HOSTPLUS

Statewide Super Legacy Product Guide.

For members transferred to Hostplus as part of the Statewide Super and Hostplus Successor Fund Transfer (SFT).

29 April 2022

Contents

Important information

The information in this guide is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

The information in this guide is correct as at the date of publication. In the event of a material change occurring to any information contained in this guide, irrespective of whether it is adverse or not, the trustee will notify existing members in writing within the time frames required by law. Updated information is available online at **hostplus.com.au**. Where a change to information in the guide is not materially adverse, for example, changes to the net fund earning rate and individual investment manager options, the trustee will provide updated information at **hostplus.com.au**.

Issued by Host-Plus Pty Limited ABN 79 008 634 704, AFSL No. 244392, as trustee for the Hostplus Superannuation Fund (the Fund) ABN 68 657 495 890, MySuper No. 68657495890198.

Insurance Guide – Transferred Statewide Super Members

Your insurance cover.

Following the Successor Fund Transfer (SFT) on 29 April 2022 and merger with Hostplus, all existing Statewide Super members that held insurance cover immediately prior to the SFT date will retain their insurance cover under identical policy terms and conditions as per the "Grandfathered Statewide Super" arrangement. This insurance cover is provided and maintained by Hostplus.

If you did not hold Death, TPD or Income Protection cover immediately prior to the SFT date, then please refer to the Hostplus Member Guide at **hostplus.com.au/pds**

This booklet provides you with all the details you need to know about the "Grandfathered Statewide Super" insurance so you can understand how to make the most of your options and ensure you've got the right level of cover to protect yourself and your family.

Salarylink members

If you're a Salarylink member, you should read the information in this booklet together with the Salarylink Member Guide. You don't receive default insurance cover as you already have insurance cover under the Salarylink arrangement. The information in this booklet is relevant to any additional voluntary insurance you have or apply for. If your Salarylink insurance ceases (for example, if you cease employment or cease Salarylink contributions or if you move from permanent employment to casual employment), your Salarylink insurance cover may be converted to unitised or fixed insurance cover. Please call us on 1300 467 875 for further information.

It's important to have the right amount of cover

Insurance information in this document has been prepared without taking into account your particular financial needs, circumstances or objectives. The right amount of cover for you depends on your unique circumstances. You should assess your own financial situation before making a decision about your insurance cover. This may involve seeking the help of an authorised adviser. Hostplus' financial adviser team[1] can assist you if you have any questions.

To contact a Hostplus adviser visit **hostplus.com.au/financial-planning**

As an ex-Statewide Super member that has retained cover after the merger with Hostplus, you are able to adjust your existing insurance cover, in accordance with the terms & conditions of the "Grandfathered Statewide Super" arrangement – details of the grandfathered arrangement are provided throughout this document.

Hostplus insurance cover is provided by MetLife Insurance Limited ABN 75 004 274 882 AFSL 238096 (MetLife) and the trustee of Hostplus owns this policy.

The duty to take reasonable care

When applying for or seeking to increase your insurance cover, there is a duty to take reasonable care not to make a misrepresentation. A misrepresentation could be made if an answer is given that is false, only partially true, or that does not fairly reflect the truth. This means when answering the Insurer's questions, you should respond fully, honestly and accurately. The duty to take reasonable care not to make a misrepresentation applies any time you answer the Insurer's questions as part of an initial application for insurance, an application to extend or make changes to existing insurance, or an application to reinstate insurance. You are responsible for all answers given, even if someone assists you with your application. MetLife may later investigate the answers given in your application, including at the time of a claim.

1. Hostplus has engaged Industry Fund Services Limited (IFS) ABN 54 007 016 195, AFSL 232514 to facilitate the provision of personal financial advice to members of Hostplus. Advice is provided by financial planners who are Authorised Representatives of IFS. Fees may apply for Comprehensive Financial Advice, further information about the cost of comprehensive advice is set out in the relevant IFS Financial Services Guide, a copy of which is available from your financial planner.

Hostplus has engaged Link Advice Pty Ltd ABN 36 105 811 836, ASFL 258145 to facilitate the provision of limited personal financial advice to members of Hostplus via the web-based product Super Adviser.

Consequences of not complying with the duty

If there is a failure to comply with the duty to take reasonable care not to make a misrepresentation, it can have serious consequences for your insurance, such as those explained below:

Potential consequences	Additional explanation	Impact on claims
Your cover being avoided	This means your cover will be treated as if it never existed	Any claim that has been made will not be payable
The amount of your cover being changed	Your cover level could be reduced	If a claim has been made, a lower benefit may be payable
The terms of your cover being changed	We could, for example, add an exclusion to your cover meaning claims for certain events will not be payable	If a claim has been made for an event that is now excluded, it will not be payable

If the Insurer believes there has been a breach of the duty to take reasonable care not to make a misrepresentation, it will let you know its reasons and the information they relied on and give you an opportunity to provide an explanation. In determining if there has been a breach of the duty, the Insurer will consider all relevant circumstances. The rights the Insurer have if there has been a failure to comply with the duty will depend on factors such as what it would have done had a misrepresentation not been made during your application process and whether or not the misrepresentation was fraudulently made. If the Insurer decides to take action on your cover, it will advise you of its decision and the process to have this reviewed or make a complaint if you disagree with its decision.

Guidance for answering our questions

When answering MetLife's questions, please:

- Think carefully about each question before you answer. If you are unsure of the meaning of any question, please ask MetLife before you respond.
- Answer every question that MetLife ask you.
- Do not assume that MetLife will contact your doctor for any medical information.
- Answer truthfully, accurately and completely. If you are unsure about whether you should include information, please include it or check with us.
- Review your application carefully. If someone else helped prepare your application (for example, your adviser), please check every answer (and make corrections if needed) before the application is submitted.

Other important information

Your application for cover or to increase existing cover will be treated as if you are applying for an individual 'consumer insurance contract'. For this reason, the duty to take reasonable care not to make a misrepresentation applies. Before any new cover starts, the Insurer may ask about any changes that mean you would now answer their questions differently. As any changes might require further assessment or investigation, it could save time if you let the Insurer know about any changes when they happen. If after any new cover starts, you think you may not have met your duty, please contact us immediately and we'll let you know whether it has any impact on your cover. It's important that you understand this information and the questions we ask, so if you have any queries please contact us on **1300 467 875**.

What insurance is available?

Default Cover*

As a "Transferred Statewide Super Member", you will automatically retain the level of death (including terminal illness), total permanent disablement (TPD) and income protection cover (including default and any additional cover) you held immediately prior to the Successor Fund Transfer (SFT) with Hostplus that occurred on 29 April 2022.

Please refer to **Your insurance at a glance** on page 8 and the table below, for details of the Default Cover you may have received, once you satisfied the eligibility requirements.

The amount of Default Cover you may currently hold will depend on your age:

Age last birthday	Default death and TPD units	Default income protection units
15 – 18	1	4
19 – 21	2	
22 – 25	3	
26 and over	4	

Members under 25 can receive cover if they have elected to receive Death and TPD insurance.

WARNING: The cost of this Default Cover will be deducted directly from your Hostplus account and is not tailored to your individual needs and circumstances.

Additional Default Cover – only applies to members who were granted cover by Statewide Super within 90 days of SFT

This is only available to members who were granted default cover by Statewide Super and apply within 90 days from when the cover was communicated.

If you are eligible and were automatically provided with Default Cover, you can apply for up to a further 4 units of additional death and TPD cover, and up to 6 units of additional income protection cover without answering any health questions.

You can also apply for Additional Default Cover by answering limited health questions, providing up to:

- 10 additional units death & TPD, and/or
- 12 additional units of income protection.

Members who opted-in to have Default Cover before age 25 with a balance less than $6,000 or as an NTG member, may also apply for Additional Default Cover.

An application for Additional Default Cover:

- must be lodged within 90 days of us issuing a letter confirming you have been granted Default Cover, and
- will be subject to assessment by the insurer.

The maximum amount of Additional Default Cover you can apply for is:

- 12 additional units of income protection, and/or
- 10 additional units of death and/or TPD.

Life Events Cover

If you are provided with Default Cover, you may be eligible to apply for 1 unit of (death and TPD) Life Events Cover upon any one of the following events occurring:

- a valid marriage under the *Marriage Act 1961* (Cth),
- the birth or adoption by you of a child, or
- the grant of a new mortgage in respect of your place of residence.

Your application for Life Events cover must be lodged within 180 days of the event occurring and be accompanied by evidence of the event. You can only lodge one application for Life Events cover. If you have tailored your cover you are not eligible for Life Events Cover.

Transfer Cover

If you have death, TPD and/or income protection cover under another policy and are an *eligible person*^, you can apply to have that cover transferred to this policy. When considering an application for Transfer Cover, the insurer may accept or refuse the application.

The maximum amount of cover that can be transferred is $1 million for death and TPD insurance and $15,000 per month for income protection insurance, subject to the maximum cover limits (see page 8).

You will need to provide information to the insurer about your health and the other cover as part of your application.

If your application for Transfer Cover is accepted:

- any exclusions, restrictions, premium loadings and other special conditions which applied to your other cover will apply under this policy, until they expire according to their terms,
- you will no longer be eligible to be granted Default Cover or Additional Default Cover, and
- for IP cover, you will be provided with a waiting period of 60 days and a maximum benefit period of 2 years, regardless of the terms of the transferred cover.

The insurer will only consider applications for income protection where the other cover has a waiting period of 90 days or less.

^ To make an application to transfer death, TPD or income protection cover, the eligible person must be aged 15 to 65.

Transfer your insurance cover to Hostplus

You may also be eligible transfer your Death,TPD and/or Income Protection insurance cover from the "Grandfathered Statewide Super" arrangement to the Hostplus Group Life and Income Protection policies, where your existing cover will be converted to the equivalent level of cover under the Hostplus product, in either units or fixed cover, depending on how your existing Death TPD, and or Income Protection cover is structured.

Also, any individual loadings, restrictions or exclusions which apply to your existing cover, will continue to apply to your cover under the Hostplus Group Life and Income Protection policies.

Once the transfer is complete, you will be able to tailor your cover in accordance with the Hostplus Group Life and Income Protection policies, which includes access to either converting your cover to fixed cover, or from fixed to unitised cover.

Before electing to transfer your cover, you need to consider that the terms and conditions, including premium rates, may be different between the "Grandfathered Statewide Super" arrangement and the Hostplus Group Life and Income Protection policies. You should seek financial advice as to the appropriateness of the insurance to your objectives, financial situation and needs.

Please refer to the Hostplus Member Guide at **hostplus.com.au/pds** for more details.

To apply to transfer your existing cover to the Hostplus Group Life and or Income Protection policies, you need to fully complete this [form] and return via email at **info@hostplus.com.au** or by post to:

HOSTPLUS
Locked Bag 5046
Parramatta NSW 2124

Tailored Cover

You can also apply for cover that's outside the terms of Default Cover, Additional Default Cover, Transfer Cover or Life Events Cover. This is known as 'Tailored Cover'. When considering an application for Tailored Cover, the insurer will assess your insurability and may accept the application with or without conditions (such as exclusions, restrictions or premium loadings) or refuse the application.

If your application for Tailored Cover is accepted you will no longer be eligible to be granted Default Cover or Additional Default Cover.

The maximum amount of cover that can be provided as Tailored Cover is $5 million for death, $3 million for TPD cover and $30,000 per month for income protection.

Limited cover conditions may apply to Default Cover, Additional Default Cover, Life Events Cover, Transfer Cover and Tailored Cover (see pages 6 and 7).

NT government employees

Are you an NT government employee?

If the NT government paid your super to Statewide Super prior to the SFT date, and you received Default Cover as a Statewide Super member, this cover will be retained under "Grandfathered Statewide Super" insurance arrangement with Hostplus from the SFT date. You can continue to transact on this cover in accordance with the terms and conditions outlined in this document.

Where you weren't eligible for Default Cover at any time up to the SFT date, or you hadn't previously opted-in to Default Cover, you still may be eligible for Default Cover, but under the Hostplus Group Life and Income Protection arrangement. Please refer to the Hostplus Member Guide at **hostplus.com.au/pds-exec** for more details or contact the us on **1300 467 875** for further information.

Your insurance at a glance

Types of insurance that may be available to you, where you held such cover on the SFT date:

Insurance type	Overview		
Income protection	Income protection insurance provides a regular income should you become temporarily disabled through illness or injury and are unable to work for an extended period of time. Income protection insurance has a waiting period of 60 days and a maximum benefit period of two years. Refer to page 12 of this booklet for more information. **Cover is provided to age 67**		
		Additional Default Cover	
	Default Cover	**Simple eligibility question***	**Limited health questions***
	4 units	Up to 6 additional units	Up to 12 additional units
	Transfer Cover Limit	**Maximum Level of Cover**	
	$15,000 per month	$30,000 per month	
Total and permanent disablement (TPD)	TPD insurance provides a lump sum benefit to you, if (amongst other criteria) an illness or injury is likely to prevent you from ever working in any occupation for which you are reasonably suited by education, training or experience. The insurer may also consider the possible effect that any reasonable retraining will have on you when making a determination. If on the date of your disablement you are 65+ or you have been unemployed for at least 16 months prior to your date of disablement, your TPD definition changes to TPD definition B (see page 42 for details). **Cover is provided to age 70**		
		Additional Default Cover	
	Default Cover	**Simple eligibility question***	**Limited health questions***
	4 units**	Up to 4 additional units	Up to 10 additional units
	Transfer Cover Limit	**Maximum Level of Cover**	
	$1,000,000	$3,000,000	
Death including Terminal Illness	Death insurance provides a lump sum benefit, which is generally paid to your legal personal representative/s managing your estate and/or your dependents (e.g. spouse), once we are notified of your death (see page 15), or to you if you're certified as terminally ill (see page 15). If you are assessed to be terminally ill and hold death and TPD cover, we'll pay you the higher of the amount of the insured cover for death and TPD as a lump sum payment. If you are insured with TPD cover, we will consider that cover has ended on payment of a terminal illness benefit. **Cover is provided to age 70**		
		Additional Default Cover	
	Default Cover	**Simple eligibility question***	**Limited health questions***
	4 units**	Up to 4 additional units	Up to 10 additional units
	Transfer Cover Limit	**Maximum Level of Cover**	
	$1,000,000	$5,000,000	

* You will only be eligible if you answer questions honestly and/or correctly.
** Refer to page 6 for more details.

Occupation Categories

Under the "Grandfathered Statewide Super" arrangement, we continue to offer insurance based on four occupational categories The table below outlines these categories.

You may be eligible to receive cover at a reduced cost if the insurer is satisfied you fall within the white collar or professional occupation categories.

Until you make us aware of your occupation, your premiums will be charged based on the highest premium rate table (see pages 23 to 27).

To change your insurance scale you can apply online at **hostplus.com.au** by clicking here.

Occupation Category	Important Information	Definitions
Default Occupation Category	Until you make us aware of your occupation, your premiums will be charged based on the highest rate table.	**Occupation Unknown** Members who have the occupation category "Standard" have been moved to the "Occupation Unknown" category. This is to prompt you to tell us more about your occupation and wherever possible, move you to the other occupation categories to reduce your insurance premiums.
Active Occupation Category	Premium rates remain the same as the Occupation Unknown category.	**Active** This new definition applies if the occupation you advise us of does not meet the requirements for a white collar or professional occupational category.
White Collar	You may be eligible for lower premium rates if you meet these definitions.	**White Collar** Duties are of a clerical, administrative or management nature in an office environment 90% of the time.

Professional		**Professional**
		You may be eligible for cover under the professional category if you meet all of the criteria in the white collar occupation category AND
		▪ 100% of duties are undertaken in an office environment, and
		▪ you earn in excess of $100,000 per annum for your profession, and either:
		  ▪ hold a tertiary qualification relevant to your occupation, or you are a member of a professional institute for your occupation, or
		  ▪ you are engaged as a senior member of the executive team.

Limited cover conditions

In some circumstances, your cover may have limitations placed on what and when you will be covered.

