

Member Information Brochure

Insurance Cover & Benefits

National Australia Bank Group Superannuation Fund A

1st July 2013



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1. Introduction

National Australia Bank Group Superannuation Fund A

ABN 59 929 570 050
SFN 1250 349 44
R 1005103
SPIN NAB0228AU

Trustee:

National Australia Bank Superannuation Fund Pty Ltd

ABN 99 065 048 928
AFSL 241 720
RSE L0001953

This document provides specific details related to insurance cover available to members and how it can be obtained, as well as the benefits provided to members of the National Australia Bank Group Superannuation Fund A.

The information in this document forms part of and should be read in conjunction with, the Fund's Product Disclosure Statement (PDS, dated 1 July 2013, version 1) which is available on the Fund's website and which is also provided to members when they join the Fund.

This document provides general information only and not personal financial product advice. It has also been prepared without taking into account your objectives, financial situation or needs. Because of this you should, before acting on any information in this document, consider whether it is appropriate to your objectives, financial situation and needs. You may also consider obtaining financial advice from a licensed financial planner before making any decisions.

The Fund also has a link on its website to an insurance calculator which can assist you in determining your optimum level of cover given your personal circumstances and needs.

The Fund's website is located at www.nabgsf.com.au

2. Summary of Important Information

- **If, as a member of this Fund, you make an election under Choice of Fund to have your NAB employer contributions paid to another fund you are not eligible for Insurance Cover. Any existing cover at the time the election is made will cease from the commencement date of the pay period in which employer contributions become payable to your chosen Fund.**
- All death and disability benefits for employee members are calculated with reference to Fund Salary. Fund Salary is your Total Remuneration Package as advised by the Company.
- All new permanent employees to NAB who have chosen this Fund under Choice of Fund or it has been chosen for them as the default fund, will have Standard Cover without the need to apply or provide any medical evidence.
- Should you elect to join this Fund under Choice of Fund at any time after your commencement date with NAB, you will **not** automatically be provided with Standard Cover and you will need to apply for cover by completing a **Request for Insurance** statement and cover may or may not be granted by the Insurer.
- You can apply at any time to change your level of cover to suit your needs for both Death / Total and Permanent Disability and / or Temporary Disability. You will be required to complete a statement regarding your health before a cover increase is granted. The Insurer may refuse your application for Extra Cover or refuse your application to move from one level of Extra Cover to another (eg. Applying for Extra Cover 2 when already holding Extra Cover 1).
- After ceasing employment with NAB, all Death and Disability cover is extended for a period of up to 60 days except in cases where you are receiving (or are eligible to receive) benefits under the policy, where you are accepted for cover under the insurer's continuation option or you have transferred your death cover to a Retained Benefit Account in which case your disablement cover (only) is extended for 60 days.
- Once your employment with NAB ceases, this Fund offers two continuation options, details of these will be provided at the time of your leaving NAB.
- Should you die or be assessed as disabled with Insurance Cover in place, the benefit paid will be the sum of the applicable Insurance Cover (as explained in this document) and your account balance on the date the benefit is paid.

3. Insurance Cover – Employees

Choice of Cover – Death and Permanent Disablement

The Fund has Standard Cover available to all new members to provide financial security for you and your dependants should you die or become disabled. Optional additional cover is available to assist in satisfying your personal circumstances.

Insurance cover for Death and Permanent Disablement is available in the Fund if you are under age 70. When you join NAB or at any time up to age 60, you can apply for one of the following levels of cover:

• Standard Cover • Extra Cover 1 • Extra Cover 2 • Extra Cover 3 • No Cover

Permanent Disablement includes Total and Permanent Disablement (TPD) or Partial Disablement.

If you are joining NAB and have chosen this Fund under Choice of Fund or it has been chosen for you as the default Fund, you will have the Standard Cover provided for you from the date you commenced employment. If you are joining the Fund under Choice of Fund at any time after joining NAB, Standard Cover is not automatically provided and you will need to complete an **Application for Insurance Cover** and a **Request for Insurance** and may be required to undergo a medical examination or provide further details.

The **Changing your Insurance Cover** form allows you to apply for one of the Extra Cover options or you may choose to have no cover by using the **Opting Out of Insurance Cover** form.

You can apply at any time to change your level of cover to suit your needs. You will be required to complete a **Request for Insurance** statement regarding your health before a cover increase is granted. The Insurer may refuse your application for Extra Cover or refuse your application to move from one level of Extra Cover to another (eg. applying for Extra Cover 2 when already holding Extra Cover 1).

Choice of Cover – Temporary Disablement

In addition to choice available for Death and TPD, members also have a choice of Temporary Disablement (Salary Continuance) benefits.

An insured member with either Standard Cover or Extra Cover 1, 2 or 3 will be provided with Temporary Disablement cover which provides for income replacement payments paid at the rate of up to 75% of Fund Salary for up to 2 years, however they may choose to apply to extend the payment period after the initial maximum of two (2) years until age 60 at the rate of 75% of Fund Salary (known as Extra Cover Temporary Disablement).

Cover for Temporary Disablement (2 year payment period) ceases at age 65, whilst the payment period for Extra Cover Temporary Disablement ceases at age 60.

You can apply at any time to change your level of cover to suit your needs. You will be required to complete a **Request for Insurance** statement regarding your health before a cover increase is granted. The Insurer may refuse your application for Extra Cover Temporary Disablement, in which case the two (2) year payment period will continue to apply.

Extent of cover

If you choose to have insurance cover, you are covered 24 hours a day, 7 days a week. An insurance benefit is paid on death, acceptance for TPD, acceptance for Partial Disablement or acceptance for Temporary Disablement (salary continuance).

Levels of Insurance cover

The formula for each level of Death and Permanent Disablement cover is shown in the table below.

Level of cover	Death & TPD insured benefit	Partial Disability insured benefit
*Standard Cover	17.5% x Fund Salary x years to age 60	25% x 17.5% Fund Salary x years to age 60
Extra Cover 1	22.5% x Fund Salary x years to age 60	25% x 17.5% Fund Salary x years to age 60
Extra Cover 2	25.0% x Fund Salary x years to age 60	25% x 17.5% Fund Salary x years to age 60
Extra Cover 3	17.5% x Fund Salary x years to age 65	25% x 17.5% Fund Salary x years to age 60
No Cover	Nil	Nil

***Cover is subject to minimum cover and variations to standard cover – see below**

Note: The Extra Cover options as illustrated are stand alone cover, and are not in addition to the Standard Cover.

For members who joined the Fund on or before the 30th June 1988, the standard cover for Death and TPD insurance is also subject to a minimum of 15% **times** Fund Salary **times** years to age **62**.

Minimum Cover

Members under age 60

Cover for Death and TPD is subject to a minimum rate of one (1) times Fund Salary. Cover for Partial Disablement is provided at 25% of the TPD cover.

