

# Real Life Cover for SMSF

Product Disclosure Statement  
1 July 2023





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Life Cover for SMSF is issued by Hannover Life Re of Australasia Ltd (Hannover) ABN 37 062 395 484 of Tower 1, Level 33, 100 Barangaroo Avenue, Sydney NSW 2000. Hannover holds an Australian Financial Services License 530811 to settle and handle claims.

Life Cover for SMSF is distributed and promoted by Real Insurance. Real Insurance is a trading name of Greenstone Financial Services Pty Ltd (GFS) ABN 53 128 692 884, Australian Financial Services Licence 343079 of 50 Norwest Blvd, Norwest NSW 2153.

From time to time, Life Cover for SMSF may be updated. Updates which are not materially adverse to you may be found on the Real Insurance website at [realinsurance.com.au](http://realinsurance.com.au). If you request a paper copy, this will be provided to you free of charge.

# Welcome to Real Insurance

Real Insurance is a trading name of Greenstone Financial Services (GFS). GFS has partnered with Hannover Life Re of Australasia Ltd (**Hannover**) which is the insurer of this Policy and the issuer of this Product Disclosure Statement (**PDS**).

Hannover is a wholly-owned subsidiary of Hannover Re and is part of the Hannover Re Group worldwide. The life insurance business of Hannover has been operating in the Australian market since 1994, has a Standard and Poor's Insurer Financial Strength of AA- (Very Strong) and as at 31 December 2021 had a total annual in force premium of AU\$1.8 billion.

Hannover is regulated by the Australian Prudential Regulation Authority (**APRA**).

**In this PDS, reference to 'you', 'your' and 'yours' means, unless otherwise stated, the Trustee of the SMSF who is also the Policyowner and/or the Life Insured as applicable or as the context requires.**

**The member of the SMSF who is insured under the Policy is referred to as the 'Life Insured'.**

**'We', 'us' and 'our' means Hannover Life Re of Australasia Ltd.**

## Our promise to you

To ensure that you receive the highest standard of service when you take out life insurance, we comply with the Life Insurance Code of Practice (the Code). We also ensure our partners, including GFS, comply with the Code (as applicable) in all their dealings with you.

### What does the Life Insurance Code of Practice cover?

The Code sets out the life insurance industry's key commitments and obligations. It covers many aspects of your relationship with GFS and Hannover, from buying insurance to making a claim, to providing options if you experience financial hardship or require additional support.

### Key Code Promises

- ✔ We will be honest, fair, respectful, timely and transparent when we communicate with you, and we will use plain language unless medical or other technical terminology is needed.
- ✔ We will monitor sales and retention practices to ensure they are completed appropriately.
- ✔ If a sale occurs using unacceptable sales practices, Real Insurance will fix it.
- ✔ Additional support is available if you have difficulty with buying insurance or making a claim.
- ✔ When you make a claim, Real Insurance will explain the process to you and keep you informed on the progress of your claim.
- ✔ A decision on your claim will be made within the Code timeframes, and if in circumstances beyond our control we cannot meet these timeframes, we will explain why and you will have access to our complaints process.
- ✔ If we deny your claim, we will explain the reasons in writing and let you know the next steps if you disagree with our decision.
- ✔ We will restrict the use of investigators and surveillance, to preserve your right to privacy.
- ✔ The independent Life Code Compliance Committee will monitor our compliance with the Code.
- ✔ If we do not correct the Code breaches, sanctions can be imposed on us.

### Getting a copy

You can find out more about the Code and how to get a copy on the Real Insurance website at [realinsurance.com.au/code-of-practice/life-insurance](https://realinsurance.com.au/code-of-practice/life-insurance)



# Product Disclosure Statement

## Explaining this PDS

This Product Disclosure Statement (PDS) tells you the terms and conditions applying to a Life Cover for SMSF Policy and it provides important information about keeping premium payments up to date, what to do if you want to make a change and how to go about making a claim.

Any advice given in this PDS is general only and does not take into account the SMSF's or its members' objectives or financial situation. You should consider whether this product is right for the members of the SMSF, in regards to their objectives, financial situation and needs and in accordance with the covenants and obligations with which you must comply. You should carefully read this and any other documentation we send you. Superannuation and tax law are complex, so we recommend that you seek professional advice specific to your/the members' circumstances.

Real Insurance and GFS does not guarantee Life Cover for SMSF and it is not liable to pay benefits under the Policy. The assessment and payment of claims for benefits is the responsibility of the insurer, Hannover.

Real Insurance and GFS has consented to being named in this PDS in the form and context in which it appears and has not withdrawn this consent before the date of this PDS.

In this PDS, some words or expressions have special meaning. They normally begin with capital letters (unless stated otherwise) and their meaning is explained in the 'Glossary' on page 22 of this PDS.

It is important that you comply with:

- ✓ your duty to take reasonable care (on page 20); and
- ✓ the terms and conditions of your Policy.

If you do not, we may refuse to pay a claim or reduce the amount we pay. By law, we may also in some circumstances cancel the Policy.

## Who is this Policy for?

There are different types of Insurance Covers available with this Policy (which are described in this PDS). To understand who this product has been designed for, the different types of Insurance Covers, and if the Insurance Covers are likely to be consistent with your needs, objectives and financial situation, you can review the Target Market Determination which is available at [realinsurance.com.au](http://realinsurance.com.au) or you can request a free paper copy by contacting Real Insurance.



## Introducing Life Cover for SMSF

Life Cover for SMSF offers an insurance policy for Trustees of a SMSF catering to the life insurance needs of the members of the SMSF.

There's Life Insurance – providing a lump sum Benefit Amount in the event of death or Terminal Illness, which you can apply for on its own.

Plus, you can choose to add on optional Total & Permanent Disability Insurance Cover which pays a lump sum Benefit Amount in the event the Life Insured suffers a Total & Permanent Disability.

Whatever combination you choose, with Life Cover for SMSF, the Life Insured is protected 24 hours a day, 7 days a week, worldwide while the Policy is in force.

A full explanation of these benefits, and the terms and conditions, limits and exclusions of the Policy is contained in this PDS and the other documents that make up the Policy.

Please note, as the Policy is issued to the Trustee of an SMSF, there may be legal obligations and restrictions imposed on us by the superannuation or taxation rules that determine how any payment under the Policy is made or to whom it should be

made, or they may prevent us from making payments. Those rules may also have an impact on any continuation option available.

The legal obligations and restrictions imposed by the superannuation or taxation rules are subject to change without notice. We cannot provide advice on those issues and you should seek advice from an appropriate professional about such matters.