A pre-existing condition is an illness that first becomes apparent, or an injury that first occurs, before your insurance cover commenced, restarted or increased.

If limited cover conditions apply, you will not be paid a benefit for an illness or injury arising from a pre-existing condition.

Limited cover conditions apply as follows for existing Default Cover and any new Additional Default Cover provided after the SFT date:

Scenario	Limited cover conditions apply ...
Scenario 1 If you were not in active employment for all of the first 30 days of cover AND Scenario 2 and scenario 3 do not apply.	until the first to occur of: ▪ the date that you have been in active employment for 30 consecutive days following the cover start date, and ▪ the date that is 24 consecutive months after your cover start date
Scenario 2 ▪ Employer contributions were not received for you during the 90 days before your cover start date AND ▪ Your cover start date is more than 180 days after you first commenced work with your employer, or if you are an NTG member, the date that the NT government notifies us that you have commenced casual employment.	until the first of the following dates to occur more than 12 consecutive months after your cover start date: ▪ the date that is 24 consecutive months after your cover start date, and ▪ the date that you have been in active employment for at least 30 consecutive days.
Scenario 3 In the 6 months before your cover start date, you: ▪ were diagnosed with or experienced symptoms of, seeking medical opinion for, under investigation or advised to undergo investigations for a degenerative condition, OR ▪ restricted from working for more than 10 consecutive working days due to injury or illness.	until the first of the following dates to occur more than 12 consecutive months after your cover start date: ▪ the date that is 24 consecutive months after your cover start date, and ▪ the date that you have been in active employment for at least 30 consecutive days.

Limited cover conditions apply for Life Events Cover as described in the table below:

Scenario	Limited cover conditions apply ...
Life Events Cover is granted to the insured member.	until you have been in active employment for 30 consecutive days after your Life Events Cover commences.

Limited cover conditions may also apply if after your insurance cover lapses, it is reinstated. However, once cover ceases it can only be reinstated under the Hostplus Group Life and Income Protection policies. See page 19 for more information on cover restarting.

Parental leave premium waiver option

If you are employed (other than self-employed) you may apply to have your insurance premiums waived for up to 12 months of employer approved parental leave, provided that:

- you have been a member for at least 12 months at the date of application,
- the application form is signed by the employer who approved your parental leave,
- your application must specify the start and end date of the waiver. The end date must occur:
  - during the period of parental leave, and
  - no more than 12 months after the date the parental leave commenced.

The waiver will commence from the date the application is received. The premium will not be waived for any period you were on leave prior to your application being received.

You may apply to change your cover at any time during the premium waiver period, and:

- the premium waiver will apply to any Additional Default Cover that commences during the premium waiver period, and
- any change to your cover will continue to be maintained after the expiry of the premium waiver period.

What is active employment?

This means that you are employed by your employer and, in the insurer's opinion, are:

- employed to carry out identifiable duties and not absent from work or on leave due to illness or injury, and
- not restricted by illness or injury from carrying out those duties for 35 hours per week, and
- not entitled to or receiving income support benefits of any kind.

You don't need to be actually working 35 hours per week to meet this requirement though, only capable of doing so.

Are you covered while overseas?

Yes, you are covered 24 hours a day on a worldwide basis; however if you lodge a claim while you are overseas, you may be required to return to Australia at your own expense for assessment. If you plan to travel outside Australia, you should be aware that there is an exclusion on claims that were caused by war or war-like activity outside of Australia.

Are there any exclusions?

There is general exclusion on suicide or attempted suicide or intentional self-inflicted injuries causing death, terminal illness, disablement or partial disablement:

- within 12 months of your death, or death and TPD cover start date (or if you have increased your cover, in respect of the amount of increased cover), and
- for the life of the policy for income protection cover.

There is also an exclusion for illness, injury or death arising from an act of war.

Income protection benefits will also not be paid where a disability is caused directly or indirectly by normal and uncomplicated pregnancy, caesarean birth, threatened miscarriage, participation in in-vitro fertilisation or other medically assisted fertilisation techniques and normal discomforts of pregnancy, including but not limited to morning sickness, backache, varicose veins, ankle swelling and bladder problems.

Sanctions and embargoes

Hostplus and the insurer have a duty to comply with any applicable sanction and embargo regimes. As such there is no benefit payable for cases where sanctions, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, USA or Australia.

Income protection insurance

If you're unable to work due to illness or injury you'll probably still need to pay bills, mortgage payments, credit card and other loan repayments. This is where income protection insurance can support you and your family.

Remember, you need to apply and be accepted for the white collar or professional categories to receive cover at a reduced cost. Eligibility for the white collar or professional occupation categories is determined by the insurer.

What's income protection insurance worth?

Income protection is provided on a unitised basis. Each unit of income protection insurance provides $500 of cover per month for all occupation categories – Unknown Occupation, Active, White Collar or Professional. The cost varies depending on your age and occupation category.

In the event of your temporary disability, you'll receive a monthly benefit up to the amount covered (before tax), for a period of up to two years.

The maximum benefit payable is the lesser of the insured amount and 85% of your pre-disability salary, with 75% being paid to you, and 10% being paid into your Statewide Super account as a replacement SG contribution.

Regular income protection benefits may be paid up until the earlier of the end of the two year benefit period and your 67th birthday.

From 1 November 2018 Statewide Super's Long Term Income Protection Cover was closed to new applicants*.

* As this is a closed product, please contact us for premium rates.

How much will my income protection insurance cost?

The cost of income protection insurance per unit, per week will be as follows for the four occupation categories:

Age Next Birthday	Active or Unknown Occupation $	White Collar occupation $	Professional occupation $
16 – 26	$0.218	$0.174	$0.148
27	$0.222	$0.178	$0.151
28	$0.228	$0.183	$0.155
29	$0.236	$0.189	$0.161
30	$0.247	$0.197	$0.168
31	$0.259	$0.207	$0.176
32	$0.272	$0.218	$0.185
33	$0.288	$0.230	$0.196
34	$0.305	$0.244	$0.207
35	$0.323	$0.259	$0.220
36	$0.344	$0.275	$0.234
37	$0.365	$0.292	$0.249
38	$0.389	$0.311	$0.264
39	$0.414	$0.331	$0.281
40	$0.440	$0.352	$0.299
41	$0.469	$0.375	$0.319
42	$0.499	$0.399	$0.339
43	$0.531	$0.425	$0.361
44	$0.565	$0.452	$0.384
45	$0.601	$0.481	$0.409
46	$0.639	$0.512	$0.435
47	$0.680	$0.544	$0.463
48	$0.724	$0.579	$0.492
49	$0.771	$0.617	$0.524
50	$0.821	$0.657	$0.558
51	$0.875	$0.700	$0.595
52	$0.933	$0.747	$0.635
53	$0.996	$0.797	$0.677
54	$1.065	$0.852	$0.724
55	$1.139	$0.911	$0.775
56	$1.346	$1.077	$0.915
57	$1.419	$1.135	$0.965
58	$1.498	$1.198	$1.018
59	$1.583	$1.266	$1.076
60	$1.675	$1.340	$1.139
61	$1.776	$1.421	$1.208
62	$1.886	$1.508	$1.282
63	$2.005	$1.604	$1.364
64	$2.183	$1.747	$1.485
65	$2.377	$1.902	$1.616
66	$1.783	$1.426	$1.212
67	$1.189	$0.951	$0.808

What else do you need to know about income protection insurance?

Generally, you need to be disabled and unable to work for 60 calendar days before a benefit becomes payable. This is known as the waiting period. If you're still unable to work due to your injury and/or illness after the end of the waiting period, income protection benefits may be payable for a maximum of two years.

Benefits are paid monthly in arrears and will be reduced by:

- any payment made under a similar policy,
- any Worker's Compensation entitlements or other statutory compensation,
- entitlements to compensate for loss of income or loss of earning capacity as a result of personal injury (including an award of damages or a settlement of a claim for damages under common law),
- paid sick leave, personal leave, annual leave, long service leave payments or parental leave from your employer, or
- Social Security payments.

A proportional benefit is paid if you resume employment at a reduced rate of income while still partially disabled, provided the waiting period has ended.

The waiting period may be waived if you suffer a recurrence of a disability from the same or related injury or illness within six months of ceasing to receive benefits. However, the claim will be treated as a continuation of the previous claim for benefits.

What is the definition of 'income' that will be used in calculating my income protection benefit?

For employees who are in permanent employment, pre- disability 'income' is defined as the average monthly earnings received from your employer for personal exertion for your usual occupation (including salary sacrifice amounts). Pre- disability income does not include mandated superannuation (SG) contributions, overtime, profit distributions, director's fees, other non-regular payments or allowances paid to cover expenses whilst working (i.e. food allowances etc).

If your income includes commission and bonuses, these components will be averaged over the previous three years.

If you have had a pay rise in the last 12 months, your average monthly earnings will be calculated over the months since that increase.

If you were not employed 12 months prior to the date on which your average income is calculated, your average monthly earnings will be calculated over the period commencing on the date you were first employed within the previous 12 months (although this must be for a minimum of 6 months if you are not in permanent employment).

If you are on parental leave, your average monthly earnings will be calculated over the period commencing 12 months immediately before you commenced that period of parental leave.

If you directly or indirectly own part or all of the business or professional practice from which you earn a regular income, earnings will include the gross revenue generated by the business as a result of your personal exertion, less eligible business expenses, calculated over the previous 12 months.

Investment income, mandated superannuation contributions (SG contributions) and any component of income that does not cease upon ceasing work will be excluded.

What is the definition of 'disabled' that is used for income protection insurance?

You will be regarded as being disabled or having a disability, if as a result of an illness or injury occurring you are:

- unable to perform at least one income producing duty of your occupation (i.e. a duty that generates at least 20% of your monthly income),
- not working in any occupation, whether or not for reward, and
- under the regular care, as well as following the advice, of a medical practitioner.

What limits will be applied to my income protection benefit?

The following benefit limits apply to members who are eligible to receive income protection insurance benefits:

- Income protection benefits paid are limited to a maximum of 85% of income, even if your level of insured cover exceeds this amount. This is made up of 75% of income paid to you (this reduces to 50% for any income between $400,000 p.a. and $520,000 p.a.) plus 10% of income which is paid into your Hostplus account as a replacement SG contribution. For example, if you held six units of cover your level of insured cover would be $3,000 per month, or $36,000 per year. If your salary was only $35,000 then your benefit would be limited to:
  - $2,479 (85% of salary) per month, even though your insured cover was $3,000 per month.
  - It is therefore important to ensure that the number of units of cover you hold is appropriate for your income level.
- The maximum amount of income protection insurance available is $30,000 per month (inclusive of any superannuation contribution payments to your Hostplus account).
- Superannuation contribution payments are limited to 10% of income and are paid to your Hostplus account.

Are benefits paid for a partial disability?

You may be eligible to receive a partial disability benefit if you are partially disabled and the waiting period has ended. The benefit will be paid monthly in arrears and the amount of your benefit accrues daily on a pro-rata basis.

Partially disabled means you:

- have been disabled for at least seven days out of the first 12 working days of the waiting period,
- are unable to work in your occupation at full capacity as a result of the illness or injury resulting in disability,
- are working in your occupation or any other occupation but only in a limited capacity,
- are earning a monthly disability income less than your prior monthly income, and are under the regular care, and are following the advice, of a medical practitioner.

The amount of any partial disability benefit depends on how many hours you're able to continue in paid work.

To help you understand, let's have a look at Sarah.

Sarah works on a full-time basis as a hairdresser earning $3,000 per month. She is insured for four units of regular income protection insurance, giving her a maximum monthly benefit of $2,000. She recently became ill and as a result, after temporarily ceasing work for seven out of twelve working days, Sarah returns to working three days a week in her normal job. She is therefore receiving a reduced salary of $1,800 per month from her employer. Sarah continues to work on this part-time basis throughout the 60 day waiting period and beyond.

Sarah's partial benefit claim has been accepted by the insurer. Her benefit will be calculated as follows:

(previous monthly income – current monthly income) x disability monthly benefit / previous monthly income

($3,000 - $1,800) x $2,000 (her current insured cover) / $3,000

Sarah will receive a partial disability benefit of $800 per month for the remaining benefit period.

This example is for illustration purposes only.

When will my income protection benefit end?

Disability benefits will cease to be paid when you:

- are no longer disabled, or partially disabled,
- die,
- attain the maximum insured age,
- have been disabled or partially disabled from the end of the waiting period for two years.

Rehabilitation expense benefit

If you become disabled or partially disabled, you may be able to receive a rehabilitation expense benefit to cover the cost of rehabilitation expenses, up to a maximum of six times the amount of your monthly disability benefit (or partially disabled benefit) and superannuation contributions benefit.

The rehabilitation benefit will be payable if you are disabled or partially disabled and:

- the insurer approves the rehabilitation expenses in writing before they are incurred, and
- the rehabilitation expenses are incurred to directly assist you to return to work or undertake a vocational retraining program.

The amount of the rehabilitation expense benefit will be reduced by any amounts that can be claimed for the rehabilitation expenses from any other source. Any rehabilitation expense benefit will be paid directly to the provider of the rehabilitation service.

Death and total and permanent disablement (TPD) insurance

Having death and/or TPD insurance can provide you and your family with peace of mind.

A closer look at death and TPD insurance

You have the ability to hold differing amounts of death and TPD cover*, including being able to have a higher level of TPD than death cover.

* Even though you can hold different levels of death and TPD cover, they are still linked which mean a successful TPD claim will reduce the level of death cover by the amount of the TPD payment.

Option One: Unitised death and TPD insurance

When you were first provided with Default Cover, you would have automatically been provided with unitised cover for both death and TPD.

Taking advantage of the Additional Default Cover options would also be provided as unitised cover.

Unitised cover is designed to reduce the insured value of each unit of cover as you get older.

The value of each unit of insurance is provided in Table 1 on page 23.

The cost per unit of Death and TPD insurance is age based. Please refer to Tables 2 and 3 on pages 24 and 25 for the cost of cover.

If you have cover based on the white collar or professional occupation category you'll receive the same level of cover at a reduced cost. Further information about occupation categories can be found on page 9.

Option Two: Fixed insurance

You can apply to convert your unitised cover to fixed cover at any time.

This type of cover allows you to fix the value of your insurance. While the insured value is fixed and doesn't decrease over time, your premium will increase as you get older. The cost of cover is reduced for members who hold cover based on the white collar or professional category.

The cost of fixed cover for death and TPD can be found in Tables 4 and 5 on pages 26 and 27.

Death insurance

Death insurance (including terminal illness cover) provides you with peace of mind. Should you die before age 70 and meet the eligibility criteria, your family or estate will be provided with a lump sum payment.

It's important to know that the insured value of each unit of death cover will decrease as you get older (see Table 1 on page 23 for unit values of death cover over time).

Death cover can also be held as fixed cover, with the value of your insurance 'fixed' and not decreasing over time. You'll see from Table 4 on page 26 that your premium will increase as you get older.

Any increase in your existing cover requires approval by the insurer and may be subject to limited cover conditions (see page 10).

Jenny’s story

Jenny is 44. She’s recently commenced employment as a shop assistant with a Statewide Super employer.

The cost for each unit of death and TPD insurance is $2.697 per week or $10.788 in total per week ($560.98pa), which is deducted from Jenny’s super account and not her take home pay.

Jenny has consolidated all of her super accounts into Hostplus so she has a balance of $35,000.

Should Jenny die or become totally and permanently disabled her Grandfathered Statewide Super insurance benefit would be made up of her:

Super account balance	**$35,000 +/- earnings**
Four units of standard death	**$134,000 and TPD Insurance**
Total benefit to be paid to Jenny *(or her family in the event of her death at age 44)*	**$169,000***

Jenny knows that the amount of her standard death and TPD benefit will decrease each year on her birthday.

What if Jenny changed to fixed insurance?

Jenny decided that she wanted to know exactly what her death and TPD cover would be in the event that a claim was made. She knew that her mortgage repayments would stay the same for the next four years, so decided to change to fixed insurance.

At the age of 44, each $1,000 of fixed insurance would cost her $4.186 . Jenny decided to increase her death and TPD insurance to $200,000. This costs her $837.20 per year which is deducted from Jenny’s super account.