Members aged 60 to 69 (inclusive)

Death cover is provided at a flat rate of one (1) times Fund Salary whilst cover for TPD begins at one (1) times Fund Salary at age 60 but is subject to tapering (reducing) at a rate of 10% of Fund Salary pa from age 61 to age 70. Cover for Partial Disablement is provided at 25% of the applicable TPD cover. Cover for both Death and TPD ceases at age 70.

Table 1 illustrates how the tapering of the TPD cover occurs after age 60.

Table 1 – Tapering of TPD cover after age 60.

Age	Death Cover % of Fund Salary	TPD Cover % of Fund Salary	Partial Disablement Cover – % of Fund Salary
60	100%	100%	25% of 100% (25%)
61	100%	90%	25% of 90% (22.5%)
62	100%	80%	25% of 80% (20%)
63	100%	70%	25% of 70% (17.5%)
64	100%	60%	25% of 60% (15%)
65	100%	50%	25% of 50% (12.5%)
66	100%	40%	25% of 40% (10%)
67	100%	30%	25% of 30% (7.5%)
68	100%	20%	25% of 20% (5%)
69	100%	10%	25% of 10% (2.5%)
70 and above	0%	0%	0%

The formula for each level of Temporary Disability cover is shown in the table below.

Level of cover	Temporary Disability insured benefit
Standard Temporary Disability	Monthly income = 75% x Fund Salary (benefits payable for a maximum of 2 years) with payments and cover ceasing at age 65
Extra Cover Temporary Disability	Monthly income = 75% x Fund Salary (benefits payable to age 60) with payments and cover ceasing at age 60
No Cover	Nil

Conditions

The minimum cover provided to employee members for standard Death and Total and Permanent Disablement cover is subject to employee members already in employment on the 1st December 2011, being At Work on that date. Should they not be At Work on that date, only Limited Cover will apply. Similarly, for any standard Temporary Disablement benefits for such members to be payable after age 60, employee members must be At Work on the 1st December 2011. Should they not be At Work on that date, only Limited Cover will apply.

Opting Out of Cover

If you select No Cover, this means that you are not covered for any insurance benefit for death or disability. While this option may suit your personal needs, if you are unsure as to whether you should opt out of the insurance cover, we suggest you discuss this matter with your family and your financial adviser.

If you wish to opt out of insurance cover altogether, you must complete an **Opting Out of Insurance Cover** form available on the Fund's website.

By signing the **Opting out of Insurance Cover** form you acknowledge that only your Leaving Service Benefit will be paid should you die or become disabled.

Your cover will cease immediately upon receipt of a completed **Opting out of Insurance Cover** form by the Trustee.

Should you subsequently wish to apply for cover, you will need to apply by completing a **Request for Insurance** form. Depending on the answers provided, you may or may not be granted cover.

Example of insurance benefit

Refer to the examples below to understand how the insurance benefit is calculated.

Example 1: Suppose you are a member of the Fund and die at age 40 with a Fund Salary of \$50,000. The Standard Cover and Extra Cover 2 insurance benefits are calculated as follows:

Standard Cover	Extra Cover 2
$17.5\% \times \text{Fund Salary} \times \text{years to age 60}$	$25.0\% \times \text{Fund Salary} \times \text{years to age 60}$
$17.5\% \times \$50,000 \times 20 (60 - 40)$	$25.0\% \times \$50,000 \times 20 (60 - 40)$
\$175,000	\$250,000

Example 2: Suppose you are a member of the Fund and die at age 63 with a Fund Salary of \$50,000. The cover provided after age 60 (until age 70) is paid at the rate of one (1) times Fund Salary, being $1 \times \$50,000$.

Example 3: Suppose you are a member of the Fund and are assessed as TPD at age 63 with a Fund Salary of \$50,000. The cover payable would be $70\% \times \text{Fund Salary}$, being $70\% \times \$50,000$, equalling \$35,000 (Partial Disablement is $25\% \times \$35,000$ equalling \$ 8,750).

Example 4: Suppose you are a member of the Fund and die at age 63 with a Fund Salary of \$50,000 after applying for and being accepted for Extra Cover 3 (calculated as $17.5\% \times \text{Fund Salary} \times \text{years to age 65}$). The cover payable would be the greater of:

- $17.5\% \times \$50,000 \times 2 (\text{years})$, (\$17,500) OR
- $1 \times \text{Fund Salary}$ (\$50,000)

The cover payable would be the latter as this amount (\$50,000) exceeds the former (\$17,500)

Changing your cover

When you join NAB at commencement of employment and have chosen this Fund under Choice of Fund or it has been chosen for you as the default Fund, you will have the Standard Cover provided for you from the date you commenced employment.

You can change your level of cover at any time. A **Change of Insurance Cover** form is available by telephoning a Member Services Consultant on 1300 557 586 or online in the Forms section of the website at www.nabgsf.com.au.

Health evidence

When you join the Fund you will normally be granted Standard Cover for death and disablement (as described above) without having to provide health evidence.

Should you require increased cover, you will be required to complete the **Changing Your Insurance Cover – Existing Employees** form and a **Request for Insurance** (health evidence). You may also be required to undergo a medical examination or provide further details.

You will be notified in writing whether your application for increased insurance cover has been accepted or declined by the Insurer as a result of health evidence. Any changes to insurance cover will not commence until it is confirmed to you in writing. It is important to note that the Policy the Trustee has with the Insurer does not allow for exclusions of certain medical conditions. Applications for cover will only be approved by the Insurer where full cover can be provided.

If you have previously had NAB employer contributions paid to another fund then subsequently make an election under Choice of Fund to have the contributions paid to this Fund and you require a level of insurance cover (including Standard Cover), you will be required to complete an **Application for Insurance Cover** and a **Request for Insurance** and may be required to undergo a medical examination or provide further details. Under these circumstances the Insurer may decline to offer any level of cover based upon the health evidence provided.

Interim Accident Cover

Where a member has applied for cover (or Extra Cover 1, 2, 3 or Extra Cover Temporary Disablement) and is awaiting underwriting assessment prior to acceptance of the cover, they are covered for a benefit for death (limited to the amount applied for), for permanent disablement (limited to the amount being applied for up to a maximum of \$2 million) and temporary disablement (limited to the amount being applied for up to a maximum of \$15,000 per month) where death or disablement is caused by an Accident.

Cessation of cover – Choice of Fund

Members of this Fund who make an election under the Choice of Fund legislation to have their future NAB employer contributions paid to another fund are not eligible for Insurance Cover. All existing cover at the time the election is made will cease from the commencement date of the pay period in which employer contributions become payable to your chosen fund.

Cessation of cover – Ceasing employment

Your insurance cover for death, permanent and temporary disablement will continue for up to 60 days after you leave service unless a benefit has already been paid for permanent or partial disablement.

Any benefit payable under this extension of cover will be reduced by the amount of any cover purchased from the Insurer through a continuation option or by any insurance affected through a Retained Benefit Account.

