

General information about insurance benefits available through Qantas Super for Divisions 1, 2 and 3

Effective 1 July 2015

Qantas Super provides eligible members with flexible insurance options. This means you are automatically covered 24 hours a day, seven days a week for death, total and permanent disablement and, depending upon your division, income protection. This is known as Standard Cover and is subject to eligibility criteria.

This fact sheet provides an overview and assumes you:

- are a permanent Qantas Group employee currently at work (not on leave without pay);
- are eligible for cover under Qantas Super's insurance policies with the insurer, MLC Limited. If you were last at work before 1 August 2014, Qantas Super's self-insured arrangements apply to you which are different to the benefits set out in this information sheet;
- have not reached your Superannuation Date¹; and
- do not have special arrangements or grandfathered benefits (including members who transferred from former Australian Airlines schemes).

This fact sheet does not cover any Voluntary Cover you may also have taken out. Please refer to the *Voluntary Insurance Guide* for details.



Note: If you cease employment with the Qantas Group and become a Retained Member in Gateway, your Standard Cover will transfer to Gateway (conditions apply). Refer to the disclosure information relevant to your division and the Gateway PDS, available on our website.

Note: This information sheet is intended to help you understand the general features of your insurance benefits through Qantas Super. It is not comprehensive and does not cover all terms that apply to insurance benefits. Its content may not apply or may be modified in respect of individuals, groups or categories of members to reflect grandfathered benefits or other arrangements.

For more comprehensive information, and before making a decision regarding your benefits in Qantas Super, please refer to the relevant disclosure documents or contact the Qantas Super Helpline. In the event of any discrepancy between this fact sheet, the Trust Deed and Rules (Trust Deed), Qantas Super's policies with the insurer, the terms of the Trust Deed and Qantas Super's policies will prevail.

Details of Standard Cover

This table sets out some of the key features.

Divisions 1 and 2

Type of benefit		How it's calculated
Income Protection (or total but temporary disablement) benefit	<p>Division 1 and 2</p> <ul style="list-style-type: none"> ■ Cover up to your Superannuation Date¹ ■ Monthly income benefit for the period of the disability ■ Monthly benefit for reimbursement of private health insurance premiums ■ Waiting period is a minimum of 90 days ■ Benefit ceases on termination of employment and in other specified circumstances ■ Member contributions are funded by the Qantas Group and company contributions continue to be made 	<p>Division 1 and 2</p> <ul style="list-style-type: none"> ■ Monthly income benefit = (your salary³ x 70%) ÷ 12 ■ Benefit is reduced by offsetting amounts which include, but are not limited to: <ul style="list-style-type: none"> – Any workers compensation payment – Any sick or annual leave payments – Any social security payment – Any other income received as a result of the disability (including from other insurance policies). ■ Any lump sum offsetting amounts received are converted to equivalent income amounts for the purpose of determining the amount of the offset to be applied ■ Payment of health fund premiums is fixed at \$190.20 as at 1 April 2015 (indexed to AWOTE⁴) per month. Payment is subject to evidence of private health fund membership ■ Loss of Licence – No benefit is payable if Loss of Licence Insurance Cover² is paid or may become payable
Total and Permanent Disablement (TPD) benefit	<p>Division 1</p> <ul style="list-style-type: none"> ■ Cover up to your Superannuation Date¹ ■ You can make a one off nomination of benefit payable at the point of a claim. Select either: <ul style="list-style-type: none"> – A monthly income benefit which is payable until you reach your Superannuation Date¹. Upon reaching your Superannuation Date¹, monthly payments cease and a lump sum Retirement Benefit becomes payable; or – A lump sum TPD benefit. ■ Company contributions continue to be made ■ Benefits continue after termination of employment but cease upon reaching your Superannuation Date¹ or in other specified circumstances ■ Benefit period is excluded from Credited Service if member contributions are not paid <p>Division 2</p> <ul style="list-style-type: none"> ■ Cover up to your Superannuation Date¹ ■ You can make a one off nomination of benefit payable at the point of claim. Select either: <ul style="list-style-type: none"> – A monthly income benefit which is payable until you reach your Superannuation Date¹. Upon reaching your Superannuation Date¹, monthly payments cease and a lump sum Retirement Benefit becomes payable; or – A lump sum Serious Ill-Health Benefit (see below). ■ Company contributions continue to be made ■ Benefits continue after termination of employment but cease upon reaching your Superannuation Date¹ or in other specified circumstances ■ Benefit period is excluded from Credited Service if member contributions are not paid 	<p>Division 1</p> <ul style="list-style-type: none"> ■ Monthly income benefit = calculated as per the income protection benefit (including applicable reductions due to offsets) ■ Lump sum TPD benefit = Greater of three calculation options which are set out under the Trust Deed and Rules ■ Loss of licence – Please see the <i>Application of Loss of Licence Insurance Plan</i> fact sheet² for details of the impact on your super benefits <p>Division 2</p> <ul style="list-style-type: none"> ■ Monthly income benefit = calculated as per the income protection benefit (including applicable reductions due to offsets) ■ Loss of licence – Please see the <i>Application of Loss of Licence Insurance Plan</i> fact sheet² for details of the impact on your super benefits
Death, Serious Ill-Health, or Terminal Illness benefit	<p>Division 1 and 2</p> <ul style="list-style-type: none"> ■ Lump sum benefit ■ Cover up to your Superannuation Date¹ ■ Serious ill-health benefit is payable where you cease employment due to serious ill-health but are not entitled to a TPD benefit ■ Division 2 only: Serious ill-health benefit is payable where you are TPD but elect to receive a Serious Ill-Health Benefit ■ Terminal Illness benefit is an advance payment of the death benefit 	<p>Division 1 and 2</p> <ul style="list-style-type: none"> ■ The death benefit (and serious ill-health benefit) calculations depend upon a range of factors ■ Terminal Illness benefit payments are subject to a maximum of \$3 million. Any remaining balance is payable on death