Jenny knows that the value of her insured benefit will always stay the same, but that her premium will increase as she ages.

In this case, with fixed insurance, should Jenny die or become totally and permanently disabled, her insurance benefit would be made up of her:

Super account balance	**$35,000+/- earnings**
Fixed insurance	**$200,000**
Total benefit to be paid to Jenny *(or her family in the event of her death at age 44)*	**$235,000***

* This amount would be variable as it changes depending on fees, future earnings, contributions, taxes, etc. This example is for illustration purposes only.

FAQs

How do I pay for my insurance?

Insurance premiums are deducted from your super account on a monthly basis.

Your insurance premiums are used to cover the cost of the insurance policy as well as the cost of its administration. 0.745% of the death and TPD insurance premiums (0% of Income Protection) are retained by the fund and goes towards the administration cost of providing insurance.

When does my death and TPD insurance cover end?

Your cover for death and TPD insurance will end from the earliest date of the following:

- the date you ceased to be a member of the fund,
- your 70th birthday,
- the day your cover is cancelled, or if you request cancellation within 90 days of insurance cover being provided, the day your insurance cover commenced,
- the date of your death,
- the date you are eligible to be paid a benefit, provided that where a TPD benefit is paid and your death cover is greater than your TPD cover, death cover will continue but only in respect of the difference in cover,
- the date you are eligible to be paid a terminal illness benefit,
- if you commence active duty with the military services of any country (other than the Australian Armed Forces Reserve on duty within Australia),
- if your account is inactive (having not received an eligible contribution or rollover for the previous continuous period of 16 months) and you have not elected to retain your insurance,
- the date there is insufficient money in your account to cover the next premium payment.

When will my income protection cover end?

Your cover for income protection insurance will end from the earliest date of any of the following:

- the day you cease to be a member of the fund,
- your 67th birthday,
- in the event of your death,
- the day your cover is cancelled, or if you request cancellation within 90 days of insurance cover being provided, the day your insurance cover commenced,
- if you commence active duty with the military services of any country (other than the Australian Armed Forces Reserve on duty within Australia),
- if your account is inactive (having not received an eligible contribution or rollover for the previous continuous period of 16 months) and you have not elected to retain your insurance,
- the date there is insufficient money in your Hostplus account to cover the next premium payment.

How do I make a claim?

You should advise us of a claim as soon as reasonably possible. If you don't notify us within a reasonable time, the insurer may reduce or refuse to pay the insured benefit to the extent their assessment of your claim is prejudiced.

If you make a claim, the insurer reserves the right to investigate the claim including but not limited to the use of investigative agents, conducting surveillance and requesting information and medical examinations.

It is important to note that if you make a claim, you will only be entitled to an insured benefit if you meet the eligible criteria under the terms of the fund's insurance policy. The insured benefit is determined as at the date of the event occurring (e.g. for death event, date of death) and the level of insurance cover at that time. In circumstances where you are in the process of applying for additional cover but have not yet been accepted by the insurer, you will only be entitled to the lesser amount of cover applicable prior to the increase, in the event of a successful claim.

How do I cancel my cover?

If you prefer not to have insurance cover, you can elect to cancel your cover [online] at any time or by sending us an email at **info@hostplus.com** or by writing to us at the address below.

You can also cancel your insurance by calling us on **1300 467 875**.

HOSTPLUS
Locked Bag 5046
Parramatta NSW 2124

If you cancel your insurance cover and subsequently decide that you would like to re-apply for insurance cover down the track, you can do so by completing a new online insurance application online by clicking here. Any application for insurance made at this time will be subject to approval by the insurer and may require underwriting. We cannot reinstate your original cover once you have decided to cancel it.

Furthermore, where you elect to cancel all your cover, and subsequently request to apply for new cover, the cover will be assessed under the Hostplus insurance policy terms and conditions, and subject to the insurer approval.

Can I claim after my cover has ceased?

If an event occurs prior to the date your cover stops or is terminated, and that event entitles you to make an insurance claim, you may still be eligible for that payment even after your cover has ceased.

What happens if I have an accident before my cover is approved?

If you've applied for Tailored Cover, interim accident cover may apply if you have an accident resulting in your death (if your application for Tailored Cover includes death cover) or total and permanent disablement (if your application for Tailored Cover includes total and permanent disablement cover), or temporary disablement (if your application for Tailored cover includes for income protection cover), during the insurance application assessment process.

In the case of death only or death and TPD insurance, the benefit payable will be limited to the amount of insurance cover you have applied for up to a maximum of $1,000,000. Additionally, your death or total and permanent disablement must occur within 365 days of the injury (other conditions also apply).

In the case of income protection insurance, the benefit payable will be limited to the lesser of the amount of insurance cover you have requested; 75% of your monthly income plus the 10% superannuation contribution benefit (if applicable); or $10,000 per month.

This cover starts from the date we receive your fully completed application for tailored cover and continues until:

- you withdraw your application,
- your application is accepted or denied, or
- 90 days have passed from the date your application is received.

What if I have a terminal illness?

The insurer will pay a terminal illness benefit where you have death cover and:

- you suffer from an illness,
- we are satisfied, on medical or other evidence, that despite reasonable medical treatment the illness will lead to your death within 24 months of the certification date, and
- the illness from which you suffer, and the certification date takes place, while you are covered by this policy.

The amount of the terminal illness benefit will be the higher of your death and TPD cover (if you hold both death and TPD cover).

Can I apply to transfer my current insurance that I have with another fund to Hostplus, under the "Grandfathered Statewide Super" arrangement?

Yes. See 'Transfer Cover' on page 6.

Can I apply for additional cover?

Yes. See 'Additional Default Cover', 'Life Events Cover' and 'Tailored Cover' on pages 6 and 7.

Are there any circumstances where I can increase my insurance without providing extra health information?

Yes. See 'Additional Default Cover' and 'Life Events Cover' on page 6.

What if Hostplus or previously Statewide Super has the wrong information in relation to my insurance?

If your personal details are incorrect, the insurer has the right to adjust the premium or the benefit based on your correct information. This may mean that you will be refunded excess premiums you have paid, will need to pay an additional amount, or the insurer may cancel your cover*.

* See notice of the 'duty to take reasonable care not to make a misrepresentation' from our insurer to you on this page.

What if I don't have active TPD insurance cover?

In the absence of TPD cover, the Trustee may be able to release your superannuation benefit on the basis of a permanent incapacity.

In order to facilitate this release, we require a statement from two qualified medical practitioners certifying that you are unlikely to ever engage in gainful employment for which you are reasonably qualified.

My insurance cover has ended. Can it be recommenced?

There are some circumstances in which insurance cover that has ended can be recommenced.

If your cover ceases because your account has "insufficient balance" to pay for your insurance cover or having an "inactive" account, your Death, and TPD cover may recommence at a later date. However, the recommenced cover will be subject to the Hostplus insurance policy terms and conditions. Hostplus does not offer default Income Protection so this will not recommence and you will no longer receive Income Protection cover.

Cover under this grandfathered arrangement can not recommence once it had ceased.

Please refer to Recommencement of Cover details in the next section for more information on when your cover may recommence.

Recommencement of Cover

If your cover ceased as a result of "insufficient balance" to pay the insurance premiums or where your account has become "Inactive", your Death and TPD cover may recommence under the Hostplus insurance policy terms and conditions.

Where Hostplus receive an election from you to maintain your cover, within 30 days of your cover ceasing due to inactivity on your Hostplus account, and you provide an opt-in election (where required*) even where your account is inactive, Death and TPD cover may recommence at the default cover level from the date the election was received.

Alternatively, if a contribution or rollover is received into your Hostplus account at any time beyond 30 days of your cover ceasing, your Death and TPD cover may recommence at the Hostplus default cover level, generally from the date the contribution or rollover is received by Hostplus.

You will need to satisfy the eligibility requirements of the Hostplus insurance policy terms and condition before your Death and TPD cover will recommence, and you should consider whether the default cover level under that product is suitable. Please refer to section 8.8.10 of the Hostplus Member Guide at **hostplus.com.au/pds** for more details and specific conditions that may apply to your recommenced default cover, including the occupation rating and the premium rates that applies.

* If your Hostplus account balance has not reached $6,000, and/or you are under 25 years, you must opt- in if you wish to be covered.

Definitions

Definitions of bolded terms used

Defined Term	Definition
Active Employment	Means a person is: ▪ employed to carry out identifiable duties and not absent from work or on leave, due to illness or injury, ▪ in the insurer's opinion, not restricted by illness or injury from carrying out those duties for 35 hours per week, even if they are not working 35 hours per week, and ▪ not entitled to or receiving income support benefits of any kind.
Activities of Daily Living (Applicable until 31 October 2021)	Means: ▪ Bathing – to wash in a bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means ▪ Dressing – to put on, take off all garments and if needed any braces, artificial limbs or other medical apparatus ▪ Feeding – the ability to feed oneself when food has been prepared and made available ▪ Mobility – to get out of a bed and into an upright chair or a wheelchair and back again ▪ Maintain Personal Hygiene – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bladder and bowel functions.
Activities of daily work (From 1 November 2021)	Means: ▪ Bending - the ability to bend, kneel or squat to pick something up from the floor and straighten up again, and the ability to get into and out of a standard sedan car. ▪ Communicating - the ability to: – clearly hear with or without a hearing aid or alternative aid if required, and – comprehend and express oneself by spoken or written language with clarity. ▪ Vision (reading) - the ability to read, with visual aids, to the extent that an ophthalmologist can certify that: - visual acuity is equal to, or better than, 6/48 in both eyes, or - constriction is within or greater than 20 degrees of fixation in the eye with the better vision. ▪ Walking – the ability to walk more than 200 metres on a level surface without stopping due to breathlessness, angina or severe pain elsewhere in the body. ▪ Lifting – the ability to lift from the ground an object weighing five kilograms, carry it a distance of 10 metres, and place the item down at bench height. ▪ Manual dexterity - the ability, with reasonable precision and success, to: – use at least one hand, its thumb and fingers, to manipulate small objects, or – use a keyboard if the person was required to use a keyboard in ones previous job.
Date of Disablement	Means the later of: (a) the date a **Medical Practitioner** examines the **Insured Member** and certifies in writing that they suffer from an **Illness** or an **Injury** which is the principal cause of the **TPD** for which a claim is made, and (b) the date the **Insured Member** ceases all work as a result of Illness or Injury.
Eligible Contribution	An eligible contribution means an **Employer**, personal or spouse contribution or rollover received by the fund, in respect of a member.
Eligible person (Death/TPD)	A person who: ▪ is a member, ▪ is aged between 15 and 69, ▪ is not diagnosed with a terminal illness, and ▪ is not eligible to receive, and has not at any time received, a lump sum benefit for terminal illness or total and permanent disability from any source.
Eligible person **(Income protection)**	A person who: ▪ is a member, ▪ aged between 15 and 67, ▪ is not diagnosed with a terminal illness, and ▪ is not eligible to receive, and has not at any time received, a lump sum benefit for terminal illness or total and permanent disability from any source.

Definitions of bolded terms used – continued

Defined Term	Definition
Employed or Employment	Means being engaged by the **Employer** under a contract of employment.
Employer	Means an employer contributing to the fund on whatever terms are acceptable to you from time to time, in accordance with the trust deed and, in respect of an **Insured Member**, is the employer making employer contributions to the fund in respect of the **Insured Member**.
Illness	Means sickness, disease or disorder.
Injury	Means bodily injury which is caused solely and directly by external, violent and accidental means and is independent of any other cause.
Insured Member	Means a member who has insured cover in force under this policy, other than interim accident cover.
Medical Practitioner	Means: (a) a person who: (i) is registered and practising as a medical practitioner in Australia, or (ii) in the insurer's opinion and absolute discretion, is: 1.1 appropriately qualified and practising medicine in their country, and 1.2 registered with the body responsible for the registration of medical practitioners in the person's jurisdiction where they are practising, and (b) a person who is not related or connected by personal relationship to the **Insured Member**, their business partner, associate, employer or employee.
Reasonable Retraining	Means any further education, training or rehabilitation, which in the insurer's opinion based on medical and other evidence satisfactory to the insurer, the person: ▪ has undertaken at any time ▪ has capacity to reasonably undertake.
Regular and Ongoing Care	Means the **Insured Member**: (a) is under the regular and ongoing care of a **Medical Practitioner** who specialises in the **Illness** or **Injury** who: (i) reasonably expects the **Injury** or **Illness** will continue throughout the life of the **Insured Member** (including after the expiry of cover and the commencement of retirement), and (ii) has given a clear prognosis for the **Injury** or **Illness**, (b) is complying with reasonable medical advice and all treatment options, and (c) has, in the insurer's opinion, reached maximal medical improvement possible for that **Insured Member** despite reasonable treatment options based on their Illness or Injury.
Total and permanent disablement (TPD) (Applicable until 31 October 2021)	Means that you meet one of the following definitions, either: (a) **TPD Definition A** if you (the **Insured Member**): (i) were aged less than 65 years on the date immediate prior to the **Date of Disablement**, and (ii) were employed at any time in the 12 months immediately prior to the **Date of Disablement**. OR (b) **TPD Definition B** applies if you (the **Insured Member**): (i) were aged 65 years or more on the date immediately prior to the **Date of Disablement**, or (ii) had not been employed at any time in the 12 months immediately prior to the **Date of Disablement**.

Definitions of bolded terms used – continued

Defined Term	Definition
Total and permanent disablement (TPD)/totally and permanently disabled (TPD cover) (From 1 November 2021)	Means that you meet one of the following definitions, either: (a) **TPD Definition A** – unlikely to do a suited occupation ever again if the insured member: (i) was aged less than 65 years on the date immediately prior to the **Date of Disablement**, and (ii) was employed at any time in the 16 months immediately prior to the **Date of Disablement**, OR (b) **TPD Definition B** – unlikely to do basic activities associated with work ever again applies if the member: (i) was aged 65 years or more on the date immediately prior to the **Date of Disablement**, or (ii) was not employed at any time in the 16 months immediately prior to the **Date of Disablement**.
TPD Assessment Date	Means the date we determine to accept, reject or defer the **Insured Member's** application for a TPD benefit, in the insurer's sole discretion.
TPD Definition A – unlikely to do a suited occupation ever again	Means that solely due to the same illness or injury the insured member: (a) has been unable to work for the **Waiting Period**, (b) has been continuously unable to work from the end of the waiting period until the **TPD Assessment Date** (c) is under **Regular and Ongoing Care**, and (d) is, as at the Date of Disablement and continuously until the **TPD Assessment Date**, unlikely to ever work in any occupation, for which he or she is or may become reasonably suited by education, training or experience and we will consider the possible effect that any **Reasonable Retraining** could have on you (the **Insured Member**) when we make the determination according to this paragraph (d).
TPD Definition B (Applicable until 31 October 2021)	Means that solely due to **Illness** or **Injury** you (the **Insured Member**): (a) have become permanently unable to perform at least two of the **Activities of Daily Living**: (i) without the assistance of another adult person, and (ii) with or without the use of suitable aids or equipment, for the **Waiting Period**, (b) are under **Regular and Ongoing Care**, and (c) are, as at the **Date of Disablement** and continuously until the **TPD Assessment Date**, unlikely to ever work in any occupation, for which you are or may become reasonably suited by education, training or experience. The insurer will consider the possible effect that any **Reasonable Retraining** could have on you (the **Insured Member**) when making this determination according to this paragraph (c).
TPD Definition B – unlikely to do basic activities associated with work ever again (From 1 November 2021)	Means that solely due to **Illness** or **Injury** the **Insured Member**: (a) is, as at the end of the **Waiting Period**, permanently unable to perform at least two of the **Activities of Daily Work**: (i) without the assistance of another adult person, and (ii) with or without the use of suitable aids or equipment, (b) is under **Regular and Ongoing Care**, and (c) is, as at the **Date of Disablement** and continuously until the **TPD Assessment Date**, unlikely to work in any occupation, for which he or she is or may become reasonably suited by education, training or experience and in making this determination, we will consider the possible effect that any **Reasonable Retraining** could have on the **Insured Member** when we make the determination according to this paragraph (c).
Waiting Period (for TPD)	Means 183 consecutive days immediately following the **Date of Disablement**.