Whilst cover continues for up to 60 days after you cease employment, premiums will cease at the date your employment with NAB ceases.

Continuation Option

If you transfer your benefit to the Retained Benefit section of the Fund, you may continue your existing level of death cover. The cover in place immediately prior to you leaving NAB will be rounded down to the nearest whole thousand dollar.

For Insured members leaving NAB employment who do not continue the existing level of death cover in a Retained Benefit Account, there is also a continuation option with the Insurer through a MLC Insurance Policy – contact Fund Administration for details.

Any benefit payable under the 60 day extension of cover (refer Cessation of cover – Ceasing employment) will be reduced by the amount of any cover purchased from the Insurer through a continuation option or by any insurance effected through a Retained Benefit Account.

Premium Rates

The cost of providing Standard Cover for Death, Total and Permanent Disablement (including Partial Disablement) and Temporary Disablement is deducted from an employee member's retirement account at the rate of 0.4% of Fund Salary on a monthly basis. See Example 1 which follows.

The cost of Extra Cover will vary depending on your age and the level of cover you choose. It is likely that the cost of cover in the Fund will be lower than the premiums charged if you were to arrange cover under an external individual policy.

Table 2 on the following page shows the current additional premium per annum as a percentage of Fund Salary for Extra Cover. See Examples 2 and 3 which follow.

Table 2 – Additional premiums payable for Extra Cover.

Age Range	Extra Cover 1 22.5% of salary for each future year to age 60	Extra Cover 2 25% of salary for each future year to age 60	Extra Cover 3 17.5% of salary for each future year to age 65	Extra Cover – Temporary Disability Income payments to age 60 at 75% of Fund Salary [^]
	“Cost” as a percentage of Fund Salary			
15 – 19	0.11%	0.17%	0.05%	0.09%
20 – 24	0.11%	0.17%	0.05%	0.10%
25 – 29	0.11%	0.17%	0.05%	0.12%
30 – 34	0.09%	0.13%	0.06%	0.14%
35 – 39	0.10%	0.15%	0.08%	0.19%
40 – 44	0.12%	0.18%	0.12%	0.29%
45 – 49	0.15%	0.22%	0.21%	0.42%
50 – 54	0.17%	0.25%	0.37%	0.46%
55 – Max. premium age**	0.12%	0.17%	0.74%	0.21%
Max. premium age** –60*	NIL	NIL	NIL	N/A

*Due to the fact that Extra Cover Temporary Disability begins to be paid after the initial 2 year payment period for standard Temporary Disability, members who are aged 57 and above are unable to purchase Extra Cover Temporary Disability

**The maximum premium age is 55 years and 7 months for Extra Cover 1, 56 years for Extra Cover 2 and 59 years and 4 months for Extra Cover 3, although cover continues to age 60 (65 for Extra Cover 3)

[^] Cover is provided to a maximum \$480,000 Fund Salary

The premium is calculated and charged to your account fortnightly. The fortnightly calculation is based upon the level of cover you have, your current age and current Superannuation Salary. The premiums are subject to review by the Fund.

Examples of Premiums

Example 1 – Standard Cover

Marilyn's Fund Salary as advised by NAB is \$55,000 p.a. The cost of providing Standard Cover, deducted from Marilyn's retirement account at the end of each month, would be $0.4\% \times \$55,000 / 12 = \18.33 .

Example 2 – Extra Cover

A Member who is currently 36 years of age and has a Fund Salary of \$70,000 is accepted for Extra Cover 1. The premium is calculated as follows:

Fund Salary x cost percentage = $\$70,000 \times 0.10\% = \70 per annum. The monthly premium charged to the Member's superannuation account is \$5.83 (annual premium ÷ 12).

Example 3 – Extra Cover Death & Extra Cover Temporary Disablement

The member in example 1, being a member with Extra Cover 1, is also accepted for Extra Cover Temporary Disability. The premium for Extra Cover Total Disability is calculated as follows:

Fund Salary x cost percentage (see table above) = annual premium

$\$70,000 \times 0.19\% = \133 per annum. The monthly premium charged to the Member's superannuation account is \$11.08 (annual premium ÷ 12).

The total monthly premium charged to the Member's superannuation account is \$16.91, being the sum of the additional cost for both Extra Cover 1 and Extra Cover Total Disability (\$5.83 **plus** \$11.08). This is in addition to the cost of providing Standard Cover – see Example 1.

4. Insurance Cover – Retained Benefits Account

Members transferring their benefit to the Retained Benefit Account (RBA) can continue their existing level of **death cover** which would otherwise cease 60 days after termination of NAB employment. Disability and salary continuance cover cannot be continued within the RBA

Example of Cover

Example 1: A Member who has left employment with NAB, transferred their benefit to the RBA, had previous Standard or Extra Cover of \$273,580 for death and met the acceptance conditions, will have death cover of \$273,000 (rounded down to whole thousand) in the RBA.

Application for Cover

The following conditions apply for the application of the death cover.

- Members have 60 days from employment termination date to take up the option to transfer their existing cover to the RBA without the need for underwriting
- If members take up this option after 60 days of termination date, underwriting is required by way of a **Request for Insurance** form
- Additional cover over that provided by this Fund, is available to be purchased. Underwriting is required after completion of a **Request for Insurance** form
- Applications can not be accepted from members who have been accepted for a disability benefit by the Fund Trustee.

Contact Fund Administration if a **Request for Insurance** form is required or download it from the Fund's website.

Members should indicate their preference for cover on the Benefit Payment Advice RBA Death Cover Application that is provided to exiting employee members as part of the Superannuation Lump Sum Pre-payment Statement.

Cover effective

Where the member applies for the cover within 60 days of employment termination date, the cover is accepted from the next day after 60 days from employment termination date.

However, if the application is received after 60 days, then whilst the application is being assessed by the insurer, the Retained Benefit Member will be covered for death for the amount applied for, where death is caused as a result of an Accident.

In this case, the cover is only accepted from the date the application is approved in writing by the Insurer.

Changing Your Cover

You will be required to complete a **Request for Insurance** (health evidence) and may be required to undergo a medical examination or provide further details if you apply for increased cover at any time after your NAB employment has ceased.

You will be notified in writing whether your application for increased insurance cover has been accepted or declined by the Insurer as a result of health evidence. Any changes to insurance cover will not commence until it is confirmed to you in writing. It is important to note that the Policy the Trustee has with the Insurer does not allow for exclusions of certain medical conditions. Applications for cover will only be approved by the Insurer where full cover can be provided.

Members can apply to the Fund to amend their cover at any time. An application to increase cover must be accompanied by a **Request for Insurance** form.

