ($38.15 a month)**.

Changing your Basic Cover

You can request to increase, decrease or cancel your Basic Cover for death and TPD at any time. You cannot increase or reduce (except to cancel) the level of your cover for income protection in Gateway. Remember, your total cover for death and TPD (inclusive of any Voluntary Cover and any other insurance cover associated with other accounts you may have in Qantas Super) cannot exceed $10 million for death and $3 million for TPD.

Increasing your death and TPD cover

You can apply to increase your Basic Cover for death and TPD in the following ways:

	How much can I get?	How to do it...
Salary-Linked Basic Cover	One extra multiple of your Salary for Insurance Purposes.	If you are an employee of the Qantas Group and you are eligible for Basic Cover on joining Gateway, you can apply to increase your Salary-Linked Basic Cover for death and TPD: ■ **Within 120 days of your employment commencing.** You will not have to provide medical evidence (subject to the AAL[1]). No exclusions, (other than as outlined in the section 'When is an amount under Basic Cover paid?'), restrictions or loadings will apply to this cover (up to the AAL[1]). Your increase in cover will be effective from the date your request is received. or ■ **After 120 days of your employment commencing.** You will need to provide medical evidence as part of your application. The Insurer will assess your application. Your application may be accepted or declined, or special conditions such as exclusions and restrictions may be imposed. You will be advised if this applies to you. Your increase in cover will be effective from the date your request is approved by the Insurer. To apply to increase your Salary-Linked Basic Cover, you must complete and return the relevant application form available on our website.
Fixed Dollar Basic Cover	Apply for more Basic Cover by specifying a fixed dollar amount.	You'll need to provide medical evidence with your application. The Insurer will assess your application. Your application may be accepted or declined, or special conditions such as exclusions and restrictions may be imposed. You will be advised if this applies to you. Your increase in cover will be effective from the date your request is approved by the Insurer. To apply to increase your Fixed Dollar Basic Cover, you must complete and return the relevant application form available on our website.

[1] See 'Eligibility for Basic Cover' in this section for more information on the AAL. If you apply for cover above the AAL, underwriting applies – see 'When underwriting will apply' in the table in the 'Eligibility for Basic Cover' section.

Life events and transfer of cover

You may be eligible to apply to increase your Basic Cover if you experience a certain life event and/or if you have any insurance cover for death only or death and TPD outside of Qantas Super. Increases as a result of a life event or transfer of cover will be Fixed Dollar Basic Cover.

Life events

If you experience a certain life event and you have existing Basic Cover, you may apply for an increase in your Basic Cover without the need to provide any evidence of good health. You must apply for an increase in your cover, and provide the required proof, **within 90 days** of the life event.

You can apply to increase your Basic Cover by up to $50,000 per life event (in multiples of $10,000) for death only or for death and TPD for any of the following life events:

- marriage or divorce;
- birth or legal adoption of a child;
- grant of a home loan from a financial institution on the initial purchase of a principal place of residence;
- grant of a loan from a financial institution for the purpose of home renovation on a principal place of residence;
- death of your spouse;
- completion of your first undergraduate degree at an Australian university;
- you become a carer for the first time; or
- your dependent child starts secondary school.

An overall lifetime maximum of $200,000 applies for increases in Basic Cover due to any of the above life events. Any increases in Voluntary Cover due to a life event will also count towards this overall maximum. In addition, the total amount of cover you have for death only or death and TPD in Qantas Super (including all Standard Cover, Basic Cover and Voluntary Cover) must not exceed the maximum amount[1] of total insurance cover permitted.

> **Note**: Multiple occurrences of a life event listed above are generally considered a separate life event (eg the birth or adoption of a second child is a separate life event to the birth or adoption of your first child).

You are not eligible to increase your Basic Cover for a life event if you have:

- previously applied for an increase in cover for the same life event (including for Voluntary Cover) and your application was either accepted or declined; or
- received, or are eligible to receive a payment from a similar insurance policy; or
- not provided satisfactory proof of the life event within 90 days of the life event occurring unless otherwise agreed by the Insurer.

To apply to increase your Basic Cover due to a life event, complete the relevant form available on our website. The same premium rates, terms and conditions that apply to your existing Basic Cover also apply to any increases in Basic Cover approved under a life event (this includes any premium loadings, restrictions and/or exclusions that may apply). Any increase in your cover will be effective from the date your valid application is accepted by the Insurer. We'll write to let you know the outcome of your application.

Transfer of cover

If you have insurance cover for death only or for death and TPD with another super fund, or under a group insurance policy or retail insurance policy, you may be eligible to transfer up to a maximum of $1.5 million of this cover into Gateway as Fixed Dollar Basic Cover. This limit includes any cover you may have already transferred as Voluntary Cover.

The amount of cover you can transfer will be limited, where necessary, so that the total amount of cover you have transferred to Qantas Super is not more than $1.5 million and the total amount of cover you have for death only or death and TPD in Qantas Super (inclusive of the amounts transferred and all Standard Cover, Basic Cover and Voluntary Cover you have under one or more accounts in Qantas Super) does not exceed the maximum amount[1] of total insurance cover permitted.

To transfer your cover, complete the relevant form available on our website and provide evidence of the transferring insurance cover. The same premium rates that apply to your Basic Cover will also apply to any transferred cover.

[1] Refer to 'Maximum amount of cover in Qantas Super' in the table under 'Eligibility for Basic Cover' in this section for applicable maximums.

Your transferred cover will only commence from the date you are accepted for cover by the Insurer. Transferred cover is subject to you cancelling the insurance cover you transferred within 60 days of you being notified of the Insurer accepting the transfer of your cover into Qantas Super.