Premium/Cover Tables

Table 1

Insured Cover Amounts (Death/TPD)

The insured cover per unit for unitised insurance (death and TPD) is outlined below:

Age Next Birthday	Insured cover per unit of cover	Age Next Birthday	Insured cover per unit of cover
16	$61,000	44	$37,000
17	$61,000	45	$33,500
18	$61,000	46	$31,500
19	$61,000	47	$29,500
20	$61,000	48	$27,000
21	$61,000	49	$24,500
22	$61,000	50	$22,500
23	$61,000	51	$20,500
24	$61,000	52	$19,000
25	$61,000	53	$17,000
26	$61,000	54	$15,500
27	$61,000	55	$13,500
28	$61,000	56	$12,500
29	$61,000	57	$11,000
30	$61,000	58	$9,000
31	$61,000	59	$8,000
32	$61,000	60	$6,500
33	$61,000	61	$6,000
34	$61,000	62	$5,500
35	$61,000	63	$5,000
36	$59,000	64	$4,500
37	$56,000	65	$4,000
38	$53,000	66	$4,000
39	$50,000	67	$3,500
40	$47,000	68	$3,500
41	$45,000	69	$3,500
42	$42,000	70	$3,000
43	$39,000		

Table 2

Death Cover Premiums – Unitised (cost per unit, per week)

Age Next Birthday	Active or Unknown Occupation	White Collar	Professional	Age Next Birthday	Active or Unknown Occupation	White Collar	Professional
16	$0.300	$0.166	$0.150	44	$0.824	$0.458	$0.412
17	$0.318	$0.177	$0.159	45	$0.784	$0.435	$0.392
18	$0.337	$0.186	$0.168	46	$0.790	$0.439	$0.395
19	$0.356	$0.197	$0.178	47	$0.793	$0.440	$0.397
20	$0.376	$0.210	$0.188	48	$0.779	$0.432	$0.389
21	$0.398	$0.221	$0.198	49	$0.757	$0.420	$0.379
22	$0.421	$0.234	$0.211	50	$0.746	$0.414	$0.373
23	$0.445	$0.247	$0.223	51	$0.728	$0.404	$0.364
24	$0.472	$0.261	$0.235	52	$0.723	$0.402	$0.362
25	$0.499	$0.277	$0.250	53	$0.694	$0.386	$0.347
26	$0.527	$0.293	$0.264	54	$0.678	$0.377	$0.340
27	$0.558	$0.309	$0.279	55	$0.634	$0.352	$0.316
28	$0.589	$0.327	$0.294	56	$0.630	$0.350	$0.315
29	$0.624	$0.347	$0.312	57	$0.594	$0.330	$0.297
30	$0.660	$0.367	$0.329	58	$0.523	$0.290	$0.261
31	$0.697	$0.388	$0.349	59	$0.499	$0.277	$0.250
32	$0.737	$0.410	$0.369	60	$0.435	$0.242	$0.218
33	$0.780	$0.434	$0.390	61	$0.431	$0.240	$0.216
34	$0.825	$0.458	$0.412	62	$0.424	$0.236	$0.213
35	$0.874	$0.485	$0.436	63	$0.414	$0.230	$0.208
36	$0.887	$0.493	$0.443	64	$0.400	$0.223	$0.200
37	$0.885	$0.492	$0.441	65	$0.382	$0.213	$0.191
38	$0.879	$0.489	$0.439	66	$0.420	$0.234	$0.211
39	$0.870	$0.485	$0.436	67	$0.404	$0.225	$0.203
40	$0.859	$0.479	$0.430	68	$0.445	$0.247	$0.223
41	$0.864	$0.481	$0.432	69	$0.490	$0.272	$0.245
42	$0.848	$0.472	$0.424	70	$0.461	$0.256	$0.231
43	$0.827	$0.459	$0.413				

Table 3

TPD Cover Premiums – Unitised (cost per unit, per week)

Age Next Birthday	Active or Unknown Occupation	White Collar	Professional	Age Next Birthday	Active or Unknown Occupation	White Collar	Professional
16	$0.190	$0.105	$0.095	44	$1.943	$1.080	$0.971
17	$0.206	$0.114	$0.103	45	$1.913	$1.063	$0.956
18	$0.221	$0.123	$0.111	46	$1.905	$1.059	$0.953
19	$0.239	$0.132	$0.119	47	$1.891	$1.051	$0.945
20	$0.259	$0.143	$0.129	48	$1.834	$1.019	$0.917
21	$0.279	$0.155	$0.139	49	$1.763	$0.979	$0.882
22	$0.301	$0.168	$0.151	50	$1.716	$0.953	$0.857
23	$0.342	$0.189	$0.170	51	$1.656	$0.920	$0.828
24	$0.387	$0.216	$0.192	52	$1.626	$0.904	$0.813
25	$0.437	$0.244	$0.219	53	$1.541	$0.856	$0.771
26	$0.496	$0.275	$0.247	54	$1.489	$0.827	$0.745
27	$0.560	$0.311	$0.280	55	$1.374	$0.764	$0.687
28	$0.635	$0.353	$0.316	56	$1.357	$0.755	$0.679
29	$0.718	$0.400	$0.360	57	$1.274	$0.708	$0.637
30	$0.813	$0.451	$0.407	58	$1.112	$0.618	$0.556
31	$0.920	$0.511	$0.459	59	$1.054	$0.585	$0.527
32	$1.041	$0.579	$0.521	60	$0.914	$0.508	$0.457
33	$1.180	$0.655	$0.589	61	$0.900	$0.500	$0.450
34	$1.334	$0.742	$0.668	62	$0.880	$0.489	$0.440
35	$1.510	$0.839	$0.756	63	$0.853	$0.474	$0.426
36	$1.589	$0.883	$0.795	64	$0.819	$0.455	$0.409
37	$1.639	$0.911	$0.819	65	$0.777	$0.431	$0.388
38	$1.687	$0.937	$0.843	66	$0.838	$0.465	$0.419
39	$1.729	$0.961	$0.865	67	$0.793	$0.440	$0.396
40	$1.767	$0.981	$0.884	68	$0.856	$0.476	$0.428
41	$1.840	$1.022	$0.920	69	$0.925	$0.514	$0.462
42	$1.867	$1.037	$0.933	70	$0.855	$0.476	$0.428
43	$1.885	$1.047	$0.942				

Table 4

Death Annual Premiums – Fixed cover

The annual premium for fixed insurance per $1,000 of insured benefit.

Age Next Birthday	Active or Unknown Occupation	White Collar	Professional	Age Next Birthday	Active or Unknown Occupation	White Collar	Professional
16	$0.256	$0.142	$0.128	44	$1.159	$0.644	$0.579
17	$0.271	$0.151	$0.136	45	$1.217	$0.676	$0.609
18	$0.287	$0.159	$0.143	46	$1.305	$0.724	$0.652
19	$0.303	$0.168	$0.152	47	$1.398	$0.777	$0.699
20	$0.320	$0.178	$0.160	48	$1.499	$0.833	$0.750
21	$0.340	$0.188	$0.169	49	$1.607	$0.893	$0.803
22	$0.359	$0.199	$0.179	50	$1.723	$0.957	$0.861
23	$0.380	$0.211	$0.189	51	$1.847	$1.026	$0.923
24	$0.402	$0.223	$0.200	52	$1.980	$1.100	$0.989
25	$0.425	$0.236	$0.213	53	$2.122	$1.179	$1.061
26	$0.449	$0.250	$0.225	54	$2.275	$1.264	$1.137
27	$0.476	$0.264	$0.238	55	$2.439	$1.355	$1.219
28	$0.503	$0.279	$0.251	56	$2.619	$1.455	$1.310
29	$0.532	$0.295	$0.266	57	$2.812	$1.562	$1.405
30	$0.562	$0.312	$0.281	58	$3.018	$1.677	$1.509
31	$0.594	$0.330	$0.297	59	$3.241	$1.800	$1.621
32	$0.629	$0.350	$0.314	60	$3.480	$1.933	$1.740
33	$0.665	$0.370	$0.332	61	$3.737	$2.075	$1.868
34	$0.703	$0.391	$0.352	62	$4.012	$2.229	$2.006
35	$0.745	$0.413	$0.372	63	$4.308	$2.393	$2.154
36	$0.782	$0.434	$0.391	64	$4.625	$2.569	$2.312
37	$0.821	$0.456	$0.410	65	$4.966	$2.759	$2.482
38	$0.862	$0.480	$0.431	66	$5.463	$3.035	$2.731
39	$0.906	$0.504	$0.453	67	$6.009	$3.338	$3.004
40	$0.951	$0.529	$0.476	68	$6.609	$3.672	$3.305
41	$0.999	$0.555	$0.500	69	$7.270	$4.039	$3.635
42	$1.050	$0.583	$0.525	70	$7.998	$4.443	$3.999
43	$1.102	$0.613	$0.551				

Table 5

TPD Annual Premium – Fixed Cover

The annual premium for fixed insurance per $1,000 of insured benefit.

Age Next Birthday	Active or Unknown Occupation	White Collar	Professional	Age Next Birthday	Active or Unknown Occupation	White Collar	Professional
16	$0.162	$0.090	$0.081	44	$2.731	$1.517	$1.365
17	$0.175	$0.097	$0.088	45	$2.969	$1.649	$1.484
18	$0.188	$0.105	$0.095	46	$3.145	$1.748	$1.573
19	$0.204	$0.113	$0.102	47	$3.333	$1.852	$1.666
20	$0.221	$0.122	$0.110	48	$3.531	$1.962	$1.766
21	$0.238	$0.132	$0.119	49	$3.742	$2.078	$1.871
22	$0.257	$0.143	$0.129	50	$3.965	$2.202	$1.982
23	$0.291	$0.161	$0.145	51	$4.200	$2.333	$2.101
24	$0.329	$0.183	$0.164	52	$4.450	$2.472	$2.226
25	$0.373	$0.208	$0.186	53	$4.715	$2.620	$2.358
26	$0.422	$0.235	$0.211	54	$4.996	$2.776	$2.498
27	$0.478	$0.265	$0.239	55	$5.293	$2.941	$2.647
28	$0.541	$0.300	$0.270	56	$5.646	$3.137	$2.823
29	$0.613	$0.341	$0.306	57	$6.023	$3.346	$3.011
30	$0.693	$0.385	$0.347	58	$6.425	$3.570	$3.212
31	$0.784	$0.435	$0.392	59	$6.853	$3.807	$3.427
32	$0.888	$0.494	$0.444	60	$7.310	$4.061	$3.655
33	$1.005	$0.558	$0.503	61	$7.798	$4.332	$3.899
34	$1.137	$0.632	$0.569	62	$8.318	$4.621	$4.159
35	$1.288	$0.715	$0.644	63	$8.873	$4.930	$4.436
36	$1.400	$0.778	$0.700	64	$9.465	$5.258	$4.732
37	$1.522	$0.845	$0.761	65	$10.096	$5.609	$5.048
38	$1.654	$0.919	$0.827	66	$10.903	$6.057	$5.452
39	$1.798	$0.999	$0.900	67	$11.776	$6.542	$5.888
40	$1.956	$1.086	$0.977	68	$12.718	$7.066	$6.359
41	$2.126	$1.181	$1.063	69	$13.735	$7.631	$6.868
42	$2.311	$1.284	$1.156	70	$14.835	$8.241	$7.417
43	$2.513	$1.395	$1.256				

Salarylink Member Guide

Salarylink

This Member Guide contains important information that will help you understand your Salarylink membership. Salarylink closed to new members on 24 November 2009.

As a Salarylink member you have two types of super:

- Salarylink, (your defined benefit), and
- your Hostplus accumulation balance.

For information about your accumulation account (including fees and costs), please refer to the Hostplus product disclosure statement (PDS) available from our website at **hostplus.com.au.**

A reference in this Member Guide to a benefit payable from your Hostplus accumulation balance is a reference to your accumulation entitlements and does not form part of your Salarylink (defined benefit) entitlements.

Please note: Statewide Super has merged with Hostplus. All Statewide Super Salarylink members transitioned to Hostplus Salarylink in April 2022.

Two types of super

As a Salarylink member, you have an important decision to make about your super contributions. You can choose how your contributions will be allocated between:

- Salarylink (your defined benefit), and
- your Hostplus accumulation balance.

You can contribute to Salarylink, your Hostplus accumulation balance or a combination of both.

You'll stay a Salarylink member even if you stop your Salarylink contributions and decide to contribute to your accumulation balance only, or choose to stop your Salarylink contributions.

For details of how your accumulation balance works, please refer to the Hostplus product disclosure statement (PDS) available from our website at **hostplus.com.au.**

Your Salarylink is a defined benefit super account. It can help provide some certainty for your retirement income and is available to age 65. Salarylink insurance cover is also provided and includes death, total and permanent disablement and income protection.

Your Salarylink benefit is financed from your personal contributions (minimum of 1% and maximum of 10%) and those from your employer.

All Salarylink contributions are pooled together, invested in the Salarylink option and used as required to pay members' Salarylink benefits. This means you can't choose an investment strategy for your Salarylink contributions. Instead, the Salarylink option has the same investment strategy as the Hostplus Pension Balanced option. (See the Hostplus Pension PDS for more information).

Administration fees and insurance premiums aren't deducted directly from your Salarylink benefit – see 'Superannuation guarantee (SG) minimum benefit requirement' on page 34.

What goes into Salarylink?

Employer/concessional contributions

- Employer Salarylink contributions – currently 6.3%* of super salary.
- Salary sacrifice (before-tax) contributions designated as Salarylink.

Non-concessional contributions

- Member voluntary (after-tax) contributions designated as Salarylink.

*As determined by the Fund's Actuary to finance your Salarylink benefit (this figure may change in the future).

Calculating your Salarylink benefit

If you cease employment*:

- on or after age 55
- prior to age 55 and select Option 2: Retirement super while you're still working (see page 33)
- turn age 65, or
- move to casual employment.

Your Salarylink benefit will be worked out using a formula based on:

Your Benefit Percentage based on your Salarylink contribution rate	x	The number of years and complete days** you contributed to Salarylink	x	Your Final Average Salary (FAS)

See the following page for examples of how your Benefit Percentage is calculated.

* If you move to casual employment you will be taken to have ceased employment (see page 32).

** Prior to 1 July 2019 the calculation was based on years and complete months.

Superannuation salary for Salarylink benefits

Salary in relation to the calculation of Salarylink benefits means your regular wages or salary from your Hostplus employer. This includes any allowances paid as a regular and continuing part of your wages or salary, but excludes commissions, sums paid for overtime or other special services, bonuses and allowances of a non-permanent nature (provided that such allowances as may be prescribed by the trustee to be included as part of salary shall be included and such allowances as may be prescribed by the trustee to be excluded from salary shall be excluded).

Final average salary (FAS)

Your final average salary is the average of your superannuation salaries paid over the previous three years to the date you cease work. If you haven't been a Salarylink member for three years, it's the average of your superannuation salaries over the period that you have been a Salarylink member of the fund. Your 'superannuation salary' is the salary figure used to work out your super entitlements.

Where you're working on a part-time basis, your FAS will be calculated using your full-time equivalent superannuation salary.

Your benefit percentage

Your benefit percentage is based on your Salarylink contribution rate and is calculated using years and complete days* for each contribution period during your Salarylink membership. Each time you change your contribution rate it's treated as a new contribution period.

Your total benefit percentage is the sum of all the various benefit percentages relating to each contribution period during your contributory Salarylink membership. You should consider the timing of any changes to your contribution rate as only complete months from the previous contribution rate change will count towards your benefit percentage calculation.

* The benefit percentage was calculated using years and complete months before 1 July 2019.