Cover Ceases

The cover will cease immediately:

- Upon receipt by the Trustee of a written request of the Retained Benefit Member, or
- If the Retained Benefit Member leaves the Fund for any reason, or
- When the Retained Benefit Member reaches age 65, or
- Where the account balance of the Retained Benefit Member is insufficient to pay the insurance premium on an ongoing basis

Premium Rates

Refer table 3 below for Death cover premium rates for Retained Benefit Account members

Table 3 shows the current premium rate per annum per \$1,000 of sum insured.

AGE NEXT BIRTHDAY (ANB)	MULTIPLE PER \$1,000 INSURED	ANB	MULTIPLE PER \$1,000 INSURED	ANB	MULTIPLE PER \$1,000 INSURED	ANB	MULTIPLE PER \$1,000 INSURED	ANB	MULTIPLE PER \$1,000 INSURED
16	0.22	26	0.38	36	0.41	46	0.84	56	1.90
17	0.26	27	0.37	37	0.42	47	0.92	57	2.05
18	0.30	28	0.37	38	0.44	48	1.02	58	2.21
19	0.34	29	0.37	39	0.47	49	1.10	59	2.42
20	0.36	30	0.37	40	0.51	50	1.19	60	2.65
21	0.39	31	0.37	41	0.54	51	1.29	61	2.91
22	0.40	32	0.37	42	0.59	52	1.40	62	3.18
23	0.40	33	0.37	43	0.63	53	1.52	63	3.49
24	0.41	34	0.38	44	0.69	54	1.64	64	3.79
25	0.38	35	0.39	45	0.76	55	1.77	65	4.11

The premium is calculated and charged to your Retained Benefit Account monthly. The monthly calculation is based upon the level of cover you have and your current age. The premiums are subject to review by the Insurer.

Example of Cover

Example: For a Member who is currently 36 years of age (37 next birthday) and has death cover of \$273,000, the premium is calculated as follows:

Multiple applicable to age next birthday x sum insured - $0.42 \times 273 = \$114.66$ per annum. The monthly premium charged to the Members Retained Benefit Account is \$9.56 (annual premium ÷ 12).

5. Insurance Cover – Spouse Members

Spouse members have the option of applying for **death cover** when opening a new spouse account. Permanent and Temporary Disability (salary continuance) cover are not available. Spouse members may also apply for **death cover** at any time after their account is established.

Application for Cover

Spouse members should indicate on the Spouse Account Application Form when they require cover and if so, the level of cover. Underwriting is required. A **Request for Insurance** form is to be submitted with the application form (this form and the Spouse Account application form are available from the Forms page on the website).

Cover can be amended (or ceased) at any time. An application to increase cover must be accompanied by a **Request for Insurance** form.

Cover effective

Cover begins the date the application is accepted by the Insurer.

Where a Spouse member has applied for death cover and is awaiting underwriting assessment prior to acceptance of the cover, they are covered for a benefit for death for the amount applied for, where death is caused as a result of an Accident.

Changing Your Cover

Once spouse members have been accepted for **death cover** they may apply to the Fund to amend or cease their cover at any time. An application to increase cover must be accompanied by a **Request for Insurance**.

Cover Ceases

The cover will cease immediately:

- Upon receipt by the Trustee of a written request of the Spouse Member, or
- If the Spouse Member leaves the Fund for any reason, or
- When the Spouse Member reaches age 65, or
- Where the account balance of the Spouse Member is insufficient to pay the insurance premium on an ongoing basis

Premium Rates

Premium rates for spouse members are identical to those for Retained Benefits Account members which are detailed under **Insurance Cover – Retained Benefits Account** in table 3 previously. Examples of premium calculations can also be found under that heading.

The premium is calculated and charged to your Spouse Account monthly. The monthly calculation is based upon the level of cover you have and your current age. The premiums are subject to review by the Insurer.

6. Benefits Payable

Superannuation can be a tax-effective way to save for your retirement.

Broadly, your superannuation benefit is the sum total of all the contributions made and vested in your name, plus investment earnings and any insured benefit, less fees, taxes and other charges. The Fund may deduct applicable taxes, fees, charges and expenses referable to you (to the extent not already reflected in the Unit Price of the investment options in your superannuation account) by reducing the number of units in your account.

Members can access the current Unit Price of each investment option on-line at www.nabgsf.com.au or by calling a Member Services Consultant on 1300 557 586.

Members also have secure access to their personal benefit details on-line by using their Membership Number and PIN.

While Employee Members are employed by NAB, with the exception of benefits transferred under Portability or Transition to Retirement Regulations, access to their benefits is restricted due to:

- the nature of the benefits e.g they may be classified as “preserved” (see below); and
- the Fund Rules do not permit access to any benefits until the earlier of satisfaction of a condition of release (see below) or the Member leaving the Fund.

In addition to benefits paid upon your retirement or leaving service, the Fund also pays benefits to you or your dependants upon your death or disablement and also in other instances outlined in the Fund Rules and superannuation law.

A brief description of the benefits payable by the Fund is provided below.

Types of benefits

• Retirement Benefit

An Employee Member who retires from NAB (from age 55) is entitled to a Retirement Benefit providing they are not receiving a Total and Permanent Disablement Benefit or Partial Disablement Benefit from the Fund.

The Retirement Benefit is paid in a lump sum consisting of the number of Units in your investment option(s) multiplied by the current applicable Unit Price(s).

• Resignation Benefit

An Employee Member who leaves NAB and who is not entitled to receive any other benefit from the Fund, receives a Resignation Benefit.

The Resignation Benefit is a lump sum consisting of the number of Units in your investment option(s) multiplied by the current applicable Unit Price(s).

• Retrenchment / Redundancy Benefit

An Employee Member who is retrenched or made redundant by NAB is entitled to a benefit calculated in the same manner to the Retirement Benefit.

- **Transfer Benefit**

Under the Government's Portability Regulations, an Employee Member may transfer all or part of their existing superannuation benefit in the Fund to another complying superannuation fund.

To action a transfer, the member must comply with the following requirements:

- Have not made a request for a transfer in the past 12 months
- The receiving Fund is a complying superannuation fund and able to accept the transfer
- You are currently employed by the National Australia Bank Group
- If requesting a partial transfer, a minimum balance of \$5,000 must remain in this Fund.

The balance transferred is a lump sum consisting of all or some of the number of Units in your investment option(s) multiplied by the current applicable Unit Price(s).

Employee members transferring benefits out of the Fund under the Portability Regulations will forfeit any minimum guaranteed benefits applicable to their membership. See the heading **Minimum Guaranteed Benefits** following.

Contact Fund Administration for a Benefit Transfer Authority if you wish to authorise the transfer of all or part of your benefit.

- **Severe Financial Hardship**

Should you satisfy the relevant requirements, the Fund will pay a lump sum for an amount up to \$10,000, limited to one payment per 12 month period. Go to www.centrelink.gov.au for further information.