## Your insurance Policy

If your application is accepted by us, we will issue you a Policy Schedule. Your insurance Policy consists of the Policy Schedule and:

- ✓ this PDS (which includes the terms and conditions applying under the Policy) and any documents that update the PDS (such as a Supplementary PDS);
- ✓ the application; and
- ✓ any special conditions, amendments or endorsements we issue to you.

Please keep these documents in a safe place for future reference. The Insurance Cover provided under the Policy is written out of the Hannover Australian statutory fund.

# Life Insurance

## What is Life Insurance?

Life Insurance provides a Benefit Amount in the event the Life Insured under the Policy suffers an Accidental Death or dies of natural causes, or is diagnosed with a Terminal Illness, while covered under this Policy.

## Who can take out Life Insurance?

You can apply for a Life Cover for SMSF Policy if the Life Insured is:

- ✓ an Australian Resident aged between 18 and 64 at the time the Life Insured commences the cover; and
- ✓ an active member of the SMSF.

## Complimentary interim Accidental Death Insurance

If you apply for insurance by phone, and we require further information to assess the application, the Life Insured will automatically be provided with interim Accidental Death Insurance for up to 30 days from the application date while we assess the application. The amount of interim Accidental Death Insurance is the Life Insurance Benefit Amount applied for subject to the maximum cover amount indicated in **'The amount of Life Insurance you can apply for'** on this page.

There are some circumstances which are not covered under Accidental Death Insurance, and these are explained under the heading **'What is not covered under your interim Accidental Death Insurance?'** on page 10. This interim cover is provided at no additional cost and is subject to the terms, conditions, limitations and exclusions explained in this PDS

(including, but not limited to **'What is not covered under your interim Accidental Death Insurance?'** on page 10).

The interim Accidental Death Insurance Cover will cease on the earliest of:

- ✓ 30 days from the application date;
- ✓ the Acceptance Date;
- ✓ where the application is withdrawn, or cancelled, or you advise GFS you do not wish to proceed, the date on which this occurs;
- ✓ if your application is not accepted by us, the date on which we advise GFS it is not accepted; or
- ✓ the date you cease to be eligible to apply for Life Cover for SMSF, as listed under **'Who can take out Life Insurance'**.

## The amount of Life Insurance you can apply for

The minimum Benefit Amount is \$100,000. The maximum Benefit Amount for the Life Insured under the Policy at the Commencement Date is:

Maximum Benefit Amount (at Commencement Date)	
Current age	Benefit Amount
18 – 44	\$2,000,000
45 – 49	\$1,500,000
50 – 54	\$1,000,000
55 – 59	\$ 750,000
60 – 64	\$ 500,000



## When we will pay the Life Insurance benefit

We will pay the Benefit Amount explained on page 8 if the Life Insured suffers an insured event, namely death or Terminal Illness, while covered under the Policy except in the circumstances explained in 'What is not covered under your Life Insurance?' on page 10.

As the Policy is held inside the SMSF, we will pay the Life Insurance benefit to the Trustee. The governing rules of the SMSF (or the Superannuation Industry (Supervision) Act (SIS Act) or other applicable legislation or regulations) set out the rules pertaining to the nomination and payment of beneficiaries. We cannot provide advice on those issues and you should seek advice from an appropriate professional about such matters.

### Life Insurance

We will pay the Life Insurance Benefit Amount as a lump sum on death of the Life Insured while covered under the Policy.

### Terminal Illness

We will pay the Life Insurance Benefit Amount as a lump sum if the Life Insured is diagnosed with a Terminal Illness while covered under the Policy.

### Limit on benefits

The total benefits payable for the Life Insured under the Policy cannot exceed:

- ✔ the maximum Life Insurance Benefit Amount for their age at the Commencement Date; plus
- ✔ any automatic sum insured increases under the Policy.

If the Life Insured is covered under more than one life insurance policy provided by Real Insurance, we will apply this limit to the total of the benefits payable for the Life Insured under all life insurance

policies provided by Real Insurance. This limit does not apply to any term life insurance policies provided by Real Insurance. Any reduction in the Benefit Amount will be applied to the Policy most recently commenced and we will refund the premiums paid referable to the amount by which the Benefit Amount is reduced. Where a refund is payable on a Life Cover for SMSF Policy, the refund will be paid to the SMSF.

The Life Insurance Benefit Amount will be reduced by the amount of any Total & Permanent Disability benefit paid for the Life Insured.

If we reduce the Life Insurance Benefit Amount, we will reduce the premiums accordingly.

## The cost of your Life Insurance

Premiums are the cost of your insurance. The premium you are required to pay when the Policy starts is shown in the Policy Schedule.

Your premium is a stepped premium, which means that it will increase each year the Life Insured ages. The premium is calculated at each Policy Anniversary and is based on:

- ✔ the age of the Life Insured at that time; and
- ✔ the Benefit Amount provided for the Life Insured; and
- ✔ various factors which affect the premium rating for the Life Insured such as sex at birth, smoking status, state of health, family history, occupation and participation in hazardous activities.

When the Life Insured on the Policy attains age 99, the premium will stay the same for the remaining term of the Policy.

For a premium quote, to understand more about the cost of your Insurance Cover, or to confirm any transactions in relation to the Policy, please contact Real Insurance on **1300 367 325** Monday to Friday between 8am and 8pm (AEST), or visit [realinsurance.com.au](http://realinsurance.com.au)

## **What is not covered under your Life Insurance?**

We will not pay a Life Insurance Benefit Amount in respect of the Life Insured, if the Life Insured dies, or is diagnosed with a Terminal Illness, as a result of a self-inflicted injury, within 13 months of:

- ✔ the Acceptance Date of the Policy; or
- ✔ the date that any increase in cover starts (but only in respect of the increase); or
- ✔ where we have agreed to reinstate the Policy after it was cancelled by us, the date on which we reinstate the Policy (reinstatement date).

We will not pay any Benefit Amounts where we have agreed a special term in respect of the cover that specifically excludes the event or condition leading to the claim. Any such special term will be agreed upon before the Policy is issued and will appear on the Policy Schedule.

