



Anglican Church
Grammar School

Group Salary
Continuance Plan
November 2022

1800 501 204
sfg.com.au



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Anglican Church Grammar School and Shadforth Financial Group have partnered to provide you with employer sponsored Income Protection benefits as part of your employee benefits package.

The Income Protection policy is issued by Integrity Life and owned by Anglican Church Grammar School.

Income Protection products provide a replacement income in the event of an illness or injury that prevents you from being able to perform your usual occupation. The plan provides full protection with coverage 24 hours per day, 7 days a week, worldwide.

Shadforth Financial Group is available on **1800 501 204** or contactus@sfg.com.au to assist you with any aspect of your Salary Continuance Insurance plan.

Eligibility and benefits

Who is eligible?

All full time employees of Anglican Church Grammar School:

- You must be a Permanent Australian Resident in order to be eligible for cover;
- Member of Anglican Church Grammar School Superannuation Fund within Colonial First State;
- Under the age of 65.

When does cover commence?

Immediately upon commencement of employment

Automatic Acceptance Limits (AAL)

An Automatic Acceptance Limit (AAL) means the maximum amount of benefit which the Insurer does not require evidence of an insured person's state of health. **The current AAL is \$10,000 per month for all Insured members.**

What is the maximum benefit?

Income Protection: The maximum benefit that applies to this policy is **\$30,000 per month.**

Are there any medical requirements?

You are automatically covered up to \$10,000 per month as long as you are at work on the day you become eligible for cover. Cover above this amount will require medical underwriting.

If you exceed the current AAL of \$10,000 per month and would like to confirm your current benefit details, please contact Shadforth Financial Group on **1800 501 204** or contactus@sfg.com.au to help with you with your Income Protection Policy.

How is my Income Protection cover calculated?

Your Income Protection cover provides a replacement income of 75% of salary per month.

This includes:

- A waiting period of 90 days and
- A benefit period to age 65

What is included as income?

Your base salary is used for the calculation of insurance benefits.

Example:

As a 35 year old earning a base salary of \$85,000 per year, this individual will be eligible for:

$$= 75\% \times \$85,000 / 12$$

$$= \$5,312.50 \text{ per month}$$

The individual will be eligible for \$5,312.50 per month in replacement income.

Disability definitions

How does the plan work?

If you become totally or partially disabled under the definitions of the policy, you will become eligible to receive benefits.

What is total disability?

An Insured Person is totally disabled if, because of Illness or Injury, he or she is:

- Unable to perform at least one income producing duty of his or her occupation, and
- Under the regular care of, and following the advice of a Doctor, and
- Not working in any occupation, whether for reward or not for reward.

What is partial disability?

If totally disabled for a period of at least 7 days out of 12 consecutive days Integrity Life will pay a Partial Disability during the benefit period and as a result of the same illness or injury all of the following apply. You:

- Have resumed partial employment or in Integrity Life's opinion are deemed capable of returning to partial employment duties;
- As a result of the Injury or Illness that caused the Total Disability the Insured Person receives, or would in Integrity Life's opinion receive, a Post-Disability Income that is less than their Monthly Income; and
- Are in regular care and following the advice of a Medical Practitioner.

What disabilities are currently covered?

Any disability that meets the definition of a Total Disability/Partial Disability is covered.

What happens if you suffer an illness/injury?

When the benefits become payable?

Total Disability

Benefits become payable 90 days after the Waiting Period.

If you have a continuous period of Total Disability for longer than 90 days, a Total Disability Benefit is payable from day 91.

If during the Waiting Period you return to gainful employment and this return to work proves unsuccessful due to the Injury or Illness causing Total Disability, then the original Waiting Period will continue if the number of days you return to work is no more than 10% of the Waiting Period.

Partial Disability

If, directly before suffering Partial Disability an Insured Person has suffered a Total Disability continuously for a period of at least 7 days out of 12 consecutive days Integrity Life will pay a Partial Disability during the Benefit Period.

Example:

The insured member needs to have suffered Total Disability for at least 7 out of 12 consecutive days, then returned to work on partial duties / hours / days which reduces their income. Provided they continue to be disabled due to their condition then a Partial Disability benefit would commence at the end of the Waiting Period.

What benefits are paid?

Benefits are paid monthly in arrears. If a benefit is paid for less than a whole month, the amount payable will be calculated as 1/30th of the benefit for every day that it is payable.

Note: benefits are taxed at your marginal tax rate.

How long are the benefits payable?

To age 65. Your disability benefit ceases on the earliest of:

- the first day you are not partially/totally disabled;
- age 65;
- your death

Is there anything that will reduce the benefit?

A benefit payment will be reduced by amounts payable from the following:

- Workers compensation;
- Statutory compensation, pension, social security or similar schemes;
- Income benefits from other insurance policies/ superannuation
- Sick leave entitlements

What happens if you suffer a recurrence of the same injury or sickness?

If within six months after a benefit payment ceases you again become totally or partially disabled due to the same or related injury/illness the Insurer will regard it as a continuation of the previous claim and the waiting period will be waived.

How do you make a claim?

Contact Shadforth Financial Group on **1800 501 204**.

- 1 Initial notice of a potential claim must be given to us as soon as possible after the incident that has caused the claim. This process ensures that insurer can efficiently and effectively manage all claims. We will only consider a claim where the delay in notification does not prejudice our ability to assess the claim.
- 2 Once notified of a claim, the insurer will provide claim forms. The insurer may require you to undertake further medical testing and may gather information from third parties.

Cover during leave or while travelling

24 Hour Worldwide Cover

Cover is worldwide.

- If you suffer Total or Partial Disability whilst residing/travelling outside Australia, the payment of benefits will cease six months after the commencement of the disability, unless you have permanently returned to Australia (or another country acceptable to the insurer).
- You will need written consent from the insurer for travel/residence of greater than two years.

Cover during leave without pay (eg maternity leave, travel)

Cover may continue for a period up to two years for Maternity/Paternity leave. Written approval is needed from the insurer for a period of greater than 12 months.

What happens if I leave Anglican Church Grammar School

Continuation option

The continuation option is an option for an Insured Person to continue cover under a personal income protection insurance policy issued by another insurer nominated by Integrity Life without evidence of health and subject to:

- Must exercise the continuation option within 60 days of the cessation of cover;
- Must be less than 65 years of age at the date ceasing employment;
- The amount of cover under the continuation option being the lesser of:
 - 75% of their current Monthly Income or their entitlement under The Policy at the time of ceasing employment;
 - The maximum monthly benefit of \$30,000 per month;
 - The amount available at the time with the appointed insurer.
- Must not have commenced active service with the armed forces of any country, except as a member of the Australian Defence Force Reserves whilst performing duties with Australia;
- Must be commencing employment as a Permanent Employee or Contractor, working 15 hours or more each week in an occupation that is not deemed to be an uninsurable risk by the nominated insurer; and
- Must be intending to commence alternate employment within 90 days of the ceasing their employment with Anglican Church Grammar School

Please contact Shadforth on 1800 501 204 for assistance with any questions about your policy and benefits.



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This is general advice only and does not take into account your financial circumstances, needs and objectives. Before making any decision based on this document, you should assess your own circumstances or seek advice from a financial adviser and seek tax advice from a registered tax agent. Information is current at the date of issue and may change.

Part of the Insignia Financial Group. WMA-30099 (52041) 0822