- **Compassionate / Specified Grounds**

Should you satisfy the relevant requirements, the Fund will pay a lump sum up to the amount specified by the Department of Human Services. More information can be obtained at www.humanservices.gov.au

- **Temporary Residents Leaving Australia Permanently**

The Fund will pay a Departing Australia Superannuation Payment (DASP) benefit to a temporary resident permanently leaving Australia, upon providing certain documentary evidence to the Trustee. Further information on this payment is available from the ATO at www.ato.gov.au. The criteria exclude New Zealand and Australian citizens.

The benefit is a lump sum consisting of the number of units in your investment option(s) multiplied by the current applicable Unit Price(s).

Should a DASP not be claimed within 6 months of an eligible temporary resident permanently leaving Australia, the Trustee will be required to forward the full account balance to the Australian Taxation Office (ATO) at their direction.

Should this occur, the departed former temporary resident will need to contact the ATO to seek payment at a later stage.

- **Other Payments from the Fund**

In certain circumstances member benefits may also be paid out of the Fund as a result of:

- benefits being unclaimed
- where members are lost
- where accounts are inactive
- where members do not provide payment instructions within 90 days of leaving NAB or,

Depending on the circumstances, benefits may be paid to the Trustee's nominated Eligible Rollover Fund or the Australian Taxation Office.

For further details please refer to the brochure **How the Fund Works**.

- **Death Benefit – Employee Members**

The Death Benefit for a Member who has been accepted for insurance cover is payable on the death of the Member in the service of NAB before age 70. If a Member dies in service after that age, the benefit is determined as if the Member had retired on the date of death.

The Death Benefit is payable as a lump sum and calculated (assuming no restrictions apply) as:

- The Retirement Benefit as at the date of payment, plus
- A percentage of Fund Salary for each remaining year (if any) from date of death to either age 60 or 65 according to the level of insurance cover chosen. A minimum amount of one (1) times Fund Salary is payable under this part of the calculation before age 70

Note these examples of benefits payable:

Example: A member with Standard Cover dies at age 39. The member has 21 years remaining to age 60 and Fund Salary at the time of death was \$40,000.

The benefit would be calculated as follows:

Retirement Benefit at date of death (say) = \$90,000 Plus

$\$40,000 \times 21 \text{ years} \times 17.5\% = \$147,000$

Benefit Payable = \$237,000 (\$90,000 + \$147,000)

Example: A member with Standard Cover dies at age 57. The member has 3 years remaining to age 60 and Fund Salary at the time of death was \$40,000.

The benefit would be calculated as follows:

Retirement Benefit at date of death (say) = \$90,000 Plus

$\$40,000 \times 3 \text{ years} \times 17.5\% = \$21,000$. As this second part of the calculation is less than one (1) times Fund Salary, the amount payable will be \$40,000.

Therefore, the Benefit Payable = \$130,000 (\$90,000 + 40,000)

Example: A member dies at age 69. The member's Fund Salary at the time of death was \$40,000.

The benefit would be calculated as follows:

Retirement Benefit at date of death (say) = \$90,000 Plus

an amount equal to one (1) times Fund Salary = \$40,000. .

Therefore, the Benefit Payable = \$130,000 (\$90,000 + \$40,000)

Your death benefit will be paid to your dependants and / or your Legal Personal Representative (your Estate) at the discretion of the Trustee in the absence of a valid **Binding Death Benefit Nomination (BDBN)**.

You may elect to make a binding or non-binding death benefit nomination. For full details on the conditions that must be met for a **BDBN** to be "valid", the persons you can nominate as well as the advantages, disadvantages and risks involved, please refer to the general article on Death Benefit Nominations on the Fund's website at www.nabgsf.com.au/publications. A Beneficiary Nomination Form is available at www.nabgsf.com.au/forms.

Where a death benefit is paid to a Spouse, Child or the Trustee of the deceased's Estate (and ultimately paid to a Spouse or Child of the deceased) an additional amount may be paid to compensate for the deduction of contributions tax throughout your membership. This is known as an **Anti-Detriment payment**.

Upon termination of employment with NAB, members who have been eligible for the Death benefit will have a benefit in the event of death, for a period of up to 60 days from the date of termination provided no continuation of cover option has been accepted by the Insurer or cover has been transferred to a Retained Benefit Account. Any benefit payable to an ex-Employee Member within this 60 day period will be calculated on the same basis as the previously applicable Death Benefit, but will be based on the Member's age and salary at the date of termination of employment.

This benefit will be reduced by the amount of any benefit previously paid by the Fund Trustee.

For Insured Members who joined the Fund prior to 1st January 1995, the Death Benefit may be subject to a minimum guaranteed level – see **Minimum Guaranteed Benefits** following.

• Death Benefit – Retained Benefit and Spouse Account Members

In the event of your death, the Trustee will pay your death benefit to your Legal Personal Representative (ie your Estate) in the absence of a valid **Binding Death Benefit Nomination (BDBN)**.

For full details on the conditions that must be met for a **BDBN** to be "valid", the persons you can nominate as well as the advantages, disadvantages and risks involved, please refer to the general article on Death Benefit Nominations on the Fund's website at www.nabgsf.com.au/publications. A Beneficiary Nomination Form is available at www.nabgsf.com.au/forms.

The Death Benefit is payable as a lump sum and calculated (assuming no restrictions apply) as:

- The total value of your Account Balance as at the date of payment, plus
- The amount of any insurance cover applied for and accepted by the Insurer applicable on the date of death

- **Death Benefit – Information for all members**

Upon notification of your death, the Trustee will immediately switch the total value of your account balance to the Cash investment option.

Superannuation law limits the persons to whom the Trustee can pay a death benefit. The Trustee will pay your death benefit to one or more of the following:

- Your spouse, who can be:
 - another person (whether of the same sex or different sex) with whom you are in a relationship that is registered under a law of a state or territory prescribed for the purposes of SEC 22B of the Acts Interpretation Act 1901 as a kind of relationship prescribed for the purposes of that section, and
 - another person who although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple:
- A child (including an adopted child, a step-child, an ex-nuptial child, a child of the spouse or someone who is a child within the meaning of the Family Law Act 1975*);
- A person with whom you share an interdependency relationship (see below);
- Any other person regarded by the Trustee as wholly or partly financially dependent on you at the time of death, or
- Your Legal Personal Representative (i.e your Estate)

*A child within the meaning of the Family Law Act 1975, includes a child who is:

- Born to a woman as the result of an artificial conception procedure while that woman was married to, or was a de-facto partner of another person (whether of the same or opposite sex), and
- A child of a person because of a court order made under a State or Territory law that gives effect to a surrogacy agreement.

What is an Interdependency Relationship?

In general terms, an “interdependency relationship” is one where two people:

- Share a close personal relationship, and
- Live together, and
- One or each provide domestic support and personal care to the other, and
- One or each provides financial support to the other

The definition also includes the situation where two people share a close personal relationship but are prevented from meeting the other criteria because one or both suffer from a physical, intellectual or psychiatric disability.