You are not eligible to transfer your insurance cover if:

- any premium loadings apply to the insurance cover you want to transfer; or
- you are currently claiming, or intending to claim a benefit under any other life, disability and/or trauma policy.

If any exclusions or other non-standard terms apply to the insurance cover you are applying to transfer, those exclusions, non-standard terms or both will continue to apply to that cover once it has been transferred into your account in Gateway.

> **Note**: You may also be eligible to apply to increase your **Voluntary Cover** for death and TPD if you experience a life event or transfer cover from outside of Qantas Super (subject to overall maximum limits as outlined above and in the *Voluntary Cover Insurance Guide* available on our website).

Cancelling or reducing your Basic Cover

- Death and TPD

  At any time, you can:

  – cancel your Basic Cover;

  – reduce your Salary-Linked Basic Cover in whole multiples of your Salary for Insurance Purposes; or

  – reduce your Fixed Dollar Basic Cover by a dollar amount.

  You must have a minimum of $10,000 in Fixed Dollar Basic Cover or one multiple of Salary for Insurance Purposes in Salary-Linked Basic Cover for death to retain any Basic Cover for TPD. If your Basic Cover for death falls below $10,000 in Fixed Dollar Basic Cover or one multiple of Salary for Insurance Purposes in Salary-Linked Basic Cover, your Basic Cover for TPD will be automatically cancelled. If you'd like to increase your Basic Cover for TPD again, you will need to submit an application and provide medical evidence.

  To cancel or reduce your Basic Cover, complete the relevant form available on our website. Your insurance will be cancelled or reduced from the date we accept your valid request. If you reduce (but do not cancel) your Basic Cover for death and TPD by a multiple of your Salary for Insurance Purposes, this reduction will continue to apply to all future multiples for you regardless of the age band that applies; that is, your multiple(s) at any time will be the multiple(s) for your age less the multiple(s) by which your Salary-Linked Basic Cover was reduced.

  Once you've cancelled or reduced your Basic Cover, if you'd like to increase your cover again in future, you will need to submit an application. The Insurer will assess your application. Your application may be accepted or declined, or special conditions such as exclusions and restrictions may be imposed. You will be advised if this applies to you. Your increase in cover will be effective from the date your request is approved by the Insurer. See the section 'Increasing your death and TPD cover' for details on eligibility and how to apply to increase your cover.

- Income protection

  You can cancel (but not reduce) your Basic Cover for income protection at any time.

  Once you've cancelled, if you'd like to apply for cover again in future, you will need to submit an application. The Insurer will assess your application. Your application may be accepted or declined, or special conditions such as exclusions and restrictions may be imposed. You will be advised if this applies to you. Your increase in cover will be effective from the date your request is approved by the Insurer.

Voluntary Cover

Voluntary Cover provides you with further flexibility when it comes to arranging insurance cover at a level you feel is right for you and your personal circumstances. Any approved Voluntary Cover is separate to any Basic Cover provided in Gateway.

Voluntary Cover is available for death only and death and TPD. It is not available for income protection.

Different terms and conditions, and premium rates apply to Voluntary Cover. Refer to the Voluntary Cover Insurance Guide available on our website.

Other important insurance information

When is an amount under Basic Cover paid?

Subject to claim approval by the Insurer, an amount under Basic Cover is payable in the circumstances set out in the table below.

Note: The Trustee will consider each claim independently to the Insurer and form its own opinion. The Trustee will do everything reasonable to pursue an insurance claim, if the Trustee considers the claim has a reasonable prospect of success.

Type of Basic Cover	When paid
Death	Basic Cover for death, if eligible, is paid as a lump sum if you die at any time while you are a member of Gateway. **Terminal Illness** If you meet the definition of Terminal Illness, you may receive an advance payment of your Basic Cover for death (subject to a maximum of $3 million[1]). Where your total cover in Qantas Super is higher than $3 million[1], the balance will be paid as part of your final death benefit after you die, subject to you remaining a member of Qantas Super and premiums continuing to be paid. Following the advance payment of Basic Cover for death due to Terminal Illness, your Basic Cover for TPD will cease and your insurance premiums will be reduced accordingly for any remaining Basic Cover for death. [1] Inclusive of all Standard Cover, Basic Cover and Voluntary Cover you have under one or more accounts that are paid due to Terminal Illness.
TPD	Your Basic Cover for TPD, if eligible, is payable if you satisfy the definition of TPD, as defined in the Trustee's insurance policy with the Insurer. These definitions, and when they apply, are set out below. **Which TPD definition applies to me?** If you are: ■ employed in Regular employment for at least 15 hours per week – you are TPD if you satisfy either paragraph (a) or (b) below; or ■ employed in Regular employment for less than 15 hours per week or unemployed or a Member whose Occupation is home duties – you are TPD if you satisfy paragraph (b) or (c) below. a) **Any Occupation** You have been absent from your Occupation solely through injury or Illness for a period of three consecutive months and you are incapacitated to such an extent that, in the Insurer's opinion, after consideration of medical and other relevant evidence, you were, at the end of the period of three consecutive months' absence from your Occupation, unlikely to ever engage in or work for reward in any occupation for which you are reasonably suited by education, training or experience. b) **Activities of daily living** You have been absent from your Occupation solely through injury or Illness for a period of three consecutive months and you are incapacitated to such an extent that, in the Insurer's opinion, after consideration of medical and other relevant evidence, you were, at the end of the period of three consecutive months' absence from your Occupation, unlikely to ever be able to perform at least two activities of daily living without the physical help of someone else.