For more information on benefits and their calculation, refer to the disclosure information relevant to your division, available on our website, or call the insurance helpline on 1300 721 139.

Division 3

Type of benefit		How it's calculated
Income Protection (or total but temporary disablement) benefit	<ul style="list-style-type: none"> ■ Monthly income benefit ■ Waiting period is a minimum of 90 days ■ Payable for maximum period of 24 months ■ Cover to age 65 ■ Benefit payable ceases on termination of employment and in other specified circumstances 	<ul style="list-style-type: none"> ■ Monthly income benefit = $(\text{your salary}^3 \times 75\%) \div 12$ ■ Benefit is reduced by offsetting amounts which include, but are not limited to: <ul style="list-style-type: none"> - Any workers compensation payment - Any sick or annual leave payments - Any social security payment - Any payment received under Loss of Licence Insurance. Please see the <i>Application of Loss of Licence Insurance Plan</i> fact sheet² for details - Any other income received as a result of the disability (including from other insurance policies) ■ Any lump sum offsetting amounts received are converted to equivalent income amounts for the purpose of determining the amount of the offset to be applied
Total and Permanent Disablement (TPD) benefit	<ul style="list-style-type: none"> ■ Lump sum benefit ■ Cover to age 65 	<ul style="list-style-type: none"> ■ Projected Retirement Benefit = $(18\% \times \text{salary}^3 \times \text{years of actual and prospective Credited Service to age 65})$ ■ Plus any supplementary benefit ■ Benefit reduced by offsetting amounts which include, but are not limited to: <ul style="list-style-type: none"> - Any workers compensation or insurance payment - Any social security payment - 1/3 of any insurance payment received under Loss of Licence Insurance. Please see the <i>Application of Loss of Licence Insurance Plan</i> fact sheet² for details - Any other income received as a result of disability (including from other insurance policies) ■ Any offsetting amounts received in the form of income are converted to equivalent lump sum amounts for the purpose of determining the amount of the offset to be applied
Death or Terminal Illness benefit	<ul style="list-style-type: none"> ■ Lump sum benefit ■ Cover to age 65 ■ Terminal Illness benefit is an advance payment of the death benefit 	<ul style="list-style-type: none"> ■ Projected Retirement Benefit = $(18\% \times \text{salary}^3 \times \text{years of actual and prospective Credited Service to age 65})$ ■ Plus any supplementary benefit ■ Terminal Illness benefit payments are subject to a maximum of \$3 million. Any remaining balance is payable on death

Notes

¹ Superannuation Dates for:

- Division 1 and 2
 - 1 July following 55th birthday (Flight Attendants and Tech Crew)
 - 1 July following 60th birthday (Ground Staff)
- Division 3
 - Age 65

² Refer to the *Application of Loss of Licence Insurance Plan* fact sheet, available on the website.

³ Different salary definitions apply to categories of members and benefit payments under the Trust Deed. Salary amounts are as advised by the Qantas Group. Details on how salary is calculated can be found on the People section of the Qantas Group intranet, or by contacting Qantas People Services or the relevant payroll department. Benefits will be reduced by any applicable part-time factor.

⁴ AWOTE means Average Weekly Ordinary Time Earnings.

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The information in this fact sheet 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. In addition, the information contained in this fact sheet is generic and may not be applicable to members across all divisions.

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.

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