Example: *Helen and Lorna are elderly sisters who are both widowed and live together. Lorna is not in good health and Helen does most of the housework and provides personal care to Lorna. Helen pays for most of the groceries and they share the general bills of the household.*

The Trustee could consider Helen and Lorna to be in an interdependency relationship.

This would be so even if Lorna was subsequently admitted to an elderly care accommodation facility and they lived separately.

- **Terminal Illness Benefit**

Subject to satisfying the Insurer and legislative requirements, where an Insured Member suffers a Terminal Illness, an advanced Death Benefit will be paid up to a maximum of \$3 million with any balance over \$3 million payable upon death. Where an uninsured member suffers a Terminal Illness, a benefit equal to the number of Units in the members’ investment option(s) multiplied by the current applicable Unit Price(s) shall be paid without the deduction of tax. See the Glossary of Terms for the Terminal Illness definition.

Disablement Benefits

All disability benefits available in the Fund apply only to employee members and are not payable to Retained Benefit and Spouse Members. Should a Retained Benefits and Spouse Member become permanently incapacitated, an amount equal to the total value of your account balance is payable.

• Total & Permanent Disablement Benefit

If a Member who has been accepted for insurance cover has been absent from employment with NAB through physical or mental incapacity for six consecutive months (or less if the Fund Trustee considers appropriate), and the Member retires from NAB because of the incapacity, an application for a Total and Permanent Disablement (TPD) benefit can be made.

Applications are considered by the Fund Trustee and Insurer based on the medical and other information provided. The Fund Trustee's decision will be based on the nature of the incapacity and *whether it is unlikely that the Member will engage in or work for reward in his or her own occupation and any similar occupation for which he or she is reasonably suited by education, training or experience.*

A Member can generally access any Total & Permanent Disablement benefits payable under this definition in cash, preservation rules do not apply.

The Trustee and Insurer will also consider a claim for Total and Permanent Disablement where an Insured member:

- *Suffers a **Specific Loss**, being the permanent loss of use of two limbs or the sight of both eyes; or the permanent loss of use of one limb and the sight of one eye (where limb is defined as a whole hand or the whole foot) in circumstances where the loss will never be regained, or*
- *Is unlikely to ever be able to perform at least two (2) **Activities of Daily Living** without the physical help of someone else. **Activities of Daily Living** means:*
 1. *Bathing and/or showering, or*
 2. *Dressing, or*
 3. *Moving from place to place including in and out of bed and in and out of a chair, or*
 4. *Eating or drinking, or*
 5. *Using the toilet.*

A Total and Permanent Disablement Benefit payable under the **Specific Loss** or **Activities of Daily Living** definitions can only be accessed in cash if it meets the cashing requirements of the Relevant Law. If it does not meet the cashing requirements of the Relevant Law, the insured portion will be added to the member's Superannuation Account and will not be accessible until the member meets a condition of release which allows cashing.

The Total & Permanent Disability Benefit is normally payable as a lump sum (subject to the Trustee's discretion to pay the benefit in pension form) and calculated as:

- The Retirement Benefit as at date of resigning, plus
- A percentage of Fund Salary for each remaining year (if any) from the date the member last worked prior to disability to either age 60 or 65 according to the level of insurance cover chosen. For members aged under 60 years, this amount cannot be less than 100% of Fund Salary. For members aged 60 to 69 (inclusive), this amount is equal to an amount described for TPD in **table 1** under the heading **Minimum Cover**.

In addition to the minimum cover described above, for Insured Members who joined the Fund prior to 1st January 1995, the TPD Benefit may also be subject to a minimum guaranteed level – see the heading **Minimum Guaranteed Benefits** following.

See the example below as to how a TPD benefit would be calculated.

This Benefit does not have any offset provisions – that is, it is not reduced where payments are made as a result of Workers Compensation or similar claims.

Upon termination of employment with NAB, Members who have been eligible for the Total and Permanent Disablement benefit (TPD) will have a benefit in the event of TPD, for a period of up to 60 days from the date of termination provided no continuation of cover option has been accepted by the Insurer. Any benefit payable to an ex-Member within this 60 day period will be calculated on the same basis as the previously applicable TPD benefit, but will be based on the Member's age and salary at the date of termination of employment.

The payment of a Total & Permanent Disablement benefit does not exclude an application also being made for a Temporary Disablement benefit where Extra Cover Temporary Disability is provided to the member.

Minimum Guaranteed Benefits

For Insured Members who joined the Fund prior to 1st January 1995 and are aged 60 years or less, both the Death and Total and Permanent Disablement benefits are the greater of the benefits described above and 3.5 times Fund Salary.

- **Partial Disability Benefit**

The conditions for this benefit are similar to the Total & Permanent Disablement benefit (see above), however, the disability must be partial (rather than total) and permanent. Additionally, the Fund Trustee's decision to grant the benefit is based on *whether it is likely that the Member is unable to undertake their **normal** duties with NAB, or other duties identified by NAB which the Member is qualified by education, training or experience.*

The benefit is normally payable as a lump sum (subject to the Trustee's discretion to pay the benefit in pension form) and calculated as:

- The Retirement Benefit as at the date the employee member last worked prior to disability, plus
- 25% of 17.5% of Fund Salary for each remaining year (if any) from the date the member last worked prior to disability to age 60. For members aged 60 to 69 (inclusive), this amount is equal to an amount described for partial disablement in **table 1** under the heading **Minimum Cover**

This Benefit does not have any offset provisions – that is, it is not reduced where payments are made as a result of Workers Compensation or similar claims.

A Partial Disablement Benefit can only be paid in cash if it meets the cashing requirements outlined in the Relevant Law. If it does not meet the cashing requirements of the Relevant Law, the insured portion will be added to the member's Superannuation Account and will not be accessible until the member meets a condition of release which allows cashing.

Example: A Member who is accepted by the Fund Trustee for the standard insurance cover of 17.5% of Fund Salary to age 60 is accepted for a disability benefit (either Total & Permanent or Partial as determined by the Fund Trustee) at age 39. The Member has 21 years to age 60 and a Fund Salary of \$40,000.

The benefit would be calculated as follows:

	Total & Permanent		Partial Disablement
Retirement Benefit at date of payment	say \$93,549		\$93,549
Plus			
\$40,000 x 21 years x 17.5%	\$147,000	x 25%	\$36,750
Amount of Benefit	\$240,549		\$130, 299

Example: A Member who is accepted by the Fund Trustee for the standard insurance cover of 17.5% of Fund Salary to age 60 is accepted for a disability benefit (either Total & Permanent or Partial as determined by the Fund Trustee) at age 66. The Member has a Fund Salary of \$40,000.

The benefit would be calculated as follows:

	Total & Permanent		Partial Disablement
Retirement Benefit at date of payment	say \$93,549		\$93,549
Plus			
One (1) x Fund Salary – (6 x 10%) = 40% x Fund Salary	\$16,000	x 25%	\$4,000
Amount of Benefit	\$109,549		\$97,549

- **Temporary Disability (2yr Salary Continuance)**

If a Member who has been accepted for insurance cover has a disability or illness that may not be permanent, they may apply to the Fund Trustee for a Temporary Disablement benefit. The benefit is conditional on the continued provision of medical and other information required by the Fund Trustee and Insurer, and is only available up to age 65.