Type of Basic Cover	When paid
TPD continued	For the purposes of this definition, activities of daily living means: ■ bathing and/or showering; ■ dressing; ■ moving from place to place (including in and out of bed and in and out of a chair); ■ eating or drinking; or ■ using the toilet. For the purpose of this definition: ■ if you are unemployed at the time you become disabled, Occupation means the occupation in which you were employed immediately prior to becoming unemployed; and ■ if you are occupied in home duties, Occupation means the normal physical domestic household duties you usually perform. c) Home duties You have been absent from your Occupation of home duties solely through injury or Illness for a period of three consecutive months and you are incapacitated to such an extent that, in the Insurer's opinion, after consideration of medical and other relevant evidence, you were, at the end of the period of three consecutive months' absence from your Occupation of home duties, unlikely to ever again attend to at least two normal physical domestic household duties. For the purposes of this definition, normal physical domestic household duties means: ■ cleaning the family home; ■ shopping for food and household items; ■ meal preparation and laundry services; ■ leaving the house without the assistance of another person; ■ looking after dependent child/children under 16 years of age or in full time secondary education; or ■ providing full time care for a disabled person who is a member of your immediate family. If you are able to perform the normal physical domestic household duties with the assistance of another person or with the use of assistive devices, you are deemed to be able to perform these duties. You must be under the regular care and attention and following the advice of a Doctor for that injury or Illness. Evidence that you carried out the normal physical domestic household duties on a daily basis prior to the period of disability will be required. Exclusions A benefit is not payable for any Illness or injury arising directly or indirectly out of the commission or attempted commission of a Criminal Act. If you have been charged with a Criminal Act which may be punishable by a term of imprisonment and this exclusion may apply in relation to that Criminal Act, a decision whether to accept or decline the claim may be delayed until the conclusion of criminal proceedings, including sentencing, and there is sufficient information to determine if this exclusion clause applies.

<table>
<tr><th>Type of Basic Cover</th><th>When paid</th></tr>
<tr><td>Income protection (Eligible Employee Members only)</td><td>
Your cover for income protection is equal to 75% of your Monthly Income less any other income you are entitled to from your employer or other sources, including but not limited to, annual or sick leave payments, any disability income from other insurance policies and workers compensation. Further detail of the types of income that will reduce your income protection payments is provided in the ‘When payments may be reduced’ section below. It will be paid as a monthly payment to you (if eligible), in arrears, for a period of up to two years if you are totally but temporarily disabled (Totally Disabled) after the end of the Waiting Period. See below for the definition for Totally Disabled.
If you meet the definition of Total Disability and subsequently meet the definition of Partial Disability (see below), after the end of the Waiting Period a proportion of your monthly payment will be paid to you. The proportion that may be payable in the event of Partial Disability is determined by your Monthly Income immediately prior to your Total Disability commencing less your actual Monthly Income during the period you are Partially Disabled, divided by your Monthly Income immediately prior to your Total Disability commencing, less any other income you are entitled to from your employer or other sources, including but not limited to, annual or sick leave payments, any disability income from other insurance policies and workers compensation. Further detail of the types of income that will reduce your income protection payments is provided in the ‘When payments may be reduced’ section below. Payments are paid to you monthly in arrears.
Note: Basic Cover for income protection is available for employees engaged in Regular permanent or fixed term employment for 15 hours or more a week. Cover is not available for Retained Members, Spouse Members, casual employees, contractors who are not fixed term employees or employees who have exercised choice of fund.
Total Disability means that, solely as a result of injury or Illness, you are continuously:

unable to perform at least one of the Important Duties of your Own Occupation; and
under the care of and following the regular and continuous advice for treatment from a Doctor in relation to that Illness or injury; and
not engaged in any occupation, paid or unpaid.

Partial Disability means that, immediately following a period of at least 14 consecutive days of Total Disability and as a direct result of the injury or Illness which caused the Total Disability, you have returned to work in your own or another occupation and you are:

continuously unable to perform at least one of the Important Duties of your Own Occupation;
earning less than your Monthly Income prior to your Total Disability; and
under the continuous care of and following the advice for treatment from a Doctor in relation to that Illness or injury.

Waiting Period
A minimum Waiting Period of 90 days applies if you are eligible to be paid monthly payments for Total Disability or Partial Disability. If:

you attempt to return to work during the Waiting Period;
the return to work proves unsuccessful due to the injury or Illness causing your disability; and
the period of return to work is less than five days in total within the Waiting Period;

then the original Waiting Period will continue and will be extended by the number of days you returned to work within the Waiting Period.
You have a once-only option at point of claim to extend the Waiting Period by a nominated amount of your accrued sick leave and/or annual leave.
When payments stop
Your monthly payments will stop if any of the following occur:

you are neither Totally Disabled nor Partially Disabled;
you die;
payments have been paid for two years;
you reach age 65;
you are no longer under the regular and continuous care of a Doctor who is acceptable to the Insurer; or
you fail to provide the Insurer with all the information and evidence reasonably required to assess your claim.