Your Salarylink contribution rate (% pa)	Your benefit percentage (% pa)
1	10.2
2	11.4
2.5**	12.0
3	12.6
4	13.8
5	15.0
6	16.2
7	17.4
8	18.6
9	19.8
10	21.0

** Only available for selected members

Accrued benefit percentage example:

If you contribute 5% to Salarylink for one year and two days and 6% for two years and 27 days, your accrued benefit percentage would be:

(1.00548 x 15%) + (2.07397 x 16.2%) = 48.68%

Salarylink example – John works full time

John works full time and has contributed to Salarylink at various rates as outlined in the table below. His final average salary (FAS) is $60,000.

Step 1 – Calculate John's accrued benefit percentage:

Assume John commenced Salarylink contributions on 1 July 2009 and ceased employment with his Salarylink employer on 15 February 2022.

Salarylink contribution rate (% pa)	Benefit percentage (% pa)	Contribution period	No. of years and complete days*	Accrued benefit percentage (Benefit percentage x no. of years and complete days*)
2	11.4	1/7/2009 – 15/7/2012	3 years = 3.00	34.2%
5	15	16/7/2012 – 31/3/2016	3 years and 8 months = 3.67	55.0%
10	21	1/4/2016 – 30/6/2019	1 year and 10 months = 1.83	38.5%
10	21	1/7/2019 – 15/2/2022	2 years and 230 days = 2.63	55.2%
John's total accrued benefit percentage:				**182.9%**

* Before 1/7/2019 the accrued benefit percentage was calculated using years and complete months.

Step 2 – Using John's FAS, calculate his Salarylink benefit:

John's accrued benefit percentage		John's FAS		John's Salarylink benefit
182.9%	x	**$60,000**	=	**$109,740**

Salarylink example – John works part time

Now assume John worked part time at a rate of 50% during his second contribution period, being the period from 16 July 2012 to 31 March 2016.

If John works part-time for a period during his employment his benefit percentage is calculated as a proportion of the full time benefit percentage for that period based on the hours he worked.

If John worked 50% of full time hours between 16 July 2012 and 31 March 2016, his benefit percentage during this period would be 50% of the full time percentage and his contributions would be based on 50% of his full time equivalent salary. John's full time salary during his employment remains at $60,000 for the purposes of this example.

Step 1 – Calculate John's accrued benefit percentage:

Salarylink contribution rate (% pa)	Benefit percentage (% pa)	Contribution period	No. of years and complete days*	Accrued benefit percentage (Benefit percentage x no. of years and complete days*)
2	11.4	1/7/2009 – 15/7/2012	3 years = 3.00	34.2%
5	**0.5 x 15 = 7.5 (part time service fraction x full time benefit percentage)**	**16/7/2012 – 31/3/2016**	**3 years and 8 months = 3.67**	**27.5%**
10	21	1/4/2016 – 30/6/2019	1 year and 10 months = 1.83	38.5%
10	21	1/7/2019 – 15/2/2022	2 years and 230 days = 2.63	55.2%
John's total accrued benefit percentage:				**155.4%**

* Before 1/7/2019 the accrued benefit percentage was calculated using years and complete months.

Step 2 – Using John's FAS, calculate his Salarylink benefit:

John's accrued benefit percentage		John's FAS		John's Salarylink benefit
155.4%	x	**$60,000**	=	**$93,240**

Turning age 65

If you're still working at age 65, your Salarylink benefit is calculated (as at the day you turned 65) and transferred to your Hostplus accumulation balance. Once we have received all of the required information from your employer, and can finalise your benefit calculation, your benefit will be invested in the Cash option. You can select an alternative investment option for your Hostplus accumulation account at any time. All future contributions will be allocated to your accumulation balance.

Once your benefit has been transferred to your Hostplus accumulation account You can switch investment options at any time by logging in to Member Online.

If you remain employed on your 65th birthday you will be able to access your benefit in cash.

If you're retired or aged 65 or over, there is no requirement for your accumulation balance benefit to be paid to you or for you to close your account. This means you can keep your money invested in super for as long as you need to.

Your Salarylink insurance will cease and unitised cover and premiums will apply (see page 32 for more details).

Ceasing and recommencing your Salarylink contributions

If you stop contributing to Salarylink:

- your benefit percentage will cease to accrue
- your Salarylink insurance will cease (see page 32)
- all future employer contributions will be made to your Hostplus accumulation balance.

If you start contributing to Salarylink again in the future:

- your benefit percentage will begin accruing
- employer's contributions will again be split between Salarylink and your accumulation balance
- you may need to provide medical evidence to be eligible for full Salarylink insurance again (refer to page 36 for more information about your insurance).

Leave without pay

If you're on leave without pay, you no longer accrue a benefit percentage. However your benefit percentage may continue to accrue if you're receiving Salarylink income protection or Workers Compensation. Contact us on **1300 467 875** for more information.

Salary reduction

If your salary is reduced, the actuary may determine whether or not your accrued benefit percentage may be increased to reflect the salary reduction. Contact us on **1300 467 875** for more information.

Moving to casual employment

If you move from permanent to casual employment, your Salarylink benefit will be calculated as if you had ceased employment on the day you moved to casual employment and transferred to your Hostplus accumulation balance. You will no longer be eligible to make Salarylink contributions. Your Salarylink insurance will cease and unitised cover and premiums will apply (see page 32 for more details).

How your Hostplus accumulation balance works

What goes into your accumulation balance?

Concessional contributions

- employer accumulation contributions (3% of ordinary time earnings (OTE) for contributing Salarylink members*)
- salary sacrifice (before-tax) contributions (designated as accumulation contributions)
- employer voluntary contributions.

Non-concessional contributions

- member voluntary (after-tax) contributions (designated as accumulation contributions)
- contributions made for you by your spouse.

Other amounts

- Government co-contributions (if eligible)
- Low income super tax offset (LISTO)
- rollovers or transfers
- any payments received from the ATO relating to superannuation holding accounts special account (SHASA)
- refunds of no-TFN contributions tax.

*SG contributions of 10% (10.5% from 1 July 2022) of OTE if you're not currently making Salarylink contributions.

You should read the Hostplus product disclosure statement (PDS) for information about fees and taxes that may be deducted from your Hostplus account.

Your benefit options

Ceasing employment

Your employer will notify us if you cease employment. All outstanding contributions must be received prior to the processing of any transactions from your membership.

If you cease employment prior to age 65, your applicable Salarylink component will be allocated investment earnings in line with the movement in the Cash investment option while we wait for your payment instructions (if applicable) and all the required information from your employer. Once we have transferred your benefit to your Hostplus accumulation balance you can make a new investment choice at any time by logging into your Member Online account.

If you're aged under 55

You have two benefit options to choose from if you resign or are retrenched before age 55:

- Option 1: Basic super
- Option 2: Retirement super.

On leaving employment, all or some of your total benefit can be retained with us or transferred to a new super fund of your choice. The various components that make up your benefit will be advised at this time.

You will receive details outlining your two benefit options and a form to complete so that we know which option you've decided to take. If we don't receive this form from you within 30 days from when we send you your benefit options, we'll transfer the Salarylink component of your Option 1: Basic super benefit to your accumulation balance. Your Salarylink component will be allocated investment earnings in line with the movement in the Cash investment option with effect from the date you ceased employment to the point it's transferred to your accumulation balance. You can then make a new investment choice at anytime.

The following column provides further details as to the benefit design for each Option. We will provide further information in respect of your superannuation interest, benefit design and entitlements, periodically, in your member statements.

Option 1: Basic super

With this option, you're entitled to the higher value of A or B below:

Option A

- double (2x) your net personal contributions (up to 5%) to your Salarylink benefit, allocated with net investment earnings (currently at the net rate of return for the Salarylink option), plus
- any net contributions over 5% which you directed towards your Salarylink benefit, allocated with net investment earnings (currently at the net rate of return for the Salarylink option), plus
- your accumulation balance.

Option B

- your Salarylink benefit calculated as your accrued benefit percentage multiplied by your FAS at the date you cease employment, discounted by an actuarial figure* for the period (in years and complete months) until you reach age 55, plus
- your accumulation balance.

*This figure changes from time to time and is determined by the fund's actuary.

Option 2: Retirement super

The total benefit will be made up of the following:

- your Salarylink benefit calculated as your accrued benefit percentage multiplied by your FAS at the date you cease employment, plus
- your accumulation balance.

That portion of the above amount which is not your deferred benefit (as detailed below) may be retained with us, paid to you (subject to preservation rules) or be rolled over to another fund.

Your deferred benefit must remain in Hostplus until you reach age 55 unless you've accepted an ill-health or ill-health retirement benefit, a TPD benefit, or you pass away. The amount of your deferred benefit is calculated as the total of the accrued Salarylink benefit, less the total of your Salarylink-related net personal contributions together with investment earnings at the rate applicable to the Salarylink option.

The deferred benefit is indexed each year in line with the variation in the Adelaide CPI (as calculated at 31 March), plus 2%. Investment choice does not apply to this amount until you reach age 55.

At age 55 your deferred benefit is transferred to your accumulation balance where it will be invested in the Cash investment option, until you make an investment choice.

If you're aged between 55 and 65

If you resign or are retrenched, the total benefit will be made up of the following:

- your Salarylink benefit calculated as your accrued benefit percentage multiplied by your FAS at the date you cease employment, plus
- your accumulation balance.

However, if at age 55 your Option 1: Basic super benefit A is greater than your Option 2: Retirement super benefit, your benefit between age 55 and 65 will be the greater of the two on ceasing employment. This is called the Minimum Guaranteed Benefit.

We'll transfer your Salarylink component to your accumulation balance once we have all the required information from your employer to calculate your benefit. Your Salarylink component will be allocated investment earnings in line with the movement of the Cash investment option with effect from the date you ceased employment. Once your Salarylink benefit is transferred to your Hostplus balance, you can make a new investment choice at anytime.

If you're aged 65 or over

The total benefit will be made up of the following:

- your accrued benefit percentage multiplied by your FAS at age 65, plus
- the balance of your accumulation account.

Once we have all the required information from your employer to calculate your benefit your applicable Salarylink benefit will be transferred to your accumulation balance as at your 65th birthday and invested in the Cash investment option, unless you make an investment choice.

Moving from one employer to another

If you're leaving one job to take up a position with another Salarylink participating employer, your Salarylink membership and Hostplus accumulation balance may continue. Your break between employers must not be more than 30 days and you must apply to continue your Salarylink membership within 2 months of leaving your old employer. Contact us for more information.

Your options on leaving your Salarylink employer are:

- keep some, or all, of your benefit with us
- transfer to the Hostplus Pension (if applicable)
- have the benefit paid to you (if applicable)
- rollover to another fund.

Your new employer (if applicable) can contribute to your Hostplus accumulation account. Contact us for more details.

For more information about your options for your accumulation account on ceasing employment, as well as some important information you should know about accessing your benefits, refer to the Hostplus PDS available on our website at **hostplus.com.au.**

Superannuation guarantee (SG) minimum benefit requirement

Under legislation, you're required to be provided with a minimum level of employer support. To ensure this occurs, we calculate your SG Minimum Benefit. The SG Minimum Benefit is calculated as follows:

a. Option 1: Basic super benefit at 30 June 1992 plus net investment earnings of the Salarylink option, plus

b. member contributions since 1 July 1992 (pre and post tax) plus net investment earnings of the Salarylink option, plus

c. employer contributions at the SG rate less 3% based on ordinary time earnings, plus the net investment earnings of the Salarylink option, less

d. allowance of 1.83%* pa of Superannuation Salary to cover administration costs and insurance costs, less

e. an allowance for 15% contribution tax.

The allowances for administration costs, tax and insurance cover is different to the fees, costs and taxes applicable to your Hostplus account.

*As determined by the fund's actuary. This figure may change.

Your preservation age

The age at which your preserved amount can be paid to you if you have retired from the workforce is dependent on when you were born.

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

* If your preservation age is under 60 you must have permanently retired in order to satisfy a condition of release.

The law requires that preserved or restricted non-preserved amounts stay invested in an approved superannuation arrangement unless a condition of release has been satisfied.

Accessing Preserved amounts

Preserved amounts (benefits over $200) are only accessible in cash if you satisfy one of the conditions permitted under superannuation law shown below:

- you have permanently retired from work on or after your preservation age
- you're aged 60 or more and you resign or retire from your current employer
- you're aged 65 or more
- the trustee is satisfied that you're permanently incapacitated or suffer a terminal medical condition*
- you have compassionate grounds for applying*
- you suffer severe financial hardship*
- you permanently depart from Australia (temporary residents only)
- you die.

* As specified by superannuation law and permitted by the Trust Deed.

Insurance options to suit you and the ill-health benefit

Right now, your most valuable assets are your health, family and your income-earning potential. Protecting them against the unexpected should be an important part of your strategy. That's why at Hostplus we offer eligible members automatic insurance with an option to tailor their cover.

Types of cover

You can control the level of insurance you have, how it's calculated and you can also manage how the cost of the insurance is calculated.

The range of insurance options on offer include:

Salarylink insurance:

- death and total and permanent disablement (TPD)
- terminal illness
- income protection

Additional Hostplus insurance*:

- death and total and permanent disablement (TPD)
- death only (includes terminal illness)
- income protection.

* Available through your accumulation balance.

Ill-health and ill-health retirement benefit

If you cease employment with your employer due to ill health and you're not entitled to a TPD benefit (including a certified terminal illness benefit), or an income protection benefit, you may be eligible to receive an ill-health or an ill-health retirement benefit – depending on your age. Your payout will still be subject to preservation requirements.

Insurer

All death, total and permanent disablement (TPD) and terminal illness benefits are insured by MetLife Insurance Limited (ABN 75 004 274 882) (AFSL 238096) (the insurer). Copies of the policies issued to the trustee are available upon request by contacting Hostplus.

The trustee has the right to change the insurer from time to time.

Salarylink insurance

- death and TPD
- terminal illness
- income protection.

Salarylink insurance applies to members while they contribute to Salarylink (minimum 1%). It's formula based death and TPD cover and income protection (automatic for eligible Salarylink members). Limitations may apply to Salarylink insurance. Salarylink insurance may include a minimum level of death and TPD cover without limitations. The minimum level of death and TPD cover is subject to change.

If your Salarylink death and TPD cover increases such that it exceeds $800,000, or your income protection insurance increases such that it exceeds $12,000 per month, evidence of health will be required before the additional cover is provided.

Cover on recommencing Salarylink contributions

Eligible members who choose to recommence Salarylink contributions will receive Salarylink insurance cover – however evidence of health may be required. Any previously approved additional insurance (excluding any automatic units) will continue and is in addition to your Salarylink insurance.

Death, TPD and terminal illness benefit

If you have a terminal illness or cease employment due to death or TPD before age 65, your benefit may include an insured benefit set at a percentage of your final salary for each year and complete month to age 65.

Your benefit is worked out as:

- your accumulation balance, plus
- your accrued Salarylink benefit determined by multiplying your final salary* by your accrued benefit percentage, plus
- your Salarylink insurance benefit set at 15%† of your final salary for each year (with completed days counted as a fraction of a year) to age 65 from the date you're assessed as terminally ill, ceased service, or the date of death, plus
- any additional death and TPD or death only insurance (if applicable).

* Final salary is your annual superannuation salary at the date of cessation of employment.

† A different Salarylink insurance benefit percentage may apply if you were a Salarylink member at 1 January 2005.

Your benefit is subject to approval. For more information on who you can nominate to receive your death benefit, go to page 48.

Income protection insurance

Income protection insurance protects you and your family by providing you with an income when you need it the most. Your mortgage, bills and expenses still need to be paid even if you can't work due to injury or illness. Key criteria includes:

- cover is subject to a maximum benefit of the lesser of 75% of salary or $30,000 per month. Payments are made in arrears upon receipt of regular medical certification
- a 90 day waiting period applies
- an income protection benefit in respect of an injury or illness (or a related injury or illness) is payable for a maximum period of 24 months.
- income protection cover ceases at age 65 years.

Your payment is subject to approval by the insurer.

Ill-health benefit and ill-health retirement benefit

Ill-health benefit – if you're under age 50

The benefit is calculated as follows:

- your accumulation balance, plus
- your accrued Salarylink benefit.