## **What is not covered under your interim Accidental Death Insurance?**

We will not pay an interim Accidental Death Insurance Benefit Amount in respect of the Life Insured if the Life Insured suffers Accidental Death as a result of:

- ✔ intentional self-inflicted bodily injury; or
- ✔ engaging in any criminal activities or illegal acts; or
- ✔ suicide or attempted suicide; or
- ✔ the consumption of drugs (unless the consumption of drugs was under the direction of a Medical Practitioner and not in connection with treatment for substance abuse, drug addiction or dependence); or
- ✔ the consumption of intoxicating liquor, including having a blood alcohol content over the prescribed legal limit whilst driving; or
- ✔ engaging in any professional sport (meaning the Life Insured's livelihood is substantially dependent on income received as a result of playing sport); or
- ✔ war (whether declared or not) or war-like activity, or taking part in a riot or civil commotion; or
- ✔ being a pilot or crew member of any aircraft, or engaging in any aerial activity except as a passenger in a properly licensed aircraft.

## When your Life Insurance starts and ends

If an application for Life Insurance is accepted by us, cover starts for the Life Insured on the Acceptance Date set out in the Policy Schedule. Your first premium is deducted from the Commencement Date, which is also set out in the Policy Schedule.

We guarantee to renew your Life Insurance (provided you pay your premiums when due) for life.

Life Insurance under your Life Cover for SMSF Policy ends for the Life Insured when the first of the following occurs:

- ✔ the date of the Life Insured's death;
- ✔ the date of diagnosis of a Terminal Illness as defined in the Policy;
- ✔ the date of payment of a Total & Permanent Disability claim where the Total & Permanent Disability Benefit Amount is the same as Life Insurance Benefit Amount;
- ✔ the date the Policy is cancelled; or
- ✔ the date you cease to be a member of the SMSF.

In the event of a Terminal Illness or Total & Permanent Disability claim, your Policy will remain active until a claim is paid. Upon claim payment, the end date of your cover will be backdated to the date of incident which resulted in your claim.

## Continuation option

Upon exiting the SMSF, the Life Insured can, without providing evidence of their health, convert the Life Insurance Benefit Amount under the Policy which has not expired or been cancelled to cover under a new eligible life insurance policy provided by Real Insurance to be issued at the date of conversion (the date of exiting the SMSF), provided that:

- ✔ the Policyowner who is the Trustee of the Life Insured's SMSF, does not object;
- ✔ the Life Insured has not claimed, or is not claiming Terminal Illness;
- ✔ the Life Insured is not claiming Total & Permanent Disability under the Policy; and
- ✔ Life insurance under the new Policy is on the terms and conditions for that cover then available.

**The continuation option must be exercised within 30 days of exiting the SMSF.**

# Total & Permanent Disability Insurance Option

This option is only available with Life Insurance. You may only choose to include this option if we accepted the Life Insurance application and it is shown in the Policy Schedule.

## What is Total & Permanent Disability Insurance?

Total & Permanent Disability Insurance provides a benefit in the event that the Life Insured under the Policy suffers Total & Permanent Disability.

## Who can take out Total & Permanent Disability Insurance?

You can apply for this Insurance Cover if the Life Insured is:

- ✔ an Australian Resident aged between 18 and 59 years of age; and
- ✔ working at least 20 hours per week, or if the Life Insured is a Homemaker who works less than 10 hours per week in paid employment.

## The amount of Total & Permanent Disability Insurance you can apply for

The minimum Total & Permanent Disability Insurance Benefit Amount is \$50,000.

The maximum Total & Permanent Disability Insurance Benefit Amount for the Life Insured under the Policy at the Commencement Date is the same, or lesser of the maximum Benefit Amount shown on this page or the Life Insurance Benefit Amount for the Life Insured provided under the Policy.

Maximum Benefit Amount (at Commencement Date)	
Current age	Benefit Amount
18 – 44	\$1,000,000
45 – 49	\$ 750,000
50 – 54	\$ 750,000
55 – 59	\$ 500,000
60 – 64	N/A

## When we will pay the Total & Permanent Disability Insurance Benefit Amount

We will pay the Total & Permanent Disability Insurance Benefit Amount as a lump sum if the Life Insured suffers Total & Permanent Disability (insured event) while covered under the Policy, except in the circumstances explained in 'What is not covered under your Total & Permanent Disability Insurance?' on page 14.

The Total & Permanent Disability must be certified by two Medical Practitioners or Specialist Medical Practitioners (as indicated in the 'Glossary' on page 22), and may need to be confirmed by our medical advisers. If confirmation is required, our medical advisers will review the medical evidence submitted in support of your claim, nothing will be required from the claimant for this review by our medical advisers to occur.

If a Total & Permanent Disability Insurance claim is admitted, the Benefit Amount will be paid to the Trustee.

The governing rules of the SMSF (or the SIS Act or other applicable legislation or regulations) may set out the rules pertaining to the payment of the Benefit Amount. Payment may have taxation consequences. We cannot provide advice on those issues and you should seek advice from an appropriate professional about such matters.

### Limit on benefits

Only one Benefit Amount is payable for a Life Insured under this Total & Permanent Disability Insurance.

The Total & Permanent Disability Insurance Benefit Amount payable for a Life Insured cannot exceed the Life Insurance Benefit Amount for the Life Insured under the Policy.

If the Life Insured is covered for Total & Permanent Disability Insurance under more than one life insurance policy provided by Real Insurance, we will apply this limit to the total of the Total & Permanent Disability Insurance Option benefits payable for the Life Insured under all life insurance policies provided by Real Insurance. This limit does not apply to any term life insurance policies provided by Real Insurance. Any reduction in the Total & Permanent Disability Benefit Amount will be applied to the Total & Permanent Disability Insurance most recently commenced and we will refund the premiums paid referable to the amount by which the Total & Permanent Disability Benefit Amount is reduced.

Where a refund is payable on a Life Cover for SMSF Policy, the refund will be paid to the SMSF.

Where a Benefit Amount is paid under this Total & Permanent Disability Insurance, we will reduce the Life Insurance Benefit Amount by the Total & Permanent Disability Insurance Benefit Amount in respect of the Life Insured. If we reduce the Life Insurance Benefit Amount, we will reduce your premium accordingly.

## The cost of your Total & Permanent Disability Insurance

The premium you are required to pay for this option when the Policy starts is shown in the Schedule.

The Total & Permanent Disability Insurance premium is a stepped premium, which means that it will increase each year as the Life Insured ages. The premium is calculated at each Policy Anniversary and is based on:

- ✓ the age of the Life Insured at that time; and
- ✓ the Benefit Amount provided for the Life Insured; and
- ✓ various other factors which affect your premium rating for the Life Insured such as sex at birth, smoking status, state of health, family history, occupation and participation in hazardous activities.