</td></tr>
</table>

Type of Basic Cover	When paid
Income protection (Eligible Employee Members only) continued	**When payments may be reduced** Your monthly payment will be reduced by any other income you are entitled to from other sources (whether or not you actually receive that income). This includes, but is not limited to, any annual or sick leave payments, any disability income from other insurance policies, workers compensation, compensation payments, insurance payments (including loss of licence insurance which will only reduce your monthly payment if you are in receipt of that payment paid under loss of licence), and income from other paid work. If you are entitled to a lump sum, it will be treated as if one sixtieth (1/60) of the lump sum is received monthly for 60 months. Income from other sources does not include: ■ income earned from investments; ■ payments in respect of medical treatment, rehabilitation and permanent impairment or permanent loss of use of a body part; or ■ any lump sum TPD benefit. **Recurrent disability** If a Total Disability or Partial Disability claim recurs within six months of you returning to full time work, your claim will be treated as a continuation of your original claim. No new Waiting Period will apply 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. Benefits paid during your original claim and your continued claim will count towards the period that your disability has been paid for the purpose of determining when the payment of benefits will stop. The insurance policy with the Insurer must still be in force for this benefit to apply. **Other benefits that may apply** If you are receiving a monthly payment under your Basic Cover for income protection, there may be circumstances where: ■ certain rehabilitation and emergency transport expenses will be met by the Insurer; ■ a family carer benefit may be paid if a member of your family has taken approved leave without pay to care for you; ■ a bereavement benefit may be paid if you die; or ■ the cost of modifying your workplace to facilitate your return to work will be paid by the Insurer. The Insurer will let you know more about these when you start receiving an amount under Basic Cover for income protection. These benefits may be paid directly to you or, in the case of workplace modification, to the employer, or an agreed third party provider for a product or service. Conditions and limits apply to these other benefits. **Residence** Unless you are residing in Australia (or an approved country[1]), any monthly payment will be subject to the following conditions: ■ payment of continuous benefits will be limited to 12 months from the date of your disability (subject to the Waiting Period); and ■ after that 12 month period has expired, no additional benefits will be payable to you unless and until you return to Australia (or an approved country). [1] Please contact us on 1300 362 967 for details. **Exclusions** A monthly payment will not be paid if your disability or loss is directly or indirectly a result of any intentional self-inflicted injury or attempted suicide (whether you were sane or insane), normal and uncomplicated pregnancy or childbirth, war or warlike operations (except where you are performing your duties of employment), or service in the armed forces. A benefit is not payable for any Illness or injury arising directly or indirectly out of the commission or attempted commission of a Criminal Act. If you have been charged with a Criminal Act which may be punishable by a term of imprisonment and this exclusion may apply in relation to that Criminal Act: ■ a decision whether to accept or decline the claim may be delayed; or ■ payment of income protection benefits may cease; until the conclusion of criminal proceedings, including sentencing, and there is sufficient information to determine if this exclusion clause applies.

Meeting preservation rules

Although a benefit may be payable under Basic Cover to the Trustee as the policy owner, you can only receive that amount if the preservation rules have been satisfied (see 'Accessing your benefits' in the 'How super works' section). If an amount 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 Gateway account until a preservation rule has been satisfied.

When your Basic Cover ends

Basic Cover for death, TPD and income protection in Gateway ceases on the earliest of:

- the day you cease to be a member of Gateway;
- 90 days after the date you have insufficient funds in your account to meet the cost of insurance premiums;
- 90 days after you cease to qualify to be insured under the relevant insurance policy;
- the date we receive your valid request to cancel your cover;
- the date you reach the maximum age for the applicable type of cover;
- the day before you commence service in the armed forces of any country (excluding Australian Defence Force Reservists not deployed overseas);
- the day you die;
- the date the policy with the Insurer terminates or is cancelled;
- the date you effect a continuation option for the relevant cover (see 'Continuation option' under 'Continuing your cover' in this section);
- for income protection – 90 days after you cease employment with the Qantas Group (providing you become a Retained Member) or immediately on the date your choice of fund election is effected;
- for death and TPD cover – the date your Basic Cover for death or TPD is paid or the date your Basic Cover is paid due to Terminal Illness (which is not less than the amount of your Basic Cover for death); or
- or Employee Members only – 24 months after you commence leave of absence or parental leave approved by the Qantas Group, unless an extension of cover is approved by the Insurer (see right).

Continuing your cover

Parental leave and leave of absence (Employee Members only)

If you are an Employee Member in Gateway, your Basic Cover for death, TPD and income protection will continue for up to 24 months after you commence leave provided that:

- you do not join the armed forces (excluding Australian Defence Force Reservists not deployed overseas);
- premiums continue to be paid; and
- you remain employed by the Qantas Group and a member of Gateway.

Your leave must be approved in writing by the Qantas Group prior to it commencing.

During this period your cover will be varied as follows:

- if you apply for increased cover while absent on approved leave, this must be approved in writing by the Insurer and cover will not increase until you return to work; and
- if you become Totally Disabled while on approved leave, Basic Cover for income protection is payable from the later of the end of the Waiting Period or the date you nominated to return to work.

If you wish to extend cover beyond the 24 month period, your extension of leave must be approved by the Qantas Group and you must apply at least 60 days prior to the expiry of this period. Any extension of cover has to also be approved in writing by the Insurer.

If your cover is not extended and you return to work after your Basic Cover has ceased, you will need to submit an application and provide medical evidence to reinstate your Basic Cover.

Insurance as a Retained Member

You will become a Retained Member in Gateway if you cease employment with the Qantas Group or elect choice of fund (subject to certain exceptions). Please refer to 'Insurance as a Retained Member' in the 'Benefits of investing with Qantas Super Gateway' section for more information on your insurance cover as a Retained Member

Continuation option

If you are under age 60, and you have left employment with the Qantas Group, you may be eligible to apply to continue the same level of Basic Cover you had in Gateway under a personal insurance policy with the Insurer without providing further medical evidence. You may also be eligible to continue your Basic Cover for death and TPD on leaving Qantas Super without leaving employment. This is called a continuation option.