Your benefit is subject to approval by the trustee.

Ill-health retirement benefit – if you're over age 50

- your accumulation balance, plus
- your accrued Salarylink benefit, plus
- 50% of your Future Benefit Percentage set at 15%† of your final salary for each year (with completed days counted as a fraction of a year) from the date you cease service.

Your benefit is subject to approval by the trustee.

† A different Future Benefit Percentage may apply if you were a Salarylink member at 1 January 2005.

How to calculate a Salarylink death, TPD and terminal illness benefit

Example

Michael is a Salarylink member. He is 25 years old and his final salary is $30,000. Michael's death and TPD insurance cover is calculated as follows:

15% x 40 (years to age 65) x $30,000 (final salary)	**=**	**$180,000**

Michael's death, TPD and terminal illness benefit at age 25 would be $180,000 plus his accumulation balance and any additional death and TPD insurance cover he may have.

Years later...

Michael is 60 when he has to stop work due to TPD.

- His Hostplus accumulation balance is $50,000.
- His accrued benefit percentage is 525%.
- His insured benefit percentage (to age 65) is 75%.
- His final salary is $60,000.
- His Hostplus death and TPD insurance is $25,000.

Michael's TPD benefit would be calculated as:

Hostplus accumulation balance	**=**	**$50,000**
+ (525% + 75%) x $60,000	**=**	**$360,000**
+ death and TPD insurance	**=**	**$25,000**
TPD benefit	**=**	**$435,000**

NOTE: The calculation for Michael's life benefit is identical to this example. This example is provided for illustrative purposes only.

How to calculate a Salarylink income protection (IP) benefit

Example

Michael is 50 when he has to stop work after becoming temporarily disabled through injury. His salary at the time of injury was $50,000. Once Michael has served the 90-day waiting period and his claim has been approved, his monthly IP benefit will be calculated as:

$50,000 x 75%	**=**	**$37,500**
/ 12	**=**	**$3,125**
IP benefit	**=**	**$3,125 per month**

This example is provided for illustrative purposes only.

If you don't meet the criteria for a Salarylink TPD or terminal illness claim you may alternatively be eligible for an ill-health or ill-health retirement benefit calculated as follows.

How to calculate an ill-health retirement benefit if over age 50

Example

Tom is 45 when he ceases employment due to ill-health. The value of his Hostplus accumulation balance is $30,000 and his accrued Salarylink benefit is $130,000. As Tom is under 50 years of age, his ill-health benefit will be calculated as:

Accumulation balance	=	**$30,000**
+ Salarylink benefit	=	**$130,000**
Ill-health benefit	=	**$160,000**

This example is provided for illustrative purposes only.

How to calculate an ill-health benefit if under age 50

Example

Lucy is 55 when she ceases employment due to ill-health.

- Her Hostplus accumulation balance is $60,000.
- Her Accrued Benefit Percentage is 375%.
- 50% of her Future Benefit Percentage, 15% x 10/2 = 75%
- Her Final Average Salary is $35,000.
- Her Final Salary is $40,000.

As Lucy is over 50, her ill-health retirement benefit will be calculated as:

A. Accumulation balance	=	**$60,000**
	+	
B. 375% x $35,000	=	**$131,250**
	+	
C. 50% of her future benefit percentage x final salary	=	**$30,000**
Ill-health retirement benefit	=	**$221,250**

This example is provided for illustrative purposes only. Refer to page 36 for further details.

Definitions

Definitions of bolded terms used

Defined Term	Definition
Active Employment	Means a person is: ▪ employed to carry out identifiable duties and not absent from work or on leave, due to illness or injury, ▪ in the insurer's opinion, not restricted by illness or injury from carrying out those duties for 35 hours per week, even if they are not working 35 hours per week, and ▪ not entitled to or receiving income support benefits of any kind.
Activities of Daily Living (Applicable until 31 October 2021)	Means: ▪ Bathing – to wash in a bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means ▪ Dressing – to put on, take off all garments and if needed any braces, artificial limbs or other medical apparatus ▪ Feeding – the ability to feed oneself when food has been prepared and made available ▪ Mobility – to get out of a bed and into an upright chair or a wheelchair and back again ▪ Maintain Personal Hygiene – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bladder and bowel functions.
Activities of daily work (From 1 November 2021)	Means: ▪ Bending - the ability to bend, kneel or squat to pick something up from the floor and straighten up again, and the ability to get into and out of a standard sedan car. ▪ Communicating - the ability to: – clearly hear with or without a hearing aid or alternative aid if required, and – comprehend and express oneself by spoken or written language with clarity. ▪ Vision (reading) - the ability to read, with visual aids, to the extent that an ophthalmologist can certify that: - visual acuity is equal to, or better than, 6/48 in both eyes, or - constriction is within or greater than 20 degrees of fixation in the eye with the better vision. ▪ Walking – the ability to walk more than 200 metres on a level surface without stopping due to breathlessness, angina or severe pain elsewhere in the body. ▪ Lifting – the ability to lift from the ground an object weighing five kilograms, carry it a distance of 10 metres, and place the item down at bench height. ▪ Manual dexterity - the ability, with reasonable precision and success, to: – use at least one hand, its thumb and fingers, to manipulate small objects, or – use a keyboard if the person was required to use a keyboard in ones previous job.
Date of Disablement	Means the later of: (a) the date a **Medical Practitioner** examines the **Insured Member** and certifies in writing that they suffer from an **Illness** or an **Injury** which is the principal cause of the **TPD** for which a claim is made, and (b) the date the **Insured Member** ceases all work as a result of Illness or Injury.
Employed or Employment	Means being engaged by the **Employer** under a contract of employment.
Employer	Means an employer contributing to the fund on whatever terms are acceptable to you from time to time, in accordance with the trust deed and, in respect of an **Insured Member**, is the employer making employer contributions to the fund in respect of the **Insured Member**.
Illness	Means sickness, disease or disorder.
Injury	Means bodily injury which is caused solely and directly by external, violent and accidental means and is independent of any other cause.
Insured Member	Means a member who has insured cover in force under this policy, other than interim accident cover.

Definitions of bolded terms used – continued

Defined Term	Definition
Medical Practitioner	Means: (a) a person who: (i) is registered and practising as a medical practitioner in Australia, or (ii) in the insurer's opinion and absolute discretion, is: 1.1 appropriately qualified and practising medicine in their country, and 1.2 registered with the body responsible for the registration of medical practitioners in the person's jurisdiction where they are practising, and (b) a person who is not related or connected by personal relationship to the **Insured Member**, their business partner, associate, employer or employee.
Reasonable Retraining	Means any further education, training or rehabilitation, which in the insurer's opinion based on medical and other evidence satisfactory to the insurer, the person: • has undertaken at any time • has capacity to reasonably undertake.
Regular and Ongoing Care	Means the **Insured Member**: (a) is under the regular and ongoing care of a **Medical Practitioner** who specialises in the **Illness** or **Injury** who: (i) reasonably expects the **Injury** or **Illness** will continue throughout the life of the **Insured Member** (including after the expiry of cover and the commencement of retirement), and (ii) has given a clear prognosis for the **Injury** or **Illness**, (b) is complying with reasonable medical advice and all treatment options, and (c) has, in the insurer's opinion, reached maximal medical improvement possible for that **Insured Member** despite reasonable treatment options based on their Illness or Injury.
Total and permanent disablement (TPD) (Applicable until 31 October 2021)	Means that you meet one of the following definitions, either: (a) **TPD Definition A** if you (the **Insured Member**): (i) were aged less than 65 years on the date immediate prior to the **Date of Disablement**, and (ii) were employed at any time in the 12 months immediately prior to the **Date of Disablement**. OR (b) **TPD Definition B** applies if you (the **Insured Member**): (i) were aged 65 years or more on the date immediately prior to the **Date of Disablement**, or (ii) had not been employed at any time in the 12 months immediately prior to the **Date of Disablement**.
Total and permanent disablement (TPD)/totally and permanently disabled (TPD cover) (From 1 November 2021)	Means that you meet one of the following definitions, either: (a) **TPD Definition A** – unlikely to do a suited occupation ever again if the insured member: (i) was aged less than 65 years on the date immediately prior to the **Date of Disablement**, and (ii) was employed at any time in the 16 months immediately prior to the **Date of Disablement**, OR (b) **TPD Definition B** – unlikely to do basic activities associated with work ever again applies if the member: (i) was aged 65 years or more on the date immediately prior to the **Date of Disablement**, or (ii) was not employed at any time in the 16 months immediately prior to the **Date of Disablement**.
TPD Assessment Date	Means the date we determine to accept, reject or defer the **Insured Member's** application for a TPD benefit, in the insurer's sole discretion.

Definitions of bolded terms used – continued

Defined Term	Definition
TPD Definition A – unlikely to do a suited occupation ever again	Means that solely due to the same illness or injury the insured member: (a) has been unable to work for the **Waiting Period**, (b) has been continuously unable to work from the end of the waiting period until the **TPD Assessment Date** (c) is under **Regular and Ongoing Care**, and (d) is, as at the Date of Disablement and continuously until the **TPD Assessment Date**, unlikely to ever work in any occupation, for which he or she is or may become reasonably suited by education, training or experience and we will consider the possible effect that any **Reasonable Retraining** could have on you (the **Insured Member**) when we make the determination according to this paragraph (d).
TPD Definition B (Applicable until 31 October 2021)	Means that solely due to **Illness** or **Injury** you (the **Insured Member**): (a) have become permanently unable to perform at least two of the **Activities of Daily Living**: (i) without the assistance of another adult person, and (ii) with or without the use of suitable aids or equipment, for the **Waiting Period**, (b) are under **Regular and Ongoing Care**, and (c) are, as at the **Date of Disablement** and continuously until the **TPD Assessment Date**, unlikely to ever work in any occupation, for which you are or may become reasonably suited by education, training or experience. The insurer will consider the possible effect that any **Reasonable Retraining** could have on you (the **Insured Member**) when making this determination according to this paragraph (c).
TPD Definition B – unlikely to do basic activities associated with work ever again (From 1 November 2021)	Means that solely due to **Illness** or **Injury** the **Insured Member**: (a) is, as at the end of the **Waiting Period**, permanently unable to perform at least two of the **Activities of Daily Work**: (i) without the assistance of another adult person, and (ii) with or without the use of suitable aids or equipment, (b) is under **Regular and Ongoing Care**, and (c) is, as at the **Date of Disablement** and continuously until the **TPD Assessment Date**, unlikely to work in any occupation, for which he or she is or may become reasonably suited by education, training or experience and in making this determination, we will consider the possible effect that any **Reasonable Retraining** could have on the **Insured Member** when we make the determination according to this paragraph (c).
Waiting Period (for TPD)	Means 183 consecutive days immediately following the **Date of Disablement**.

When Salarylink insurance cover stops and standard insurance cover may apply

When your Salarylink insurance cover stops, you will receive continued cover through your Hostplus accumulation balance in the circumstances set out below. You will be subject to the Statewide Grandfathered insurance policy terms and conditions that apply to accumulation balances.

If you cease Salarylink contributions or move to casual employment with your employer:

- your Salarylink death and TPD cover will be converted to units of standard death and TPD insurance (rounded down*) in your accumulation balance. Premiums will apply, and any additional death and TPD insurance cover you have through your accumulation balance will continue, and
- your Salarylink income protection will be converted to units of $500 per month (rounded down) of standard income protection through your accumulation balance. Premiums will apply.

* Subject to a minimum of 4 units.

When you cease employment with a Salarylink employer:

- your Salarylink death and TPD cover will be converted to units of standard death and TPD insurance (rounded up) in your accumulation balance. Premiums will apply, and any additional death and TPD insurance cover you have through your accumulation balance will continue, and
- your Salarylink income protection will be converted to units of $500 per month (rounded up) of standard income protection through your accumulation balance. Premiums will apply.

When you reach age 65:

- your Salarylink death and TPD cover will cease and you will be allocated 4 units of standard death and TPD insurance cover in your Hostplus account. Premiums will apply, and any additional death and TPD insurance cover you have through your accumulation balance will continue, and
- your Salarylink income protection insurance will cease and you will be allocated 4 units of $500 per month of standard income protection through your accumulation account. Premiums will apply.

When you join a military service (other than the Australian Armed Forces Reserve where you're not on active duty outside Australia), your Salarylink insurance will cease.

Important note: On ceasing employment any additional insurance you have through your accumulation balance will be continued unless you were approved for an ill-health, ill-health retirement, death, TPD or terminal illness benefit claim.

Any limitations previously applicable to your insurance will also apply to insurance cover continued due to a change in membership type. Refer to the 'Insurance in your super booklet' for more information.

Applying for additional insurance

You can apply for additional cover or adjust your cover through your accumulation balance in accordance with the terms and conditions of the "Grandfathered Statewide Super" arrangement. When considering an application for additional cover, the insurer will assess your insurability and may accept the application with or without conditions (such as exclusions, restrictions or premium loadings) or refuse the application.

The maximum amount of cover that can be provided under the "Grandfathered Statewide Super" arrangement is $5 million for death, $3 million for TPD cover and $30,000 per month for income protection.

Insurance premiums

There are no deductions made from your membership to cover the cost of Salarylink insurance (unless the benefit you receive is the SG minimum benefit), as it's provided as part of your Salarylink benefit and is funded by your employer's contribution.

If you have additional insurance, any applicable premiums for this insurance will be deducted from your accumulation balance. Please refer to the Hostplus PDS available from **hostplus.com.au** for more information.

Insurance premium changes

Hostplus or the insurer may amend (including increase) the cost of any insurance cover available through Hostplus. We will provide you with written notice in accordance with the legislative requirements before any increase occurs.

Qualifying criteria

Conditions apply to your Salarylink insurance

Like most forms of insurance, certain conditions (and exclusions) apply to the granting of your insurance cover or payment of insured benefits. The trustee or the insurer can ask for evidence of health and other factors relevant to insurance cover to be provided prior to insurance cover being provided to you.

Any limitations that may have been placed on your insurance cover by the trustee and the insurer will apply. Your benefit is subject to approval.

Qualifying for a TPD benefit

TPD means that you meet the definition which applies to you, as set out below:

(1) either TPD Definition A or TPD Definition B if you:

- a. were aged less than 65 years on the date immediately prior to the Date of Disablement; and
- b. were Employed at any time in the 12 months immediately prior to the Date of Disablement.

OR

(2) TPD Definition B applies if you:

- a. were aged 65 years or more on the date immediately prior to the Date of Disablement; or
- b. had not been Employed at any time in the 12 months immediately prior to the Date of Disablement.

TPD Definition A means we determine that solely due to the same Illness or Injury you:

a. have been unable to work for the Waiting Period;

b. have been continuously unable to work from the end of the Waiting Period until the Assessment Date;

c. are under Regular And Ongoing Care; and

d. are, as at the Date of Disablement and continuously until the Assessment Date, unlikely to ever work in any occupation, for which you are or may become reasonably suited by education, training or experience. We will consider the possible effect that any Reasonable Retraining could have on you when we make the determination according to this paragraph (d).

TPD Definition B means we determine that solely due to Illness or Injury you:

- a. have become permanently unable to perform at least two of the Activities of Daily Living:
  - (i) without the assistance of another adult person, and
  - (ii) with or without the use of suitable aids or equipment.

  for the Waiting Period;
- b. are under Regular And Ongoing Care, and
- c. are, as at the Date of Disablement and continuously until the Assessment Date, unlikely to ever work in any occupation, for which you're or may become reasonably suited by education, training or experience and in making this determination, we will consider the possible effect that any Reasonable Retraining could have on you when we make the determination according to this paragraph (c).

Qualifying for a terminal illness benefit

The following criteria must be met:

- you suffer from an illness, and
- the insurer is satisfied on medical or other evidence, that despite
- reasonable medical treatment the illness will lead to your death within 24 months of the Certification Date, and
- the illness from which you suffer from occurs, and the
- certification date takes place, while the you are covered by the insurance policy.