For a premium quote, or to understand more about the cost of your insurance, or to confirm any transactions relating to the Policy please contact Real Insurance on **1300 367 325** Monday to Friday between 8am and 8pm (AEST), or visit [realinsurance.com.au](http://realinsurance.com.au)

## What is not covered under your Total & Permanent Disability Insurance?

We will not pay a Total & Permanent Disability Insurance Benefit Amount if the Life Insured suffers a Total & Permanent Disability as a result of an injury caused or accelerated by an intentional act performed by the Life Insured, Policyowner or person who will otherwise be entitled to all or part of the Benefit Amount.

We will not pay any Benefit Amount where we have agreed a special term in respect of the Insurance Cover that specifically excludes the event or condition leading to the claim. Any such special term will be agreed before the Policy is issued and will appear on the Policy Schedule.

## When your Total & Permanent Disability Insurance starts and ends

If the application for Total & Permanent Disability Insurance is accepted by us, then the Total & Permanent Disability Insurance starts on the Acceptance Date. If we agree to add Total & Permanent Disability Insurance to the Policy after the Acceptance Date, we will advise you of the date the Total & Permanent Disability Insurance starts.

The Total & Permanent Disability Insurance Cover ends for a Life Insured when the first of the following occurs:

- ✓ the date of the Life Insured's death;
- ✓ the date of diagnosis of a Terminal Illness as defined in the Policy;
- ✓ the date of payment of the Total & Permanent Disability Insurance Benefit Amount;
- ✓ the date the Policy or Total & Permanent Disability Insurance Cover is cancelled;

- ✓ the date you cease to be a member of the SMSF; or
- ✓ the Policy Anniversary following the Life Insured's 65th birthday.

In the event of a Total & Permanent Disability claim, your Policy will remain active until a claim is paid. Upon claim payment, the end date of your cover will be backdated to the date of incident resulting in your claim.

## Continuation option

Upon exiting the SMSF, the Life Insured can without providing evidence of their health, convert Total & Permanent Disability Insurance under the Policy which has not expired or cancelled to Total & Permanent Disability Insurance under a new life insurance policy provided by Real Insurance to be issued at the date of conversion (the date of exiting the SMSF), provided that:

- ✓ the Life Insurance benefit has been continued under a new eligible life insurance policy provided by Real Insurance;
- ✓ the Policyowner who is the Trustee of the Life Insured's SMSF, does not object;
- ✓ the Life Insured is 59 years old or less;
- ✓ the Life Insured has not claimed, or is not claiming a Total & Permanent Disability Insurance Benefit Amount under the Policy;
- ✓ the Life Insured has not claimed, or is not claiming Terminal Illness under the Policy; and
- ✓ Total & Permanent Disability Insurance Cover under the new Policy is on the terms and conditions for that cover then available and the cover amount doesn't exceed the Total & Permanent Disability Insurance Cover for the Life Insured under the Life Cover for SMSF Policy at the date of conversion.

**The continuation option must be exercised within 30 days of exiting the SMSF.**



## General Information about Life Cover for SMSF

### Your 30-day money back guarantee

You have 30 days from the Commencement Date, or the date any optional benefit starts, to make sure you are happy with it, and decide whether you want to keep the Policy or optional benefits. This is known as the “cooling-off” period. If you want to cancel your Policy, or the optional benefit within this 30-day period, you may do so provided you have not made a claim under the Policy.

If you wish to cancel your Policy or the optional benefit within the cooling-off period, please either send a written request providing your instruction to cancel along with your full name and Policy number to:

**Real Insurance**  
**Reply Paid 6728**  
**Baulkham Hills NSW 2153**

Or email Real Insurance at [service@reallifecover.com.au](mailto:service@reallifecover.com.au)

Or call us on **1300 367 325** Monday to Friday between 8am and 8pm (AEST).

If your request is received within 30 days of your Commencement Date we will refund any premiums paid for the benefits you have cancelled to the SMSF.

If you wish to discuss the matter or make alterations to your cover you can contact Real Insurance on **1300 367 325** Monday to Friday between 8am and 8pm (AEST).

### Automatic sum insured increases

To help your level of insurance keep up with the cost of living, your Insurance Cover and optional benefits (if applicable) are automatically increased on each Policy Anniversary by 3%.

Automatic increases will continue even where the maximum Benefit Amount is met or exceeded.

Each year the Policy remains in force, we will send you an updated Policy Schedule 30 days prior to the Policy Anniversary setting out your updated Benefit Amount and premium. You can decline the automatic increase by calling Real Insurance on **1300 367 325** Monday to Friday between 8am and 8pm (AEST), or by writing to **Real Insurance**, Reply Paid 6728, Baulkham Hills NSW 2153. If you decline the automatic increase, the updated Policy Schedule we sent you will not be valid and we will send you a replacement Policy Schedule.

If you decline the automatic sum insured increase in any given year, we will continue to offer you automatic sum insured increases on each subsequent Policy Anniversary until you are no longer eligible for them.

The automatic increases will end on the Policy Anniversary following the Life Insured's 75th birthday for the Life Insurance Benefit Amount, and the Policy Anniversary prior to expiry for Total & Permanent Disability cover where applicable.

## Further insurance options

We may offer you the option of incorporating further insurance covers under the Policy. If you accept such offers, we will issue you with a new Policy Schedule setting out the terms and conditions of the Insurance Cover option.

## Premiums

We may change the premium rates applying to the Policy, but only if we change the premium rate applying to all (or the same group of) Life Cover for SMSF Policyowners. We will send written notice of any change to you (to your last address notified to us) at least 90 days before the effective date of the change.

## How you can pay for your insurance and when your premium is deducted

Your premium will be debited on the date of your choice, either fortnightly, monthly or annually. The date on which your first premium is deducted will become your Policy Commencement Date. You can pay by automatic debit from your SMSF, bank or credit union account.

You may apply at any time to change the method of payment or frequency of premiums by calling Real Insurance **1300 367 325** Monday to Friday between 8am and 8pm (AEST).

All payments made in connection with the Policy must be made in Australian dollars by your SMSF.

## Changing your insurance

You can call Real Insurance on **1300 367 325** Monday to Friday between 8am and 8pm (AEST) to discuss changing your Insurance Cover if you wish to make changes to:

- ✔ decrease your Insurance Cover;
- ✔ increase your Insurance Cover; or
- ✔ change the Life Insured's status from a smoker to a non-smoker, for the purpose of determining the Insurance Cover premium rating. You will need to provide a declaration.