If you choose to take out a continuation option, the corresponding Basic Cover you have through Qantas Super will cease from the date you effect the continuation option.

Eligibility for a continuation option for Basic Cover is subject to the following conditions:

- For income protection, you must have ceased employment with the Qantas Group to follow employment in a similar occupation in a capacity that would have entitled you to income protection cover from the Insurer;
- For death and TPD, you must have ceased employment with the Qantas Group or ceased to be a member of Qantas Super. Your valid application must be received within 60 days of either of these events;
- You must not have ceased employment due to ill-health or because of duty in the armed forces (excluding Australian Defence Force Reservists not deployed overseas);
- You must not have received, nor be eligible to receive, any TPD payments or similar payments under any other group life policy or other policy;
- You must be a permanent resident of Australia; and
- For TPD and income protection, you must be commencing full-time employment within 90 days of ceasing employment with the Qantas Group.

The level of cover under any personal insurance policy with the Insurer which is obtained using the continuation option must not exceed your level of Basic Cover in Qantas Super, and any special terms and conditions applying to your Basic Cover (including exclusions) will also apply under that personal policy.

The Insurer's retail policy premium rates will apply (taking into account various factors including but not limited to, your level of cover, age, gender, occupation, pastimes, smoking status, residency status and any other special terms that may apply to your Basic Cover). The Insurer will advise you of the premium payable and you will be responsible for payment of the relevant premiums directly to the Insurer.

For further information or to request a quote, you can contact the Insurer on (02) 8908 6111 or by email at group_insurance@mlc.com.au. The Insurer will assess if you are eligible to apply, explain the terms and conditions and let you know the cost of a continuation option. The Insurer retains the discretion to refuse to provide cover under the continuation option where it does not have a retail product which covers your occupational risk.

Interim Accident Cover

If you lodge an application for an increase in Basic Cover which is subject to underwriting, while the Insurer is considering your application, the Insurer will provide you with Interim Accident Cover for up to 90 days if:

- for death and TPD – you die or become TPD, as a result of an Accident; or
- for income protection – you suffer a Total Disability as a result of an injury, caused by an Accident.

Interim Accident Cover commences on receipt of a fully completed application for insurance and declaration of health in the form that is required by the Insurer.

Interim Accident Cover for death and TPD is paid as a lump sum equal to the lesser of the amount of Basic Cover being applied for, and $1,000,000.

Interim Accident Cover for income protection is the lesser of:

i) the monthly benefit being applied for;

ii) the monthly benefit the Insurer would allow under its normal assessment guidelines; and

iii) $15,000 per month.

Interim Accident Cover will expire on the earliest of the following:

- 90 days after the commencement of the Interim
- Accident Cover;
- the date on which the Insurer gives notice that your application for insurance is accepted or your Interim Accident Cover is cancelled;
- the date you cancel or withdraw your request for additional insurance; or
- the date you cease to be eligible for Basic Cover.

The Insurer considers that Interim Accident Cover will expire on the date on which it gives you notice that your application for insurance is declined if this is earlier than any of the expiration dates above. If an event occurs for which cover applies under Interim Accident Cover in the period between the date your application is declined and the earliest of the expiration dates above, the Trustee may pursue an insurance claim against the Insurer (see 'How to make a claim for Basic Cover' on the next page).

Interim Accident Cover will not be payable:

- for an injury caused by engaging in hazardous pastimes or sports that would not be covered under the Insurer's normal assessment guidelines;
- for an injury that occurred prior to the date of becoming eligible for Basic Cover;
- if the cover applied for would have been declined under the Insurer's normal assessment guidelines; or
- if you lodge a claim for an event or condition that would have been excluded under the Insurer's normal underwriting process.

The Insurer will not pay more than one amount under Interim Accident Cover for any one Accident to any person.

Duty of disclosure

The Trustee has entered into an insurance policy with the Insurer. Before you can be provided with underwritten cover under that insurance policy, we have a duty to tell the Insurer anything we know, or could reasonably be expected to know, which is relevant to the Insurer's decision whether to provide insurance and on what terms. This duty continues until the Insurer agrees to provide the insurance. We must also disclose those matters to the Insurer before your insurance cover is extended, varied or reinstated. However, we are not required to disclose a matter that reduces the risk to be undertaken by the Insurer, is common knowledge that the Insurer knows or should know as an insurer, or for which your duty of compliance is waived by the Insurer. If you do not tell the Insurer something you know, or could reasonably be expected to know, it may affect the Insurer's decision to provide the insurance and on what terms, this may be treated as a failure by us to tell the Insurer something that we are required to tell it.

Non-disclosure

In exercising the rights below, the Insurer may consider whether different types of cover can constitute separate contracts of life insurance. If they do, it may apply the following rights separately to each type of cover.

If we do not tell the Insurer anything we are required to and the Insurer would not have provided the insurance cover if we had made the required disclosure, the Insurer may avoid the insurance cover provided to you within three years of providing it. If the Insurer chooses not to avoid the insurance cover, it may at any time reduce the amount you have been insured for. This would be worked out using a formula that takes into account the premium that would have been payable had we made the required disclosure.

However, for death cover, the Insurer may only exercise this right within three years of providing this cover. If the Insurer chooses not to avoid the insurance cover or reduce the amount you have been insured for, it may at any time vary the cover in a way that places it in the same position it would have been in if we had made the required disclosure. However, this right does not apply to death cover.

If the failure to tell the Insurer is fraudulent, the Insurer may refuse to pay a claim and treat the cover as if it never existed.

How to make a claim for Basic Cover

Death

Once we are advised of your death, we will send claim forms to the person advising us of the claim, or to anyone who has enquired about making a claim.

