

# Policy Comparison Report

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## Including

- Policy definition comparison and explanation
- Premium comparison

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Type: Income Protection  
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## Explanation

This report is designed to highlight differences between your current insurance policy and a typical market leading policy. Both the key policy definitions and price are compared.

### Policy definition comparison

This section of the report compares the ratings of key policy components that are considered of core importance. It goes on to provide policy excerpts and comments around these key differences. Policy ratings are sourced from an external research provider.

### Premium comparison

Where possible, we provide a comparison between your current policy, a comparable (of at least the same quality) policy, and a market leading policy.

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**Part 1:****Policy definition comparison**

	Market Leading Policy	Your policy 	
Core Score	96%	56%	
Supplementary Score	56%	22%	
<b>Income Protection (Indemnity) Core Provision</b>			
Ability to Work During the Waiting Period	B	B	
Capability Clauses	A	B	
Definition of Pre-Disability Earnings	A	C	1
Definition of Total Disability	A	B	2
Exclusions	A	B	
Guarantee of Renewability	Yes	No	3
Inactive Employment	A	C	4
Indemnity Benefit	A	A	
Indexation Benefit	A	No	5
Indexation on Claim	A	B	
Injury & Sickness	A	A	
Offsets	A	B	
Partial Disability Benefits	A	B	
Recurrent Disablement	B	C	
Waiting Period Requirements	A	B	
<b>Income Protection (Indemnity) Supplementary Provision</b>			
Accident Benefit	a *	No	
Bed Confinement Benefit	No	No	
Best Doctors	No	No	
Critical Conditions Benefit	No	No	
Death Benefit (Built In)	a	c	
Future Insurability Benefit	b	b	6
Geographical Limitations	b	c	
Home Care Benefit	No	No	
Other Supplementary Benefits	Yes *	No	
Profit Share	Yes	No	
Rehabilitation Benefit	a	c	
Rewards Program	No	No	
Specified Injury Benefit	No	No	
Superannuation Contributions	Yes *	Yes	
Waiver of Premium - Disability	a	b	

**Explanatory Note:**

· Core Score = Upper case letters. Refers to core policy ratings, which are considered to be those areas of a policy that are critical to the client's primary need for a particular policy type.

· Supplementary Score = Lower case letters. Refers to supplementary provision ratings, which are considered to be 'value adding' features of a policy.

· Ratings accompanied with an \* indicate that the listed rating is based on the assumption that an optional benefit applies.

## Explanations

	Other Policy	UniSuper	Comments
1	<p>If you choose an Agreed Value policy, you will be paid based on your insured amount, regardless of what you are earning at the time.</p> <p>If you choose an Indemnity policy, you will be paid the lesser of your insured amount and the highest average monthly earnings for any 12 month period within the 36 months prior to disability</p>	<p>You will be paid the lesser of your insured amount and income at the time of claim</p>	<p>Under the UniSuper policy, if for whatever reason your income at the time of claim has reduced (i.e. you've temporarily reduced your working hours), the monthly benefit you'd be entitled to would be adversely affected</p>
2	<p>Total Disability or Unable to work is defined as:</p> <ul style="list-style-type: none"> <li>- is not working in their regular occupation or any gainful occupation and is unable to perform one or more duties necessary to produce income from their regular occupation; <u>or</u></li> <li>- <u>is working in their regular occupation or any gainful occupation and is not working more than 10 hours per week and is unable to perform the duties necessary to produce income from their regular occupation for more than 10 hours* per week; or</u></li> <li>- is working in their regular occupation or any gainful occupation and solely due to the illness or injury is unable to produce monthly earnings greater than 20% of their pre-claim earnings</li> </ul>	<p>Total Disability or Unable to work is defined as:</p> <p>as a direct result of injury or sickness, you are:</p> <p>(a) unable to perform at least one income producing duty of his or her occupation, <u>and</u></p> <p>(b) <u>not working in any occupation</u> whether for reward or not.</p>	<p>'Other' definition is a lot more flexible. You can choose from three different definitions. If choosing 10hr definition (most flexible) it allows you to work for up to 10 hours and still be on a full claim. Allows you to still earn effectively 100% of your income (75% + 10hrs (25%)).</p> <p>UniSuper does not allow you to be working <u>at all if on a full claim</u>. If working part time, you're forced to move to a partial claim and paid based on reduction in earnings. Partial disability claim = painful.</p>
3	<p>As long as you pay your premiums we will continue to insure you with the same or enhanced terms and conditions until expiry. This applies even if you suffer changes to your health, you change occupations (including to non-professional occupations) or you take up different pastimes.</p>	<p>Insurance cover will cease on any of these events:</p> <ul style="list-style-type: none"> <li>- you cease to be a UniSuper member,</li> <li>- you cease to satisfy the eligibility conditions,</li> <li>- you attain the cover cessation age</li> <li>- your account has insufficient funds to pay the insurance premiums,</li> <li>- you join the armed forces of any country (the Australian Defence Force Reserve is excluded for this purpose),</li> <li>- you cease to satisfy the relevant conditions for continuation of cover whilst on employer approved leave,</li> <li>- the balance of your UniSuper accumulation account is less than \$2,000 and we haven't received any contributions or transfer of funds to your account for 12 consecutive months</li> <li>- <u>we terminate the policy with our Insurer, or</u></li> <li>- you die.</li> </ul>	<p>UniSuper effectively has the ability to terminate the policy at any time, potentially leaving you exposed if you're unable to obtain new cover.</p>
4	<p>Will pay a claim even if you're not working at the time of injury/illness</p>	<p>- To be compliant with the SIS Act, an income protection benefit cannot be paid out under a superannuation structure where the insured is not gainfully employed when a disability arises.</p>	<p>This is a big one. If for whatever reason you are not gainfully employed at the time of claim, under UniSuper, it will not pay out. For example – in between jobs / contracts. Extended leave etc.</p>
5	<p>We will increase your sum insured each year on the Plan anniversary by the greater of:</p> <ul style="list-style-type: none"> <li>- The increase in the Professionals Earnings Index (PEI);</li> <li>- The increase in CPI; or</li> <li>- 0%</li> </ul>	<p>Your monthly benefit will not increase every year</p>	<p>Having a policy that increases in coverage every year allows your policy to keep pace with your income increases</p>
8	<p>Can increase cover by up to 15% without underwriting</p>	<p>Can only increase your monthly benefit without underwriting by \$433 once per year</p>	<p>'Other' option allows you to easily increase your cover when your income increases significantly (i.e. promotion, new job).</p>

## Part 2:

### Premium comparison

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#### Policy Structure

Monthly Benefit	-	\$7,500pm
Waiting Period	-	90 days
Benefit Period	-	To age 65
Policy Type	-	Indemnity
Premium Type	-	Stepped

#### Premium comparison

	Your policy	Comparable Policy	Market Leading Policy
Core score	56/100	74/100	98/100
Supplementary Score	22/100	40/100	65/100
<b>Premium</b>			
Premium payable from super	\$989.35pa	\$841.12pa	\$841.12pa
Plus premium payable personally*	-	-	\$12.02pm

\* generally this component is tax deductible

Comparable policy = a policy offered by another insurer with a similar core policy score

Market Leading policy = a policy offered by another insurer with market leading core policy definitions which are deemed important

*Premiums are indicative and subject to underwriting assessment*