Any change and the terms and conditions relating to the change are subject to approval and written confirmation by us.

## When can the Policy be cancelled?

If your premium remains unpaid for more than one month from when it is due, your Policy will be cancelled. Prior to cancelling your Policy, we will provide a written notice (to the last address notified to us) setting out the premium payments that are overdue and the timeframe you have to rectify any overdue payments.

Within six months of the date that the Policy is cancelled by us, you can apply to reinstate cover, however your application will be subject to underwriting and may require new terms and conditions or your application to reinstate cover could be declined.

The Policy will be cancelled if the Life Insured is on a temporary work visa and ceases to reside in Australia.

You are required to tell Real Insurance if the Life Insured is on a temporary work visa and ceases to reside in Australia.



If you wish to cancel the Policy and/or optional benefit, please either send a written request providing your instruction to cancel along with your full name and Policy number to:

**Real Insurance**  
**Reply Paid 6728**  
**Baulkham Hills NSW 2153**

Or email Real Insurance at [service@reallifecover.com.au](mailto:service@reallifecover.com.au)

Or call us on **1300 367 325** Monday to Friday between 8am and 8pm (AEST).

Upon receiving your request, we will cancel your Policy. Where you have paid your premium on an annual basis, we will refund the annual premium less a pro rata amount covering the period for which you were insured. We will refund any premiums paid to the SMSF.

If you wish to discuss a matter or make alterations to your cover you can contact Real Insurance on **1300 367 325** Monday to Friday between 8am and 8pm (AEST).

## Insurance risks

There are a number of insurance risks you should be aware of, including:

- ✔ you need to select the insurance product and apply for the appropriate level of cover for your needs. If you do not have enough cover it might cause you or your family to suffer financial hardship even after receiving the payment of the Benefit Amount;
- ✔ if you are replacing a contract or policy with another contract or policy, you should consider all the terms and conditions of each policy before making a decision to change. Your new cover may not provide the same level or scope of cover and you may need to re-serve waiting periods and your new cover may not provide the required protection if you make errors or omissions in your new application;

- ✔ your health circumstances may change which may mean that new cover is not available;
- ✔ before cancelling any existing policy, you should check that you have been issued with a new policy, otherwise you risk being uninsured;
- ✔ this Policy is an insurance policy designed purely for protection and is not a savings plan, which means that if you cancel your Policy (after the 30-day cooling-off period), or we cancel your Policy, you will not receive anything back unless you have paid more than 30 days in advance;
- ✔ over time your circumstances may change and you may find that you are less able to afford to pay the premium; and
- ✔ we may not pay a benefit in some circumstances (refer to the relevant sections in the PDS about what is not covered under your policy) because an exclusion applies under your Policy.

Please be aware, as explained above, we can cancel your Policy if you do not pay the premiums when due or if the Life Insured is on a temporary work visa and they cease to reside in Australia.

Additional risks exist where the Policy is held inside superannuation including:

- ✔ depending on your tax circumstances, a benefit paid from a Policy inside superannuation may be subject to more tax than would otherwise apply if the benefit was paid from the same insurance held outside superannuation.
- ✔ amounts contributed to your superannuation account to pay insurance premiums will reduce the amount you may be able to contribute for retirement savings purposes, and the premiums paid reduce the savings that would otherwise be available on retirement.

- ✔ taxation or superannuation laws may change in the future, altering the suitability of holding insurance inside superannuation in your situation.

Please consider these risks when selecting the type and amount of the Insurance Cover, for your situation.

We cannot provide advice on those issues and you should seek advice from an appropriate professional about such matters.

## Benefit payments

We make all Benefit Amount payments in Australian dollars.

We will pay benefits to the Trustee of the Life Insured's SMSF who will then distribute the benefits in accordance with the governing rules of the SMSF and the SIS Act. This means that it is not possible to make a beneficiary nomination under the Policy, but it may be possible for the Life Insured to make a beneficiary nomination under the governing rules of the SMSF and/or the SIS Act.

We will not be liable to you for any loss you suffer (including consequential loss) caused by the fact that we are required by law to delay, block, freeze or refuse to process a transaction.

## Making a claim

If you (or your SMSF Trustee on your death) wish to claim under this Policy, please call Real Insurance on **1300 307 297** Monday to Friday between 8am and 8pm (AEST).

Or write to:

**Real Insurance**  
**Reply Paid 6728,**  
**Baulkham Hills NSW 2153**

Or email Real Insurance at [claims@reallifecover.com.au](mailto:claims@reallifecover.com.au)

We will send you a form to be completed, signed and returned. We may also require your treating doctor or specialist to complete a form at your (or your estate's) expense.

The Policy and the Insurance Cover for the benefit must be in force when the insured event occurs.

Claims should be made as soon as possible after the event giving rise to the claim. We encourage you to lodge your claim within 120 days of the insured event, this will assist in reducing any delays within the claim assessment.

Before a claim can be fully assessed we must receive proof, provided at your (or your estate's) expense and to our reasonable satisfaction, that the insured event has occurred. In addition:

- ✔ the claim must be supported by one or more appropriate Medical Practitioners or Specialist Medical Practitioners (as indicated in the '**Glossary**' on page 22); and
- ✔ all relevant information, including any test, examination, or laboratory results, must be provided to us.

We reserve the right to require the Life Insured to undergo, at our expense, examinations or other reasonable tests (including, where necessary, a post-mortem examination) to confirm the occurrence of an insured event. In addition, we may conduct investigations to assess the validity of the claim. This could involve the use of investigation agents and surveillance, legal advisers and the collection of personal data.

## Tax

Premiums payable must be paid from your SMSF. Benefits are paid to the Trustee of the SMSF. Special taxation rules may apply in relation to the taxation of amounts payable. For example, we will

also withhold tax from the death benefit and Total & Permanent Disability benefits where we are required by law.

You should seek professional advice in relation to these matters.

## Questions or complaints

We hope that you never have a reason to complain, but if you do, the team at Real Insurance will do their best to work with you to resolve it. To lodge a complaint or if you require assistance to lodge a complaint, please contact Real Insurance using one of the following means:

- Phone:** **1300 367 325**  
Monday to Friday between  
8am and 8pm (AEST)
- Writing:** Customer Support  
Complaints  
Real Insurance  
Reply Paid 6728  
Baulkham Hills NSW 2153
- Email:** **[service@reallifecover.com.au](mailto:service@reallifecover.com.au)**

The Real Insurance complaint resolution process has three steps.