Certification Date means the later of the dates on which two medical practitioners have certified, jointly or separately, in writing using the form prescribed by the insurer that you suffer from an illness that despite reasonable medical treatment will lead to the your death within 24 months of the date of the medical practitioner's certification, where at least one of the medical practitioners is a medical specialist practicing in an area related to the your illness.

Qualifying for an ill-health or ill-health retirement benefit

The following criteria must be met:

- you must be suffering from a continuous or recurring injury or illness that stops you carrying out your normal duties, and
- your employer can't provide another suitable position for you, and
- you are not eligible for income protection or a TPD benefit payment.

The trustee must be satisfied that you meet the eligibility conditions to qualify for an ill-health or ill-health retirement benefit. Your benefit is subject to approval.

Qualifying for an income protection benefit

You must meet the waiting period provisions. An income protection benefit may be payable after the waiting period has ended. Waiting period means 90 days commencing from the date a medical practitioner certifies you as disabled and for which you have to be disabled or partially disabled before a benefit starts to accrue, subject to the following requirements:

a. your are disabled for at least 7 out of the first 12 working days of the waiting period to qualify for a benefit,
b. If you return to work at full capacity during the waiting period:
   - on one occasion for a period of no more than 5 consecutive days, the waiting period will be extended by the number of days worked;
   - on more than one occasion, or on one occasion for more than 5 consecutive days, the waiting period starts again.

The insurer must determine that solely as a result of an illness or injury occurring you:

- are unable to perform at least one income producing duty of your occupation and
- are not working in any occupation, whether or not for reward and
- are under the regular care and following the advice of a medical practitioner.

You may be eligible for a partial income protection benefit if you are unable to work in your occupation at full capacity as a result of an illness or injury and you:

- are working in your occupation or any other occupation but only in a limited capacity and
- are earning less than your pre-injury or illness monthly income.

The following exclusions apply:

- intentional self inflicted injury or any attempt to commit suicide
- war
- threatened miscarriage
- normal and uncomplicated pregnancy (including caesarean birth) and associated procedures and discomforts.

Your income protection benefit will be reduced by the amount of any worker's compensation or other insurance payments you receive or any wages or salary, or like payments, received during the income protection claim period. The amount of any income you could reasonably be expected to earn will also be considered.

You'll continue to receive your income protection payment until the earliest of one of the following occurs:

- you die
- you reach age 65
- you have received payments until the end of the maximum benefit period (24 months from the end of the waiting period)
- you are no longer considered to be totally or partially disabled.

Whilst receiving a benefit you may be required to attend medical examinations or provide evidence of health on a regular basis as requested by the insurer.

Any limitations that may have been placed on your disability cover by the trustee and the insurer will apply. Your benefit is subject to approval.

Lodging a claim

If you or your beneficiaries need to lodge an insurance claim with Hostplus please call us on **1300 467 875**.

We have a dedicated Claims Team who will assist you every step of the way with your claims enquiry and documentation required – at no cost to you – so there is no need for you to engage a third party person to do this on your behalf.

Certified proof of age

You may be asked to provide certified proof of age. Your benefit may be adjusted if your benefit is based on your age and our records of your date of birth vary from the evidence you provide.

Other terms and conditions

Investment of death benefits

Your death benefit will be invested in the Cash investment option in your accumulation balance from the date we are formally notified of your death.

Sanctions and embargoes

Hostplus and the insurer have a duty to comply with any applicable sanction and embargo regimes. As such there is no benefit payable for cases where sanctions, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, USA or Australia.

Fees and other costs

Fees and costs

If you receive Option 1: Basic Super A, or Minimum the SG minimum benefit, investment fees and costs apply (including any transaction costs performance based fees) for the Salarylink option (0.97% pa*), which is incorporated into the unit price used for all transactions to ensure investment earning are allocated to you.

If you receive Option 1: Basic Super B or Option 2: Retirement Super,^ the benefit is not subject to direct or indirect fees as the cost of providing your Salarylink benefit is funded by your employer's contribution.

For more information refer to your annual statement and annual report.

* Hostplus pays fees to professional investment advisers and managers to manage the Fund's assets. The fee stated is based on the actual fees paid during the 2020/21 financial year for the Balanced Pension option, which is the most appropriate estimate of the investment fees to be used for the Salarylink assets from the date of the Successor Fund Transfer. The fees include external management fees, performance fees and transaction and operational costs.

The fee will vary from year to year, reflecting the blend of investment managers used, the asset allocation structure and performance based fees paid. If circumstances change that would mean the fee for 2021/22 will be materially higher than the fee disclosed this guide will be updated accordingly.

^ If at age 55, your Option 1: Basic Super A benefit is greater than your Option 2: Retirement super benefit, the benefit after age 55 will be the greater of the two options on ceasing employment (as your Retirement Super) and the investment fees and costs for the Salarylink option may apply.

Other fees and costs

Fees and costs relating to your Hostplus Super accumulation interest are deducted from your Hostplus accumulation balance. For more information please see Hostplus' PDS available at **hostplus.com.au.**

Tax

The tax treatment of superannuation is complex and several different rules apply to the taxation on different types of contributions and benefits. To find out more, please refer to the Hostplus PDS available from **hostplus.com.au.** Different rules may apply to your Salarylink benefit because it's a defined benefit.

Tax deductions

Some expenses are tax deductible to Hostplus. The benefit of deductions will not be passed on directly to members in the form of a reduced fee or cost. However, members will benefit indirectly from Hostplus' tax deductions to the extent that they reduce tax payable by the trustee.

Contribution Caps

Contribution caps apply to Salarylink members and include non-concessional and concessional contributions paid into your Hostplus balance. For more information, please read the Hostplus PDS available at **hostplus.com.au** and the Contribution Caps for Salarylink members on page 50.

Non-concessional caps

Non-concessional contributions are your personal after-tax contributions.

Concessional caps

Concessional contributions are your:

- notional contributions calculated in respect of your Salarylink benefits
- before-tax contributions to your accumulation balance
- employer contributions to your accumulation balance
- personal contributions to your accumulation balance for which you claim a tax deduction.

The notional contributions are calculated using a formula as required in legislation as employer Salarylink contributions are not allocated to individual members. Please refer to the Contribution Caps for Salarylink members on page 50.

Claiming a tax deduction

Eligible individuals under 75 years old are able to claim a tax deduction on after-tax personal contributions and have them treated as concessional contributions.

You may claim this tax deduction for after-tax personal contributions made to your accumulation balance, however you cannot claim a tax deduction on contributions made to Salarylink due to the structure of your defined benefits. This is to ensure that all Salarylink members pay the correct contribution (after allowance for all relevant taxes) for the life of their membership. You may be able to make arrangements with your employer to pay your Salarylink related contributions on a pre-tax (salary sacrifice) basis.

Please be aware that any after-tax personal contributions allocated to your accumulation balance that you claim a tax deduction for will be taxed at 15% and included in your concessional contributions cap. Changes to how you make your Salarylink contributions may also have an effect on how your concessional contributions are calculated.

Tax on payments from super

When you become entitled to access your super benefit, you may choose a lump sum and/or pension. There are different tax treatments for each of these. For further information refer to the Hostplus PDS available at **hostplus.com.au.**

Providing your tax file number

Under the *Superannuation Industry (Supervision) Act 1993* (SIS), we are authorised to collect your tax file number (TFN), which will only be used for lawful purposes.

These purposes may change in the future as a result of legislative change. We may disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request in writing that your TFN not be disclosed to any other superannuation provider.

General information

The following is some very important information that will assist you in managing your super.

Nominating your beneficiaries

In the event of your death, your super (including any applicable insurance proceeds) may be payable to your dependants and/or legal personal representative. You can either select a 'preferred' beneficiary which is non-binding, or complete a 'binding nomination' which gives you more certainty as to who will receive your benefits.

You can nominate your dependants or legal personal representatives as beneficiaries at any time through your Member Online account at **hostplus.com.au**

If you do not make a nomination or make an invalid nomination, the trustee will pay the benefit to your dependants and/or legal personal representative, as determined by the trustee, at the time of your death.

For further information about nominating beneficiaries, please visit **hostplus.com.au**

Family law

Provisions of the *Family Law Act 1975* allow married and de facto couples to split their superannuation benefits on separation.

The following people are permitted to ask for information about a member's superannuation benefits under the Act:

- the member
- the member's spouse/de facto (referred to as the non-member spouse) including same sex de factos as outlined in the Family Law legislation, and
- a person who intends to enter into a superannuation agreement with the member.

How to ask for information

You must complete a 'Superannuation Information Kit (Form 6) Declaration'. You must also complete a 'Superannuation Information Form' as set down in the legislation and declare that you're eligible to ask for information. Copies of these forms are available on request from the Family Court or at www.familycourt.gov.au.

We will only provide information as required by legislation and all information is strictly confidential. Where a 'Superannuation Information Form' is received from someone other than the member, we cannot tell the member that the request has been received (as required by law).

We are not able to provide a valuation of any Salarylink or deferred benefit but will provide sufficient details to enable you to obtain a valuation from an appropriately qualified person.

To ensure prompt action by us in relation to all family law matters, all applications for information and other documents must be sent to the correct address. We may be unable to take action on a family law matter if the documents are not sent to the correct address.

All documents relating to family law matters must be sent to:

Locked Bag 5046
Parramatta NSW 2124

How super can be split

A superannuation benefit may be split as part of a property settlement, either by a court order or a private family law binding financial agreement which contains a superannuation agreement (agreement) between the parties.

Splitting means that a decision on how to split the superannuation benefit has been made and that a portion is to be allocated to the non-member spouse. When a sealed court order or agreement is received, we will check that it is valid and notify the member and the non-member spouse that it is in place.

The non-member spouse will be provided with options in respect of the actions required, the time frame for decisions and the implications if they don't respond. Salarylink members will have the split amount transferred or paid in accordance with relevant legislation to the non-member spouse after the complying court order or agreement is received by us. Any amount payable to the non-member spouse will be initially paid from your accumulation balance (unless you provide alternative instructions). If there are insufficient monies in your accumulation balance to meet the full amount of the split, a negative family law balance will be created in your Salarylink membership to enable the full amount of the split to be paid. Any negative family law balance created as a result of the payment split will be allocated with investment earnings of the defined benefit assets.

On ceasing employment, your standard Salarylink benefit is calculated in accordance with the Trust Deed and the total amount of the negative family law balance is then deducted from your total Salarylink benefit.

The trustee will only accept an order that contains a dollar value allocation to the non-member spouse due to the nature of Salarylink benefits. Percentage splits will not be accepted as they cannot be administered appropriately by the trustee.

How super can be flagged

'Flagging' means that the decision on how to split the benefit is postponed until a later date. If a benefit becomes payable to a member while a flag is in place, no benefit can be paid and we must notify the parties or the court. We must wait for further instructions from the parties or the court before paying any benefit. A benefit can only be paid or split once the 'flag' is lifted.

Fees payable

There are fees payable to us in relation to family law matters. These will be deducted from your accumulation balance. Refer to the Hostplus PDS, available at **hostplus.com.au** for more information.

Contribution Caps for Salarylink Members

Contribution caps

There are limits to the amount of concessional and non-concessional contributions you can add to your super each year. These limits are known as contributions caps.

For more information about contribution caps and their tax implications, please read the Hostplus member guide available at **hostplus.com.au**

Non-concessional caps

Non-concessional contributions are any contributions you make to your super account after tax.

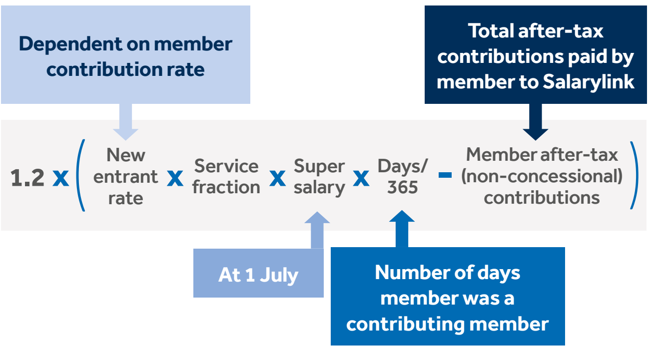
Concessional caps

For Salarylink accounts, the concessional contributions reported to the Australian Tax Office are known as Notional Taxed Contributions. These are calculated by a formula (instead of the actual contributions made by you and your employer).

How are NTCs calculated?

Notional Taxed Contributions (NTC) are calculated using a formula as required by legislation rather than employer Salarylink contributions being allocated to individual members.

The Annual NTC Value is calculated as follows:



In addition to the NTCs, the following contributions to your Hostplus Super accumulation balance are also included in your concessional cap:

- employer contributions
- salary sacrifice
- personal contributions for which you claim a tax deduction.

Example

John is a Salarylink member who started working as a landscaper at his local council two years ago. He works full-time hours and his annual salary last 1 July was $60,000. John's Salarylink total contribution rate is 6% for the full financial year. Of this, 4% is salary sacrifice contributions and 2% is after-tax contributions. Based on his total contribution rate, his New Entrant Rate is 10%. His annual NTC for the financial year is therefore:

NTC =	$\frac{1.2 \times (10\% \times 1 \times 60{,}000 \times 365 - (60{,}000 \times 2\%)}{365}$
NTC =	1.2 × (6,000 - 1200)
NTC =	$5,760

NTC formula explained

New Entrant Rate	The Actuary has calculated the New Entrant Rate in accordance with legislative requirements. The New Entrant Rate is determined by your Salarylink contribution rate as shown in the following table.
Service fraction	The Service Fraction is relevant for part-time employees.
Super salary at start of financial year	Your annual superannuation salary as at 1 July every year.
Days as a contributing Salarylink member	The number of days in the financial year you were a contributing Salarylink member.
Member after-tax (non-concessional) contributions made to Salarylink	The total after-tax (non-concessional) contributions you made to Salarylink in the financial year.

New entrant rate

Member's Salarylink contribution rate (%)	New Entrant Rate *
1	5
2	6
2.5	6
3	7
4	8
5	9
6	10
7	11
8	12
9	13
10	14

* The New Entrant Rate may change with future Superannuation Guarantee contribution rate changes.

Grandfathering rules for NTCs

Some Salarylink members may be eligible for grandfathering provisions. Grandfathering may impact the level of concessional contributions reported to the ATO.

For grandfathered Salarylink members, if the NTC value is calculated as an amount above the concessional contributions cap, we will report to the ATO that the NTCs are equal to the cap.

If the NTC value is below the concessional contribution cap, the full value is reported to the ATO.

The grandfathering rules only apply to the Salarylink benefit.

Any concessional contributions made to your Hostplus Super accumulation balance or to another super fund count towards the overall concessional contribution cap.

Eligibility for grandfathering NTCs

You may be eligible for grandfathered NTCs if you joined Salarylink before 12 May 2009 and your New Entrant Rate has not increased since that date.

If the rate of your super salary has increased by more than 50% in 1 year or by more than 75% over 3 years since 12 May 2009, your employer will need to advise Hostplus that the increase was made "on an arm's length basis". This means that the salary increase must be determined by the employer without undue influence by the employee.

Impact of changes to Superannuation Salary under the Salarylink Rules

What is Superannuation Salary?

Superannuation Salary consists of your regular wages or salary, including any allowances paid as a regular and continuing part of your wages or salary. It excludes commission, sums paid for overtime or other special services, bonuses and allowances of a non-permanent nature.

How will changes to my Superannuation Salary impact my Salarylink benefit?

The change to your Superannuation Salary information may impact the following calculations:

- Final Average Salary
- Option 1: Basic Super (if under age 55)
- Option 2: Retirement Super (if under age 55)
- Retirement Super Benefit (if over age 55)
- Total and Permanent Disablement Benefit
- Accrued Benefit Percentage*
- Death Benefit
- Ill-health Benefit
- Income Protection Benefit

* Accrued Benefit Percentage may be impacted if there is a salary reduction.

What is my Final Average Salary (FAS)?

Your Final Average Salary (FAS) is determined as the average of your Superannuation Salaries paid over the previous three years to the date of calculation or when you cease work. If your Superannuation Salary is reduced, this will impact your FAS.

What is my Benefit Percentage?