Terminal Illness, TPD and income protection

If you would like to make a claim, you should notify us as soon as possible. We will 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 will be required to provide, at your own expense, reports from your treating doctors prepared using the forms we send you. For TPD and Terminal Illness claims, we require reports from two treating Doctors. The Insurer may also require you to undergo further medical and/or vocational assessment with a Doctor or specialist provider of its choice, at the Insurer's expense. If you receive a monthly payment for income protection, your payments will be reviewed monthly and you will need to provide any additional information that the Insurer requires, at your own expense.

If you lodge a claim for Terminal Illness, TPD or income protection more than a year after the event giving rise to the claim, please be aware that it may be more difficult to substantiate your claim with appropriate medical evidence. This may impact on the ability of the Insurer and the Trustee to assess your claim.

The Trustee will consider your claim independently to the Insurer and form its own view. The Trustee will do everything reasonable to pursue an insurance claim, if it considers the claim has a reasonable prospect of success.

When a decision has been made about your claim, you will be advised of the decision in writing. If you do not understand the decision or would like further information please contact us.

If your claim is declined, you may request a review of the decision to decline your claim by writing to us. You will need to attach any additional documentation or medical evidence to support your request for the decision to be reviewed. We will write to you with the outcome of this review once a further decision has been determined.

Other information

Eligible Rollover Fund

An Eligible Rollover Fund (ERF) is a super fund specifically designed to hold unpaid super benefits. Qantas Super's nominated ERF is AUSfund and we can transfer benefits in Qantas Super to AUSfund without consent. The Product Disclosure Statement for AUSfund is available at www.unclaimedsuper.com.au.

If your benefit is transferred to the ERF, you will no longer be a member of Qantas Super and you will need to contact the ERF about your benefit. Please note that the terms and product features, including fees and investment strategy, of the ERF will be different from those of Qantas Super.

Contact details for Qantas Super's nominated ERF are:

The AUSfund Administrator
Locked Bag 5132
Parramatta NSW 2124
Phone: 1300 361 798
www.unclaimedsuper.com.au.

Privacy Policy

The Trustee respects the privacy of your personal information and is committed to complying with the Australian Privacy Principles in the Privacy Act 1988 (Cth).

Collection of personal information: We collect personal information about you so that we can admit you as a member of Qantas Super and provide you with services and benefits in connection with your membership of Qantas Super. If you are an Employee Member, we also collect personal information about you from your employer. We are required or authorised to collect certain information under legislation, including the Corporations Act 2001 (Cth), the Superannuation Industry (Supervision) Act 1993 (Cth), and the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).

Consequences if the information is not collected: If we do not collect your personal information, or if that information is incomplete or inaccurate, we may be unable to admit you as a member of Qantas Super or provide you with these services and benefits. It may also prevent us from being able to contact you.

If you do not provide your tax file number (TFN), additional tax will be payable on employer or salary sacrifice contributions, you will be unable to make personal after-tax contributions and you will not qualify for the government co-contributions scheme (if eligible).

Disclosure of your personal information: We may disclose your personal information to third parties, such as your employer, Qantas Super's administrator, insurer, professional advisers, and organisations who provide services to us in relation to your membership of Qantas Super. The administrator of Qantas Super may disclose personal information to service providers in India and other countries outside of Australia. Any such disclosure will only be made for the purposes of the management and administration of Qantas Super, and the use of personal information is strictly controlled. We may also disclose your personal information to regulatory bodies such as the Australian Taxation Office, where this is required by law.

Our Privacy Policy: Our Privacy Policy sets out our approach to the management of personal information. Subject to the Privacy Act 1998 (Cth), you can have access to and seek correction of your personal information. Our Privacy Policy contains information about how you can do this. Our Privacy Policy also contains information about how you can make a complaint about a breach of privacy. The Privacy Policy is available on Qantas Super's website, www.qantassuper.com.au.

Keeping in touch and marketing: We may use your personal information to send you communications. Refer to 'Keeping in touch' in the 'Benefits of investing with Qantas Super Gateway' for more information.

You may opt out of receiving marketing information and survey/research invitations at any time by logging into your account and updating your communication preferences, or by calling or writing to us using the contact details of the Trustee or Qantas Super's administrator provided below.

Trustee contact details:

Privacy Officer
Qantas Superannuation Limited
GPO Box 4303
Melbourne VIC 3001
Phone: 1300 362 967

Administrator contact details:

Privacy Officer
Mercer Outsourcing (Australia) Limited
GPO Box 4303
Melbourne VIC 3001
Phone: 1300 362 967

More information is in our Privacy Policy which is available on Qantas Super's website, www.qantassuper.com.au.

MLC (the Insurer) respects your privacy and handles your information in accordance with its Privacy Policy set out on its website. For more information please go to www.mlc.com.au/mlcinsuranceprivacypolicy.

Governing Qantas Super

The Trust Deed and Rules

The Trust Deed and Rules is a legal document governing Qantas Super, and sets out the rights and obligations of members, the Qantas Group and the Trustee. A copy of the Trust Deed and Rules is available on our website.

The Trustee has discretion to amend the Trust Deed and Rules, however Qantas Airways Limited must approve amendments to the Trust Deed and Rules.

Qantas Super is a complying, regulated superannuation fund under the Superannuation Industry (Supervision) Act 1993 (Cth) (SIS). As a complying fund, Qantas Super is eligible to receive concessional tax treatment while it maintains its complying status.