### 1. Initial response

Usually when you have a complaint, we can resolve it immediately on the phone. If we cannot immediately resolve your complaint to your satisfaction, we will refer your complaint to our centralised complaints team who will acknowledge receipt of your complaint within 24 hours (or one business day) where reasonable. If we are still unable to resolve your complaint within five days or your complaint is in relation to hardship or the value or decline of a claim, we will escalate your complaint for review by our Internal Dispute Resolution team.

### 2. Internal Dispute Resolution

All matters escalated to our Internal Dispute Resolution team will be responded to in writing. After full consideration of the matter, a written final response will be provided that will outline the decision reached and the reasons for the decision.

### 3. External Dispute Resolution

In the unlikely event that:

- ✓ your complaint is not resolved to your satisfaction; or
- ✓ a final response has not been provided within the required timeframe;

you may be eligible to refer your matter to the Australian Financial Complaints Authority (AFCA) provided your matter is within the scope of AFCA's Complaint Resolution Scheme Rules.

AFCA is a free (to you), fair and independent dispute resolution scheme.

You may contact AFCA at:

#### Australian Financial Complaints Authority

- Mail:** GPO Box 3  
Melbourne VIC 3001
- Phone:** 1800 931 678
- Website:** **[afca.org.au](http://afca.org.au)**
- Email:** **[info@afca.org.au](mailto:info@afca.org.au)**

## Privacy

In this section, 'we', 'our' and 'us' means Hannover Life Re of Australasia Ltd and anyone (including Real Insurance) collecting information on our behalf.

We may collect personal information in the application for insurance directly from you and we assume that, where you disclose information about others, you have obtained their permission to do so.

Your personal information is collected for the purpose of processing your application, administering the Policy (if issued) and assessing and paying any claims under the Policy.

Your information may also be used to consider any other application you may make in the future, or to perform our administrative operations. If you do not consent to us collecting and using your personal information in this manner, or do not provide the requested information in full, we will be unable to provide the requested insurance. Real Insurance may use your personal information (but not sensitive information) to assist them in developing and identifying products and services that may interest you and (unless you ask them not to by calling them on **1300 367 325** Monday to Friday between 8am and 8pm AEST) telling you about products and services offered by Real Insurance.

Your personal information may be disclosed to third parties who assist in the provision of insurance services (i.e. reinsurers, related companies, our advisers, persons involved in claims, medical service providers, external claims data collectors and verifiers, your employer, your agents and other persons where required by law). We may disclose your personal information to parties located in other countries as listed in Hannover's Privacy Policy.

By applying for cover, you and the Life Insured consent to sensitive information (including health information) about you being collected and it being used to consider your application for insurance, assess a claim, using it or giving it to related companies for research and analysis, to design or underwrite new insurance products, and disclosing it to any of the third parties listed above for these purposes. Your sensitive information will not be disclosed for any other purpose. Third parties are prohibited from using your personal information for purposes other than those for which it is supplied.

You can read more about how we collect, use and disclose your personal information, including how to access your information or complain about a breach of your privacy by accessing Real Insurance's Privacy Policy at [realinsurance.com.au/privacy-collection/real-insurance](https://realinsurance.com.au/privacy-collection/real-insurance) or Hannover's Privacy Policy at [hannover-re.com/privacyau](https://hannover-re.com/privacyau) or you can request a copy. If you wish to gain access to your information (including correcting or updating it), have a complaint about a breach of your privacy or have any other query relating to privacy please call **1300 367 325** Monday to Friday between 8am and 8pm (AEST).

## Your duty to take reasonable care

When applying for insurance, there is a legal duty to take reasonable care not to make a misrepresentation to the insurer before entering into the contract of insurance.

A misrepresentation is an answer that is false, an answer that is only partially true, or an answer which does not fairly reflect the truth.

This duty also applies when extending or making changes to existing insurance, and reinstating insurance.

## **If you do not meet your duty**

If you (the SMSF Trustee and/or the Life Insured) do not meet your legal duty, this can have serious impacts on your insurance. Your cover could be voided (treated as if it never existed), or its terms may be changed. This may also result in a claim being declined or a benefit being reduced.

Please note that there may be circumstances where we later investigate whether the information given to us was true. For example, we may do this when a claim is made.

## **Guidance for answering our questions**

You are responsible for the information provided to us. When answering our questions, please:

- ✔ think carefully about each question before you answer. If you are unsure of the meaning of any question, please ask us before you respond;
- ✔ answer every question;
- ✔ answer truthfully, accurately and completely. If you are unsure about whether you should include information, please include it; and
- ✔ review your application carefully, whether you or someone else helped you complete your application (for example, your interpreter or authorised third party), and any other documentation we provide you that was used in the assessment of your application.

## **Changes before your cover starts**

Before your cover starts, we may ask about any changes that mean you would now answer our questions differently. As any changes might require further assessment or investigation, it could save time if you let us know about any changes when they happen.

## **If you need help**

It is important that you understand this information and the questions we ask. Ask us for help if you have difficulty understanding the process of buying insurance or answering our questions.

If you are having difficulty due to a disability, understanding English or for any other reason, we are here to help and can provide additional support for anyone who might need it. If you want, you can have a support person you trust with you while speaking with us.



## Glossary

In this Policy, some words begin with a capital letter (unless otherwise stated), for example, Benefit Amount. These words have special meanings as explained below.

**Acceptance Date** means the date your application is accepted by us and cover starts as set out in the Policy Schedule.

**Accident** means an event resulting in bodily injury occurring while the relevant Insurance Cover is in force, where the injury is directly and solely caused by accidental, violent, external and visible means without any other contributing causes and where the injury is not self-inflicted.

**Accidental Death** means death occurring as a direct result of an Accident and where death occurs within 90 days of the Accident.

**Australian Resident** means a person who resides in Australia at the time of application and either holds Australian or New Zealand citizenship; or holds an Australian permanent residency visa; or has been in Australia continuously for six months or more on a temporary work visa and resides in Australia.

**Benefit Amount** means the amount payable on the applicable insured event covered under this Policy in respect of a Life Insured. The Benefit Amount for the Life Insured is shown in the Policy Schedule.

**Commencement Date** means the date on which your first premium payment is deducted. The date you select for the first premium deduction is set out in the Policy Schedule.

**Date of Certification** means the date or, if two different dates, the later of the dates as of which two Medical Practitioners certify in writing, jointly or separately, that the Life Insured has a Terminal Illness, where at least one of the Medical Practitioners is a Specialist Medical Practitioner practicing in an area related to the Life Insured's illness or injury. The Date of Certification must occur while the Life Insured is insured for Life Insurance Cover.