The benefit will be a monthly income benefit paid at the rate of 75% of Fund Salary at the date of Temporary Disablement.*

*** This rate applies where an insured member's last day of work prior to their disability is on or after the 1st June 2010, otherwise the rate will be 70% of Fund Salary. All cover and payments cease at age 65.**

The Trustee will consider paying a Temporary Disability benefit when:

An Insured Member having been absent from employment with the Employer through physical or mental incapacity for three (3) consecutive months and in our opinion after having regard to such medical and other evidence as we may consider material having regard to the relevant requirements, the Insured Member has become incapacitated to such an extent as to render the Insured Member unable for the time being to undertake their normal duties with the Employer.

Payments will commence after all sick leave has been used or after three consecutive month's absence from NAB, whichever is the later (known as the Waiting Period). Payments will continue for up to two years with reviews where the Insurer considers necessary, but will cease when the member reaches age 65.

Returning to Work During the Waiting Period

Where an Insured Member attempts to return to work during the Waiting Period, and:

- the return to work proves unsuccessful due to the injury or illness causing Temporary Disability, and
- the period of return to work is less than five (5) days in total within the waiting period then the original waiting period will continue and will be extended by the number of days the Insured Member returned to work within the Waiting Period.

Example: David's last day at work was the 31st January 2010 before he was unable to return to work due to injury. His Waiting Period before Temporary Disability payments could begin (subject to him being assessed as meeting the Temporary Disability definition) therefore ends on the 1st May 2010, being 90 consecutive days. In conjunction with his treating specialist and his NAB case manager, he returned to work on the 5th March 2010 but was unable to return after that due to the injury. In this case, David's Waiting Period would conclude on 2nd May 2010 – one day after the initial Waiting Period concluded.

- **Extra Cover Temporary Disability**

Insured Members may elect to "top up" their Temporary Disablement benefits (known as Extra Cover Temporary Disability) to extend their payments to age 60 after the two (2) year payment period has concluded at the rate of 75% of Fund Salary. Payments will increase on an annual basis by the lesser of 5% or the Consumer Price Index (CPI).

Where an Insured Member has applied for and been accepted for **Extra Cover Temporary Disability** cover, payments may continue after the initial two (2) year payment period, where, in the insurer's opinion, the following conditions are met.

The Insured Member remains disabled solely as a result of injury or illness and is:

- *continuously unable to perform at least one of the Important Duties of his or her own occupation, and*
- *is under the care 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*

Table 2 under the heading **Premium Rates** provided earlier shows the current premium rate as a percentage of Fund Salary.

Temporary Disablement Benefit Offset Provisions

The amount of the Temporary Disability benefit paid, together with the aggregate of other payments received (such as any workers' compensation payments, long service leave payments, income payments under any insurance policy and remuneration from part-time employment with NAB or another employer or any similar benefits paid or payable) will not exceed 75% of the member's Pre-Disability Income (including bonuses and / or commission income where applicable).

Maximum Benefits

Whilst no maximum benefit limit applies to Temporary Disablement payments within the initial two (2) year payment period, a maximum of \$30,000 per month applies to payments after two (2) years under the Extra Cover Temporary Disablement option. This is based on payments of 75% of Fund Salary being paid on the first \$480,000.

Payments are not made for that portion of Fund Salary over \$480,000.

Example: David has been receiving Temporary Disablement benefits for 2 years and he was accepted for Extra Cover Temporary Disablement 6 months before becoming temporarily disabled. His Fund Salary was \$500,000 pa at the time he was disabled and his benefit during the initial 2 year payment period is \$31,250 per month, calculated as being \$500,000 **times** 75% **divided by** 12.

Having met the conditions for Extra Cover Temporary Disablement, his payments become subject to the maximum payable under the “top up” option and his payments reduce to \$30,000 per month, being \$480,000 **times** 75% **divided by** 12.

- **Bereavement Benefit**

Where a member dies whilst receiving Temporary Disability benefits, a lump sum benefit will be paid equivalent to three (3) times the member’s monthly benefit in addition to any benefits payable from the Fund.

- **Rehabilitation Benefit**

Where a member is suffering a Disability, a reimbursement of rehabilitation expenses (such as the cost of a rehabilitation course or special equipment) will be paid to assist the member to return to work.

Reimbursement of eligible expenses up to a maximum amount equal to 24 times the member’s monthly benefit, less any amount that can be claimed from any other source for those expenses

- **Family Carer Benefit**

Where a family member leaves permanent employment to care for a member who is Temporarily Disabled, an additional benefit will be paid, being the lesser of:

- the amount the carer would have earned if the member had not been disabled, and
- a maximum of \$2,000 per month

The benefit is payable for up to 6 months whilst the member continues to receive Temporary Disablement benefits. The benefit will begin to be paid at the later of the date the family member terminates employment to care for the member and the end of the member’s waiting period.

- **Emergency Transfer Benefit**

Where a member is Temporarily Disabled and incurs costs relating to emergency transportation (eg ambulance), an additional benefit will be paid up to a maximum of \$500, reduced by any amount the member receives from any other source (eg private health insurance).

Date of Claim

To avoid any ambiguity the “Date of Claim” has been defined under the Insurance policy with regard to any disability claim as being the date the member last worked prior to disability.

Preservation of Benefits

The Commonwealth Government requires that most superannuation entitlements are ‘preserved.’ Once the amount of your entitlement is calculated, it will be split into three components:

- An **Unrestricted Non-Preserved** component which may be taken as a cash payment or rolled-over to another superannuation fund, deferred annuity, retirement savings account or approved deposit facility - subject to the Fund Rules. For Retained Benefit Account and spouse members, these benefits may be withdrawn at any time.
- A **Restricted Non-Preserved** component, which cannot be cashed or rolled-over to another superannuation fund, deferred annuity, retirement savings account or approved deposit facility until you leave NAB or turn 65 years of age.
- A **Preserved** component, which must be retained in the Fund or another regulated superannuation fund, deferred annuity, retirement savings account or approved deposit facility. This money must be preserved until one of the circumstances outlined below occurs, thus allowing the preserved component to be cashed.

Cashing Your Superannuation

Generally, a superannuation benefit that is classified as “preserved” cannot be cashed unless you meet one of the following “conditions of release”.

Upon leaving NAB employment

- You are aged 60 or over
- You have reached your “Preservation Age” and have permanently retired. As shown in the table, Preservation Age depends on your date of birth.