The Trustee

Qantas Super's trustee is Qantas Superannuation Limited. The Board of Qantas Superannuation Limited comprises Directors who are either appointed by Qantas Airways Limited or elected by the members of Qantas Super. The Directors must ensure that Qantas Super is properly administered in accordance with the terms of the Trust Deed and Rules and complies with all relevant law. For example, Qantas Super and its assets are kept entirely separate from the Qantas Group's assets.

The Trustee must also operate within the limits of current applicable legislation. Directors appointed by Qantas Airways Limited may be removed at any time at the discretion of Qantas Airways Limited.

Employee Members elect Member-elected Directors. Member-elected Directors must be members of Qantas Super and employed by the Qantas Group to be eligible for election. Once elected, they serve for a maximum period of four years, or longer if re-elected.

A Member-elected Director may be removed from office under the provisions of the Trustee's Constitution, the Rules for the Nomination Appointment and Removal of Directors, Qantas Super's Trust Deed and Rules or SIS in the event of the following:

- death;
- mental or physical incapacity;
- in the opinion of the Trustee, no longer meeting one or more of the criteria for fitness and propriety relevant to the Member-elected Director set out in the APRA Prudential Standards;
- becoming a disqualified person within the meaning of Part 15 of SIS or disqualified from managing corporations under Part 2D.6 of the Corporations Act;
- suspension or removal under Part 17 of SIS;
- resigning from the position of Director;
- tenure of the position expiring;
- ceasing to satisfy any condition required to be eligible for appointment;
- ceasing to be eligible to continue to act as a Director under the Board Renewal and Performance Assessment Policy;
- ceasing to be a member of Qantas Super;
- on the written request to the Trustee by a simple majority of the members of the relevant group of Qantas Super;
- retirement; or
- termination of employment.

A Member-elected Director may also be removed from office in any other circumstances permitted under SIS that are not prohibited under the provisions of the Trustee's Constitution or Qantas Super's Trust Deed and Rules from time to time.

The Trustee Directors are listed in Qantas Super's annual report each year and on our website.

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). In addition, certain terms used in the 'Insurance in your super' section are also defined below.

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

Active Employment means being employed on a Regular basis to carry out identifiable duties and being capable of performing those duties on a Regular basis and actually performing those duties.

At Work means:

- where the person's Occupation is not classified as home duties, the person is at work for the normal daily hours of work and is actively performing the full, unrestricted or unmodified duties of their normal Occupation for which they were Employed or would have been had the day not been a day of leave (other than due to Illness or injury), public holiday or weekend day; and
- where the person's Occupation is classified as home duties, the person is actively performing the full, unrestricted or unmodified duties of their normal physical domestic household duties for their normal daily hours of those duties.

Basic Cover means the amount of insurance cover for death, TPD and income protection automatically provided to you (if eligible) when you join Gateway and any additional amounts of Basic Cover subsequently approved. This can be Salary-Linked Basic Cover or Fixed Dollar Basic Cover, depending on your membership.

Beneficiary Member means a beneficiary of a death benefit in respect of a Qantas Super member who is their spouse and who has opened an Income Account with part or all of the death benefit amount.

Casual Employment means a person engaged in employment of a temporary nature where continuity of employment is not guaranteed by the Qantas Group, regardless of hours worked or the period of employment.

Criminal Act means any summary or indictable offence within the meaning of relevant State or Commonwealth legislation or an offence with a similar meaning under foreign law for which you:

- have a conviction recorded; and
- are serving, or have served a term of imprisonment as a result of a conviction for that Criminal Act.

Date of Claim means:

- for death (including Terminal Illness) and TPD:
  - with regard to a death claim, the date of your death;
  - with regard to a Terminal Illness claim, the date or, if two different dates, the later of the dates on which the Insurer receives certification from two registered Medical Practitioners (at least one of whom is a specialist practicing in an area related to the Illness or injury suffered by you) that your life expectancy is reduced to 24 months or less; or
  - with regard to a TPD claim, the later of the date you cease all work solely as a result of injury or Illness and the date on which a Doctor certifies that you suffer from an injury or Illness that is the cause of total and permanent disablement.
- for income protection, the later of:
  - the date you cease all work solely as a result of injury or Illness; and
  - the date on which the Doctor certifies that you suffer from an injury or Illness that is the cause of the Total Disability.

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[1] 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.

[1] 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' or 'Medical Practitioner' means:

For the purpose of the Home Duties definition for TPD and at least one of the treating Doctor reports required for TPD claim applications:

- a registered medical practitioner who, is qualified in an appropriate speciality, and who is not you or your spouse, family member, business partner, employee or employer; or
- if the claimed condition is a psychological condition diagnosed in accordance with the latest edition of the Diagnostic and Statistical Manual of Mental Disorders:
  - a person who is registered as a medical practitioner with a speciality of psychiatry on the register of practitioners that is maintained by the Australian Health Practitioners Regulation Agency; and
  - who is not you or your spouse, family member, business partner, employee or employer.

In all other cases:

- a registered medical practitioner who is not you or your spouse, family member, business partner, employee or employer.

Employee Member means someone who works on a fulltime, part-time, permanent, casual or temporary basis for the Qantas Group and is also a member of Qantas Super. Refer to the definition of 'Employed' below for eligibility requirements for cover for income protection.

Employed means:

- for death (including Terminal Illness) and TPD – engaged in Regular employment; and
- for income protection – engaged in Regular permanent employment for at least 15 hours per week but does not include any person engaged on a Casual Employment or Seasonal or Contract Employment basis.

Fixed Term Employment means you are Employed for a fixed period of employment determined at the commencement of your employment and where you are in receipt of leave, sick leave, superannuation and other entitlements normally associated with Full Time Employment.