**Gainful Employment** means employed or self-employed for gain or reward in any business, trade, profession, vocation, calling, occupation or employment at the time we assess the claim and includes part-time occupations, an occupation which may be perceived by the Life Insured to be of lower status than their previous occupation or an occupation in which they do not earn as much income as they did in their previous occupation.

**Homemaker** means the Life Insured who is the main provider of domestic duties within the family home and if also in paid employment, working for less than 10 hours per week.

**Insurance Cover** means, in respect of a Life Insured, the insurance benefits that have been applied for by the Life Insured and accepted by us as indicated on the Policy Schedule.

**Life Insured** means the member of the SMSF who is insured under the Policy.

**Medical Practitioner** means a Medical Practitioner registered with the Australian Health Practitioner Regulation Agency, who must not be the Policyowner or a Life Insured under this Policy, their spouse, relative or business associate.

**Normal Domestic Duties** means the household duties normally performed by a person who remains at home and is not working in a regular occupation including part time and/or voluntary work, for income. These tasks include, unassisted by another person, cleaning, cooking meals, doing the laundry, shopping for groceries and taking care of children.

**PDS** means this Product Disclosure Statement.

**Policy** means the legal contract between the Policyowner and us providing cover on the Life Insured. This PDS, any documents that update the PDS, your application, any future application accepted by us, the relevant Policy Schedule, and any special conditions, amendments, or endorsements make up the Policy.

**Policy Anniversary** means the anniversary of the Commencement Date of your Policy.

**Policyowner** means the Trustee(s) of the SMSF as noted on the Policy Schedule. This Policy may not be transferred or assigned to another person.

**Policy Schedule** means the Policy Schedule issued with this Policy and updated from time to time. A new Policy Schedule will be issued at any time we agree with you to change the details in respect of a Life Insured under this Policy. A new Policy Schedule will replace previous Policy Schedules.

**SIS Act** means the Superannuation Industry (Supervision) Act 1993 (Cth) or the Superannuation Industry (Supervision) Regulation 1994 (Cth), as applicable.

**SMSF** means Self-Managed Superannuation Fund.

**Specialist Medical Practitioner** means a Medical Practitioner who practices in a specialty field and is listed on Australian Health Practitioner Regulation Agency's Specialist Register. The Specialist Medical Practitioner must not be the Policyowner or a Life Insured under this Policy, their spouse, relative or business associate.

**Terminal Illness** means

- a. two registered Medical Practitioners have certified, jointly or separately, that the Life Insured suffers from an illness, or has incurred an injury, that is highly likely to result in their death within a period (the certification period) that ends no more than 24 months after the Date of Certification regardless of any treatment that may be undertaken; and
- b. at least one of the registered Medical Practitioners is a Specialist Medical Practitioner practicing in an area related to the illness or injury suffered by the Life Insured; and
- c. for each of the certificates, the certification period has not ended and is supported by test results.

As the Policy is structured through the SMSF, the Life Insured must also satisfy the SIS Act definition of Terminal Medical Condition which is the above definition as at the date of the PDS. However, if the definition under the SIS Act changes, you must meet the relevant new definition of a "Terminal Medical Condition".

**Total & Permanent Disability** is where, as a result of ill health (physical or mental) the Life Insured:

- a. suffers the irrecoverable loss of limbs or sight; or
- b. is unable to work for a period of at least six months and continues to be disabled at the end of six months; or
- c. suffers loss of independent existence; or
- d. suffers cognitive impairment.

The Total & Permanent Disability must be certified by two Medical Practitioners or Specialist Medical Practitioners and may need to be confirmed by our medical advisers.

If a Total & Permanent Disability claim is admitted, the Benefit Amount will be paid to the Trustee.

In order to satisfy part a, c or d, the Life Insured must be disabled to such an extent as a result of that sickness or injury that in our reasonable opinion they are unable ever at any time in the future to engage in any Gainful Employment for which they are reasonably suited by education, training or experience.

a. ***Loss of limbs or sight***

Means the total and permanent loss of use of:

- both hands; or
- both feet; or
- one hand and one foot; or
- the sight of one eye and the use of either one hand or one foot; or
- the sight of both eyes.

b. ***Unable to work***

If the Life Insured is not a Homemaker, a state of physical or mental incapacity which:

- results in the Life Insured being disabled and unable to work in any employed capacity for at least six consecutive months and at the end of that six months they continue to be so disabled that;
- in our reasonable opinion, after considering medical evidence and/or other evidence, results in the Life Insured being unable ever



at any time in the future to engage in any Gainful Employment for which they are reasonably suited by education, training or experience.

Or

If the Life Insured is a Homemaker, a state of physical or mental incapacity which:

- results in the Life Insured being unable to engage in Normal Domestic Duties for at least six consecutive months and at the end of that six months they continue to be so disabled that;
- in our reasonable opinion, after considering medical evidence and/or other evidence, results in the Life Insured being unable ever to perform Normal Domestic Duties or engage in any Gainful Employment for which they are reasonably suited by education, training or experience.

**c. Loss of independent existence**

- There is a permanent and irreversible inability of the Life Insured to perform any two of the following "activities of daily living" without the physical assistance of someone else. If the Life Insured can perform the activity on their own by using special equipment, we will not treat them as unable to perform the activity.

Activity	Description
Washing	Bathing and showering
Dressing	Dressing and undressing
Eating	Eating and drinking
Continence	Maintaining continence with a reasonable level of personal hygiene
Mobility	Getting in and out of bed, a chair or wheelchair, or moving from place to place by walking, wheelchair or walking aid