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to June 1961	56
1 July 1961 to June 1962	57
1 July 1962 to June 1963	58
1 July 1963 to June 1964	59
1 July 1964 and after	60

- You are an eligible temporary resident and have permanently departed Australia
- Your benefits are released by the Fund Trustee on grounds of permanent incapacity (as defined in the Relevant Law)

Whilst still in NAB employment

- You die
- You successfully apply to the Fund Trustee for early release on severe financial hardship grounds
- You successfully apply to the Department of Human Services for early release on specified compassionate grounds
- You are assessed as having a Terminal Medical Condition
- You turn 65 years of age

Where a benefit becomes payable under the Fund Rules, other than in those circumstances described above:

- the “preserved” portion of the benefit must be rolled over into a complying superannuation fund, approved deposit fund or rollover institution that you nominate or transferred to a Retained Benefit Account within the Fund (see “Retained Benefit Accounts” section below); and
- any non-preserved amounts can either be rolled over or paid in cash (on leaving the Fund) after any applicable tax is deducted.

7. Other Information

Nomination of Beneficiaries

To assist in the distribution of the benefit paid in the event of your death, the Fund provides members with two options when nominating beneficiaries:

- A *Non-Binding* nomination (employee members only), or
- A *Binding* nomination

Irrespective of the type of nomination submitted, the person(s) nominated must be of a type listed under the heading **Death Benefits** – see above.

Non-Binding Nominations

These assist the Trustee in determining the payee(s) of a death benefit but are non-binding on the Trustee – ie the Trustee uses this nomination as a guide but retains absolute discretion in its decision making.

A *Non-Binding Death Benefit Nomination* must be in writing on the Notice provided by the Trustee which is available on the website at www.nabgsf.com.au/forms. They do not lapse and can be updated at any time.

These types of nominations are not available to Retained Benefits Account and Spouse members.

Binding Nominations

Subject to certain conditions being met, such nominations are binding on the Trustee should a death benefit become payable.

A *Binding Death Benefit Nomination (BDBN)* must be in writing on the Notice provided by the Trustee which is available on the website at www.nabgsf.com.au/forms.

A *BDBN* can be **amended, revoked or confirmed** at any time and they lapse three (3) years after being submitted. A *BDBN* will also lapse should the nominee(s) predecease you or no longer be your dependant. To amend, revoke or confirm a current nomination, use the Beneficiary Nomination form available on the website or call Fund Administration.

It is very important that you keep your *binding* nomination updated as certain life events can occur such as separation, divorce, additional children or the death of one or all of the nominees. In paying a death benefit, the Trustee will NOT consider any change in your personal circumstances since the nomination was made.

What if my binding nomination is invalid or I do not submit a nomination at all?

Should you submit a *BDBN* that is invalid, the Trustee will advise you. In the absence of a valid *BDBN* or you choose not to submit a *BDBN*, the Trustee will:

- For **employee members**, retain discretion to determine the payee(s) of any death benefit that becomes payable
- For **RBA/Spouse members**, pay to your Estate the proceeds of any death benefit that becomes payable

What happens to my binding nomination upon leaving NAB / Fund?

Your *BDBN* will cease to have effect upon the transfer of your benefit out of the Fund and you cease to be a member. Should you or the Trustee transfer your benefit to the Retained Benefits Account, any valid *BDBN* will continue to have effect.

Binding v Non-Binding Nominations

For full details on the conditions that must be met for a nomination to be “valid”, the persons who can be nominated, advantages, disadvantages and risks involved, please refer to the general article on Death Benefit Nominations on the Fund’s website at www.nabgsf.com.au/publications.

The Trustee’s Insurer

All cover described in the Product Disclosure Statement and in this brochure, is provided under a group policy issued to the Trustee by MLC Limited ABN 90 000 000 402 – the Insurer.

Where a member is not covered under the MLC Group Life policy the current definitions in the Fund Rules will apply.

8. Further Information about the Fund

You can get more information about the Fund, your benefits and superannuation in general from:

- the Fund Administrator, Level 4, 500 Bourke Street, Melbourne by
- telephoning a Member Services Consultant on 1300 557 586 between 8am and 7pm (Melbourne time) Monday to Friday, or
- visit our website at **www.nabgsf.com.au**

Your benefits are also provided on your Annual Benefits Statement issued bi-annually, effective 30th June and 31st December and provided in September and March respectively.

All due care has been taken in compiling the information contained within this document, however should the contents be inconsistent with the Fund Rules any benefit will be paid in accordance with the Fund Rules.

Further, should any information contained be inconsistent with the terms of the Insurance Policy in place between the Trustee and the Insurer, the terms within the Policy prevail.

9. Glossary of Terms

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

At Work – means 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.

Choice of Fund – Legislation which allows an employee to choose a complying superannuation fund to which their employer must direct their superannuation contributions

Continuation Option – an Agreement with the Insurer to allow employee members leaving the employment of NAB to continue their Death and / or Disablement benefits in an external policy without the need to provide medical information or evidence.

CPI – means the Consumer Price Index (All Capital Cities), as published for each quarter by the Australian Bureau of Statistics. It allows comparisons of the relative cost of living over time, and is used as a measure of inflation.

Eligible Person – means a person who has been nominated by the Trustee for cover under the provisions of any policy it has in place with the Insurer.

Fund Administrator – means Plum Financial Services.

Fund Salary – means your actual annual Total Remuneration Package (or a percentage thereof) as advised by NAB but does not include any allowances for special purposes.

Important Duties – means the duties of the Insured Member's occupation which are essential in producing a salary.

Insured Member – means an Eligible Person who has been accepted by the Insurer for inclusion under and, in accordance with the provisions of any policy the Trustee has in place with the Insurer.

Limited Cover – means the insured member is covered only for claims arising from an illness that first become apparent; or an injury which first occurred; on or after the date the insured member first became eligible for cover.

Pre-Disability Income – total income including bonuses and / or commission income where applicable.

Relevant Law – means the Superannuation Industry (Supervision) Act 1993 (Cwlth), Superannuation Guarantee (Administration) Act 1992 (Cwlth) and Corporations Act 2001 (Cwlth), and Regulations made under those Acts, or any other law imposed on the Trustee or which the Fund must satisfy to obtain the most favourable taxation treatment available.

Terminal Illness Benefit – Where two medical practitioners (one being a specialist practising in an area related to the illness or injury) have certified that the member suffers from an illness or injury that is likely to result in the death of the member within 12 months.

Unit Price – means, in relation to each investment option, an amount equal to the total value of all the assets held in that investment option, less the investment management expense recovery, taxes and any other fees and charges, divided by the total number of Units issued to investors in that investment option.

Waiting Period – means the period of continuous disability commencing from the first day of disability of the Insured member during which no disability benefits are payable. For standard Temporary Disability cover, the period is the greater of 90 days AND the date the Insured Member has exhausted all sick leave entitlements provided by the employer. For "Top Up" Temporary Disability cover, the period is the greater of 2 years and 90 days AND the date the Insured Member has exhausted all sick leave entitlements provided by the employer.