Your Benefit Percentage is based on your Salarylink contribution rate.

Total Salarylink contribution rate (% pa)	Benefit percentage (% pa)
1	10.2
2	11.4
2.5*	12.0*
3	12.6
4	13.8
5	15.0
6	16.2
7	17.4
8	18.6
9	19.8
10	21.0

* Only available for selected members

If you work part time, then for the period of part-time employment your Benefit Percentage will be calculated as a proportion of your full-time Benefit Percentage for that period based on the hours you worked. For example, if you work four days a week and your part-time percentage is now 80% and you are contributing 5% to Salarylink, then your benefit percentage per year is 15% x 80% = 12%.

What is my Accrued Benefit Percentage?

Your Accrued Benefit Percentage (ABP) is calculated based on your Benefit Percentage using years and complete days*.

Your total ABP is the sum of all of the various Benefit Percentages which applied during your Salarylink membership.

* Years and complete months before 1 July 2019.

What is the impact of a salary reduction?

If your Superannuation Salary is reduced permanently, and not because you have reduced your working hours (e.g. part-time percentage):

1. We will verify with your employer that the Superannuation Salary reduction is a permanent and genuine salary reduction.
2. Your Superannuation Salary will be updated in your Salarylink account.
3. Your reduced Superannuation Salary will be phased into the FAS calculation over a three-year period.
4. A Salary Reduction Percentage (SRP) will be calculated as at the date your Superannuation Salary is reduced. It will then be gradually added to your ABP over the same three-year period in which the FAS is impacted by a genuine salary reduction. The SRP is designed to protect your benefits from a sudden income reduction.

Salary reduction example

Elizabeth is a 56-year-old Salarylink member. She was working in a position which had a Superannuation Salary of $70,000 p.a. She then decided to accept a lower paying position in a new team. This new position had a Superannuation Salary of $60,000 p.a. At the date of Elizabeth's salary reduction, her ABP was 250%.

Her SRP is calculated as:

(Previous Superannuation Salary/Current Superannuation Salary x ABP) – ABP

= ($70,000/$60,000 x 250%) – 250%

= 291.667% - 250%

= 41.667%

Elizabeth contributes a total of 10% as member contributions to Salarylink and works full time. Therefore her standard benefit percentage per year is 21% (refer to the table under the heading "What is my Benefit Percentage?"). If Elizabeth remains full time and keeps contributing 10% to Salarylink, her ABP will accrue by her benefit percentage of 21% per year. Plus, over the next three years, her ABP will increase by an additional amount due to the SRP i.e. 41.667%/3 = 13.889%. This will result in an increase to her ABP of 13.889% per year until the SRP has been fully applied. The SRP will be fully applied once three years has lapsed since the effective date of her salary reduction. If her circumstances stay the same, her benefit percentage will then be a total of 21% per year again.

Elizabeth's FAS calculation has been impacted as follows:

Year	Previous Superannution Salary p.a.*	New Superannuation Salary p.a.*
1	$70,000	$60,000
2	$71,500	$61,500
3	$73,000	$63,000
FAS	**$71,500**	**$61,500**

* Assumes an increase of Superannuation Salary of $1,500 per annum.

Comparison of Elizabeth's retirement super calculation after three years:

	Retirement Super Benefit (no salary reduction)	Retirement Super Benefit (with salary reduction)*
Accrued Benefit Percentage	313.000%	354.667%
x Final Average Salary	$71,500	$61,500
= Retirement Super Benefit	**$223,795.00**	**$218,120.21**

* Note: in this example if the SRP had not been applied, Elizabeth's final benefit would have been 313% x $61,500 = $192,495.

How does a salary reduction impact my Salarylink insurance cover?

Your Salarylink **Death and Total & Permanent Disablement (TPD)** insurance cover is calculated as 15%# of your final Superannuation Salary* for each year and complete day to age 65 from the date you are assessed as terminally ill, ceased service or your date of death.

Your Salarylink **Income Protection** insurance cover is calculated as a maximum benefit of the lesser of 75% of Superannuation Salary (a lower rate will apply if your annual salary exceeds $400,000) or $30,000 per month.

If your Superannuation Salary is reduced as at the date of calculation of your insurance cover, then your insurance cover will also be reduced.

If you work part time, your Salarylink insurance cover is multiplied by your part-time percentage.

Your Salarylink insurance cover may be subject to restrictions or limitations.

You should be aware that if your salary information is not correct or up to date, this may affect the calculation of your Salarylink insurance cover.

* Final superannuation salary is your annual superannuation salary at the date of cessation of employment.

Transitional arrangements may apply if you were a Salarylink member at 1 January 2005.

Lifetime Pension Member Guide

Lifetime Pension Member Guide

What is a Lifetime pension?

As the name implies, the Lifetime pension product provides you with an income for the rest of your life. It is a closed product, meaning you cannot establish a new Lifetime pension. When establishing your Lifetime pension you had the choice of either a reversionary pension (to provide an income for your surviving partner) or a non-reversionary pension. The Lifetime pension is payable for a minimum period of the lesser of 10 or 20 years (depending on the date you purchased your pension) or the period to your life expectancy from the date of commencement of the pension. With a Lifetime pension, it's not possible to roll other super money into your account, or make lump sum deposits or withdrawals. The pension could only be commuted within the first six months of commencement (that is, converted into a lump sum amount). It may be rolled over to a similar product at any time.

Calculating your pension payments

Investment choice does not apply to a Lifetime pension because the income is fixed subject to indexation. Your pension payment amount was worked out at commencement by dividing the value of the lump sum used to open your Lifetime pension account by a pension factor. The pension factor was determined by Fund's Actuary at commencement based on your age, gender and whether you chose a 'reversionary beneficiary'. Payments are indexed on an annual basis at 1 July by the lesser of 5% or the annual increase in All Groups Adelaide CPI (subject to a minimum of zero). We will write to you every year to confirm your new pension payments after indexation.

Payment arrangements

Pension payments are made monthly or quarterly, depending on your choice at commencement. Payments are made directly to your bank account.

Keeping pace with inflation

Unless your pension keeps pace with inflation, your money loses its purchasing power. That's why a Lifetime pension is indexed to the lesser of 5% or the annual change in Adelaide CPI at each 1 July (subject to a minimum of zero). CPI is based on the All Groups Index for Adelaide and is the change for the 12 months to 31 March each year.

Protecting your spouse

If you have a spouse, on commencement you had the choice to make them a 'reversionary beneficiary' of your Lifetime pension. This means that if you die, your Lifetime pension payments continue to be made to your spouse. Your spouse may receive payments at the rate of 50%, 75% or 100% of the pension payments made to you, depending on your choice on commencement.

If the pension reverts to your reversionary beneficiary (that is, the person you nominated to receive your income stream automatically upon your death), it could not have a reversionary component greater than the benefit that is payable immediately before reversion. If a reversionary pensioner dies before the reversionary pension starts, there will be no residual payment from the pension, unless the original pension has been in operation for the lesser of the original member's period to their life expectancy at the date of commencement or 10 or 20 years (depending on the date the pension commenced). In this case, the remaining payments to the relevant date will be calculated and paid to your estate.

If you die and there is no reversionary beneficiary

If you haven't chosen a reversionary beneficiary and you die before the pension has been in operation for the relevant period, the payments due to the end of the period, subject to the Trust Deed and relevant laws, will be paid as a lump sum to your estate or a surviving spouse. The lump sum will be calculated based on the payments due to the end of the 10 or 20 year relevant period, based on the payment amount at date of death without allowance for future indexation.

Centrelink conditions

A portion of the purchase price of your Lifetime pension may be exempt for Centrelink purposes. This will depend on the date you commenced your pension.

Commuting your pension to a lump sum

Commutations are only permitted if you are instructed to split a benefit under Family Law.

Taxation

All pension payments and lump sum withdrawals (if applicable) are tax-free from age 60.

Fees

The cost of establishing and administering your Lifetime pension was taken into account in the calculation of your pension payments. There are no further fees deducted from your Lifetime pension payments, although this can be altered as required under the advice of the Fund's Actuary.

Other issues

There is no residual value after the expiration of the minimum period. Please note the capital value of the income stream cannot be used as security for borrowing. The assumptions on which the pension is based were determined by the Fund's Actuary at the time. The assumptions remain fixed for members once they have commenced the pension with the exception of any fees which may be altered as required.

Term Pension Member Guide

Term Pension Member Guide

What is a Term pension?

The Term pension, which is a non-account based pension, provides you with an income for a fixed period of time. It is a closed product, meaning you cannot establish a new Term pension.

You cannot roll over other super money or make personal contributions once the Term pension has started.

Lump sum withdrawals are not permitted and investment choice does not apply.

Calculating your pension payments

Your initial pension payment amount was worked out by dividing the value of the opening balance by a pension factor.

The pension factor was determined by the Fund's Actuary and was based on your selected pension term and payment frequency.

The pension term is a fixed period chosen at commencement that is no greater than the difference between your age at the commencement date and age 100. For example if you were age 65 at commencement, your term could be from 1 to 35 years. The term can also be based on your spouse's age if you have opted to make your spouse a reversionary beneficiary. See the 'Protecting your spouse' section on this page.

Your pension payments are indexed on an annual basis at 1 July by the lesser of 5% or the annual increase in the All Groups Adelaide CPI (subject to a minimum of zero).

Payment arrangements

Pension payments can be made monthly or quarterly, depending on your choice at commencement.

Protecting your spouse

You have the option to make your spouse a 'reversionary beneficiary' of your Term pension. This nomination could be made on commencement or during the period of the Term pension in the event of remarriage. This means that if you die, your Term pension payments continue to be made to your spouse (unless not permitted by law). Your spouse will receive 100% of the pension payments made to you. If the pension reverts to your spouse as a reversionary beneficiary, it must not have a reversionary component greater than the benefit that is payable immediately before reversion.

If you die and there is no reversionary beneficiary

If you haven't chosen a reversionary beneficiary and you die before the pension has been in operation for the relevant period, the payments due to the end of the period, subject to the Fund's Trust Deed and relevant laws, will be paid as a lump sum to your estate or surviving spouse. The lump sum will be calculated based on the payments due to the end of the term, based on the payment amount at date of death without allowance for future indexation.

Keeping pace with inflation

Unless your pension keeps pace with inflation your money loses its purchasing power. That's why your Term pension is indexed each 1 July by the lesser of 5% or the annual increase in All Groups Index for Adelaide CPI (subject to a minimum of zero). CPI is based on the All Groups Index for Adelaide and is the change for the 12 months to 31 March each year.

Rolling your pension over

You can rollover your Term pension to another similar product at any time.

Taxation

All pension payments and lump sum withdrawals (if applicable) are tax-free from age 60.

Fees

The cost of establishing and administering your Term pension was taken into account in the calculation of your pension payments. There are no further fees deducted from your Term pension, although this can be altered as required under the advice of the Fund's Actuary.

Other issues

Commutations are only permitted in limited circumstances, for example, if you are instructed to split a benefit under Family Law requirements.

There is no residual capital value after the expiration of the term of the pension. Please note that the capital value of the income stream and the income from it cannot be used as security for borrowing.

The assumptions on which the pension was based were advised and reviewed by the Fund's Actuary and approved by the Trustee at the time you commenced your Term pension. The assumptions remain fixed for the term with the exception of any fees which may be altered as required as advised by the Fund's Actuary.

Term Allocated Pension Member Guide

Term Allocated Pension Member Guide

What is a Term Allocated pension?

The Term Allocated pension is a market linked complying superannuation pension with a fixed term, but it allows you to choose how your super is invested. It is a closed product, meaning you cannot establish a new Term Allocated pension.

You can select from Hostplus's pension investment options and investment earnings are allocated to your account balance according to the performance of the investment option(s) that you select. It's important to remember that your account balance will rise and fall according to the ups and downs of the performance of your chosen investment option(s). Returns on any investment option are not guaranteed and your returns may be negative or positive. The amount of investment earnings allocated to your account will be shown on your annual Member Statements. For more information about your investment options, please refer to the Hostplus Pension Guide which can be found [here].

Calculating your pension payments

Your pension payment amount at commencement was worked out by dividing the value of the lump sum used to open your Term allocated pension account by a pension factor (see table). Term Allocated pensions could be established for a term based on either your life expectancy at commencement (or life expectancy assuming you were 5 years younger) or if you wanted it to last longer than that, up to age 100. Where a reversionary beneficiary was selected at commencement the term could also be to your spouse's 100th birthday. The annual pension payments can vary by plus or minus 10% from the calculated amount which is based on your balance at 30 June each year. The pension factors set out in the table are based on your chosen term at the date of commencement.

Flexible pension payment options

You can choose to receive your pension payments fortnightly, monthly, quarterly, half-yearly, or annually.

A new annual payment amount set each 1 July

Your annual pension amount is reset at the start of each financial year to take into account the change in the remaining term and the account balance. You can choose to vary your annual pension payments by plus or minus 10% from the calculated amount.

We will write to you prior to 1 July each year advising you of an estimate of your new payment amounts.

Protecting your spouse

If you have a spouse, on commencement you had the option to make them a 'reversionary beneficiary' of your Term Allocated pension. This means that if you die, your Term Allocated pension payments continue to be made to your spouse. Your spouse will receive pension payments of the same value as those made to you. If the pension reverts to the reversionary beneficiary, it must not have a reversionary component greater than the benefit that is payable immediately before reversion. Once a reversionary beneficiary is nominated by the primary pensioner it cannot be changed.

Rolling your pension over

You can rollover your Term Allocated pension to another similar product at any time.

If you die and there is no reversionary beneficiary

If you haven't chosen a reversionary beneficiary and you die before the pension has been in operation for the relevant period, the balance of the remaining account will be paid as a lump sum to your estate or a surviving spouse.

Final payment

The final year's payment may be adjusted to allow for any variation in your account balance due to investment earnings of your chosen investment option(s). This means the final payment may be more or less than that calculated at 1 July in the final year.

Commuting your pension to a lump sum

Commutations are only permitted as required to give effect to a payment split under the Family Law legislation.

Taxation

All pension payments and lump sum withdrawals (if applicable) are tax-free from age 60.

Fees

The Term Allocated pension fees are the same as those charged to the standard Hostplus Pension product. Please refer to the Hostplus Pension guide at **hostplus.com.au** for more information.

Centrelink conditions

A portion of the purchase price of your Term Allocated pension may be exempt from Centrelink purposes. This will depend on the date you purchased your pension.

Term Allocated pension factors

Term of pension	Pension factor	Term of pension	Pension factor	Term of pension	Pension factor
70 or more	26.00	46	22.70	22	15.17
69	25.91	45	22.50	21	14.70
68	25.82	44	22.28	20	14.21
67	25.72	43	22.06	19	13.71
66	25.62	42	21.83	18	13.19
65	25.52	41	21.60	17	12.65
64	25.41	40	21.36	16	12.09
63	25.30	39	21.10	15	11.52
62	25.19	38	20.84	14	10.92
61	20.57	37	20.57	13	10.30
60	24.94	36	20.29	12	9.66
59	24.82	35	20.00	11	9.00
58	24.69	34	19.70	10	8.32
57	24.55	33	19.39	9	7.61
56	24.41	32	19.07	8	6.87
55	24.26	31	18.74	7	6.11
54	24.11	30	18.39	6	5.33
53	23.96	29	18.04	5	4.52
52	23.80	28	17.67	4	3.67
51	23.63	27	17.29	3	2.80
50	23.46	26	16.89	2	1.90
49	23.28	25	16.48	1 or less	1.00
48	23.09	24	16.06	–	–
47	22.90	23	15.62	–	–

Example

Peter was 65 when he started his Term Allocated pension with $45,000. He did not choose a reversionary beneficiary.

Peter selected a term of 18 years (his life expectancy factor of 17.70 rounded up). His pension payment was calculated as follows:

$45,000 / 13.19 (the payment factor determined by the term of his pension) **= $3,411.68 p.a***

*** This amount is reset at the start of each financial year.**

Mail Locked Bag 5046, Parramatta, NSW 2124
Phone 1300 467 875
Email info@hostplus.com.au

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