Or

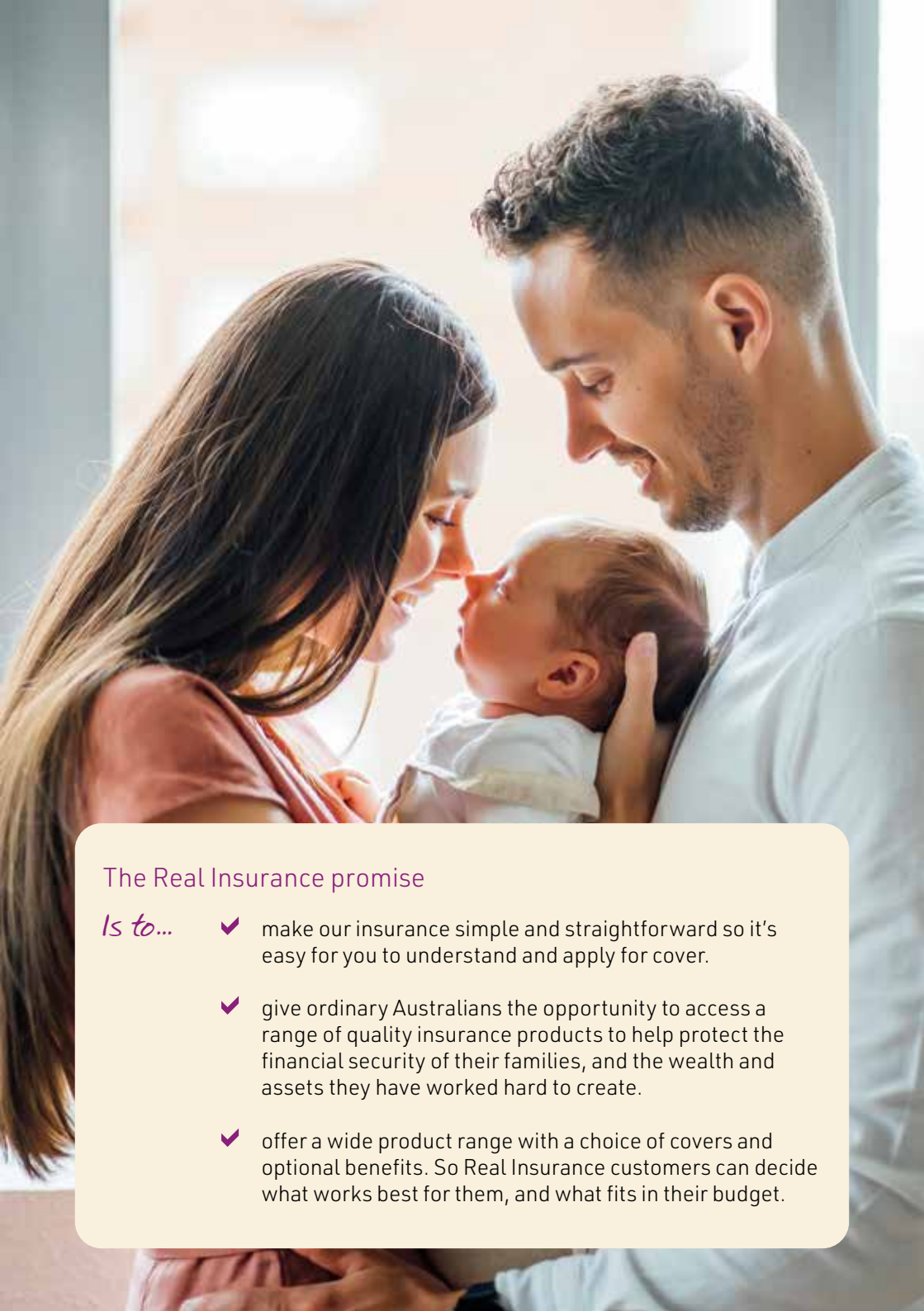
**d. Cognitive impairment**

- The Life Insured suffers cognitive impairment that results in the Life Insured requiring permanent and constant supervision for a continuous period of at least six months. The Life Insured's impairment must be confirmed by a Medical Practitioner.

**Trustee(s)** means the person(s) who holds the trust property for the benefit of the beneficiaries and who is/are responsible for ensuring the fund complies with the Superannuation Industry (Supervision) Act 1993 (SIS ACT) and other relevant legislative and administrative requirements.

# Direct Debit Service Agreement

1. Hannover Life Re of Australasia Ltd ABN 37 062 395 484 ("Debit User") will initiate direct premium debit payments in the manner referred to in the Policy Schedule (contained in the Direct Debit Request).
2. Debit payments will be made when due. The Debit User will not issue individual confirmation of payments made.
3. The Debit User will give the person who authorised the direct debit request (Customer) at least 14 days' written notice if the Debit User proposes to vary details of this arrangement, including the amount and frequency of debit payments.
4. If the customer wishes to defer any payment or alter any of the details referred to in the Policy Schedule, they must either contact the Debit User on **1300 367 325** Monday to Friday between 8am and 8pm (AEST), or write to the Debit User at Reply Paid 6728, Baulkham Hills NSW 2153.
5. Customer queries concerning disputed debit payments must be directed to the Debit User in the first instance. Details of the dispute resolution process that applies to the Debit User are described in this PDS on page 19. Queries about claims in regards to disputed debit payments should also be directed to the Debit User and may also be directed to the customer's financial institution nominated in the Policy Schedule.
6. Direct payment debiting is not available on the full range of accounts at all financial institutions. If in doubt, the customer should check with their financial institution before completing the Direct Debit Request.
7. The customer should ensure that their account details given in the Policy Schedule are correct by checking against a recent statement from their financial institution at which their account is held.
8. It is the customer's responsibility to have sufficient cleared funds available, by the premium due date, in the account to be debited to enable debit payments to be made in accordance with the Direct Debit Request.
9. By authorising the Direct Debit Request, the customer warrants and represents that he/she/they is/are duly authorised to request and instruct the debiting of premium payments from the account described in the Policy Schedule.
10. If a debit payment falls due on any day which is not a business day, the payment will be made on the next business day. If you are uncertain as to when a debit payment will be processed to your account, you should make enquiries directly with the financial institution nominated in the Policy Schedule.
11. If a debit payment is returned unpaid, the customer may be charged a fee by the financial institution nominated in the Policy Schedule for each returned item.
12. Customers wishing to cancel the Direct Debit Request or to stop individual payments must give at least seven days' written notice to the Debit User at the address referred above or the relevant Financial Institution.
13. Except to the extent that disclosure is necessary in order to process debit payments, investigate and resolve disputed transactions or is otherwise required by law, the Debit User and its service providers will keep details of the customer's account and debit payments confidential.



## The Real Insurance promise

*Is to...*

- ✓ make our insurance simple and straightforward so it's easy for you to understand and apply for cover.
- ✓ give ordinary Australians the opportunity to access a range of quality insurance products to help protect the financial security of their families, and the wealth and assets they have worked hard to create.
- ✓ offer a wide product range with a choice of covers and optional benefits. So Real Insurance customers can decide what works best for them, and what fits in their budget.

For more information about  
Life Cover for SMSF

**Call 1300 367 325**

Monday to Friday 8am-8pm (AEST)

**Visit [realinsurance.com.au](http://realinsurance.com.au)**

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