Full Time Employment means you are engaged in permanent employment for the standard number of work hours (usually a minimum of 30 hours per week) where the Qantas Group guarantees continuity of employment and you receive entitlements normally associated with permanent employment.

Illness means a sickness, disease or medical disorder.

Important Duties means the duties of your Occupation which are essential in producing a salary.

Income Account means an account in Gateway that pays you regular income payments that can be used as part of your retirement or transition to retirement strategy.

Limited Cover means you are covered only for claims arising from:

- an Illness which first became apparent; or
- an injury which first occurred;

on or after the date you first became eligible for cover.

Medical Practitioner has the meaning set out in the definition of 'Doctor' on the previous page.

Monthly Income means one-twelfth of your Salary for Insurance Purposes derived from your Occupation.

Occupation means the employment or activity in which you are Employed unless you are occupied in home duties or unemployed.

Own Occupation means the normal occupation in which you were Employed immediately prior to becoming Totally Disabled.

Partially Disabled or **Partial Disability** means that, immediately following a period of at least 14 consecutive days of Total Disability and as a direct result of the injury or Illness which caused the Total Disability, you have returned to work in your own or another occupation and you are:

- continuously unable to perform at least one of the Important Duties of your Own Occupation; and
- earning less than your Monthly Income prior to your Total Disability; and
- under the care of and following the regular and continuous advice for treatment from a Doctor in relation to that Illness or injury.

Permanent Incapacity means ill-health (whether physical or mental) where you have ceased gainful employment and the Trustee is reasonably satisfied that you are unlikely, because of ill-health, to engage in gainful employment for which you are reasonably qualified by education, training or experience.

Regular means the period of continuous work history as measured over the six month period immediately prior to your Date of Claim or if you have less than six months continuous work history, the period of continuous work history as measured over your average length of service immediately prior to your Date of Claim.

Retained Member means an Employee Member who has ceased employment with the Qantas Group or exercised choice of fund and is eligible to continue their membership with an account in Gateway.

Retirement Member means someone with an Income Account in Gateway who has notified Qantas Super that they have satisfied a condition of release, see the 'Accessing your benefits' section under 'How super works' in this document that entitles them to unrestricted access to their super.

Salary for Insurance Purposes means your salary for insurance purposes as advised to us by the Qantas Group upon you joining Gateway and at each 1 October for the purposes of determining your amount of Salary-Linked Basic Cover, if applicable. Contact us if you would like to confirm the amount of Salary for Insurance Purposes that Qantas Super has on record for you, or if you have any questions about the how the definition of Salary for Insurance Purposes applies to your insurance cover.

If you have questions about how the amount of your Salary for Insurance Purposes has been determined, please contact your relevant payroll department.

Seasonal or **Contract Employment** means you are not in Fixed Term Employment, but are employed or contracted in your own name or in your business name or through an agency to complete a specific job and without guarantee of continuity of employment, irrespective of the hours worked or the period of employment.

Spouse Member means a current or former spouse (where spouse is as defined under the definition of 'Dependant' in this section) of an Employee Member, who is a member of Gateway.

Standard Cover means the amount of insurance cover for death, TPD and income protection (where applicable) automatically provided to you when you joined another division of Qantas Super.

Super Account means an account in Gateway where you can build your super through regular or ad hoc contributions. This account does not provide regular income payments like an Income Account.

Temporary Incapacity means ill-health (whether physical or mental) that caused you to cease to be gainfully employed (including temporarily ceasing to receive any gain or reward under a continuing arrangement to be gainfully employed) but that does not constitute Permanent Incapacity.

Terminal Illness you suffer an Illness or incur an injury that two registered Medical Practitioners (at least one of whom is a specialist practicing in an area related to your Illness or injury) certify, jointly or separately, is likely to result in your death in 24 months or less and that certification period has not ended. The reduced life expectancy must occur while you are a member of Gateway and have Basic Cover and/or Voluntary Cover. This definition will apply when claiming an amount under your insurance cover in Gateway.

Terminal Medical Condition means that two medical practitioners (including at least one specialist practicing in an area related to your illness or injury) have certified that you suffer from an illness or have incurred an injury, that is likely to result in your death within a period that ends not more than 24 months of the date of certification and that period has not ended. This definition can be applied as a condition of release for accessing your preserved super in cash.

Totally Disabled or **Total Disability** means that, solely as a result of injury or Illness, you are continuously:

- unable to perform at least one of the Important Duties of your Own Occupation; and
- under the care of and following the regular and continuous advice for treatment from a Doctor in relation to that Illness or injury; and
- not engaged in any occupation, paid or unpaid.

Transfer Balance Cap is a cap on the total amount of superannuation that is generally allowed to be transferred into retirement income stream accounts, including an Income Account, on which earnings are tax free. This amount is generally $1.6 million (for 2018/2019) and will be indexed each year.

Transition to Retirement Member means someone with an Income Account in Gateway who has reached their preservation age, see the 'Accessing your benefits' section under 'How super works' in this document but not yet satisfied a condition of release that entitles them to unrestricted access to their super.

Voluntary Cover s an amount of additional insurance cover for death and/or TPD that you can apply for in Qantas Super.

Waiting Period means the period of continuous disability commencing from the first day of your Total Disability during which no Total or Partial Disability benefits are payable. The Waiting Period is a minimum[1] of 90 days and starts on the day you first get medical advice and are confirmed to have a Total Disability by a Doctor.

[1] You have a once-only option at point of claim to extend the Waiting Period by a nominated amount of your accrued sick leave and/or annual leave.

Contact us

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