

Rest Corporate

Key Insurance Changes



30 September 2021

Types of insurance available in Rest Corporate:

- Death cover (including Terminal Illness)
- Total and Permanent Disability cover (TPD)
- Income Protection cover (IP)

Term	Current Policy	Changes effective from 30 September 2021
Life Events cover (Death, TPD and IP cover)	<p>If you apply for Life Event cover and are accepted, the loadings, exclusions, restrictions and/or limitations that apply to your existing Rest cover of the same type being applied for will also apply to the Life Event cover, such as Limited cover.</p>	<p>If you apply for Life Event cover and are accepted, restrictions and/or limitations such as Limited cover that apply to your existing Rest cover of the same type will not apply to the Life Event cover. Any loadings or exclusions (if any) on your existing cover will be extended to your Life Events cover.</p>
Individual Transfer Terms cover (exclusions) (Death, TPD and IP cover)	<p>If you apply to transfer cover to Rest from another fund or insurer and are accepted, the transferred cover will remain subject to its current loadings, exclusions, restrictions and/or limitations and will also be subject to those that apply to your existing Rest cover of the same type.</p>	<p>If you apply to transfer cover to Rest from another fund or insurer and are accepted, any loadings, exclusions, restrictions and/or limitations (if any) will continue to apply. These will continue until such time as they would have expired per the previous policy terms.</p> <p>Any loadings, exclusions, restrictions and/or limitations on your existing Rest cover will remain unchanged but will not apply to your transferred cover.</p>
Individual Transfer Terms cover (requirement to have existing Rest cover) (Death, TPD, IP cover)	<p>To be eligible to transfer Death, TPD or IP cover to Rest from another fund or insurer, you must already have cover of the same type with Rest.</p>	<p>You no longer need to have existing Death, TPD or IP cover with Rest to be eligible to transfer cover of the same type from another fund or insurer.</p>
Benefits - Income and superannuation component (removal of open account requirement) (IP)	<p>If you don't have an open Rest account at the time the superannuation component of your IP claim is due to be paid:</p> <p>(a) the 'superannuation component' will not be paid; and</p> <p>(b) you will only be eligible to receive the 'income component' of your monthly IP benefit.</p>	<p>If your Incident Date is on or after 30 September 2021 you no longer need to have an existing open Rest account for the superannuation component of your monthly IP benefit to be paid.</p> <p>If your account is closed, we'll open a Rest account on your behalf for the sole purpose of receiving the superannuation component into this account.</p>
Benefit Offsets (IP)	<p>Annual leave is listed as benefit offset that can reduce the amount of monthly IP benefit you receive under the policy if it is taken in connection with the illness or injury causing a Total or Partial disability.</p>	<p>Annual leave has been removed as benefit offset that can reduce the amount of monthly IP benefit you may receive.</p>

Pre-Disability Income (IP)

Under the current policy the Pre-Disability Income definition was identified by members as being overly long and complex.

We've updated the definition to make it easier to read and understand, using plain language where possible. There is no change to the intent of the definition or how it is applied.

Updated Pre-Disability Income definition:

Pre-Disability Income means the total of the amounts earned under:

- either part (a) or (b) (or that would have been earned under part (a) or (b), if you were not on Employer Approved Leave); and
- part (c), if applicable.

Where you are:

(a) Employed continuously for the 12 months prior to the Incident Date:

- (i) in permanent employment or employed on a fixed term contract, your monthly salary earned immediately prior to the Incident Date; and/or
- (ii) in casual employment, your remuneration from your casual employment averaged over the lesser of the 12 months prior to the Incident Date and the period since you last commenced casual employment,

including the following:

1. performance related annual bonuses, commissions and the value of fringe benefits (if any) that you received from an employer through salary sacrifice and will benefit from for at least six months after the date that fringe benefit through salary sacrifice would have been paid by your employer, averaged over the previous 36 months (or a lesser period for which you had been entitled to such payments); and
2. overtime payments and shift allowances, averaged over the previous 12 months (or a lesser period for which you had been entitled to such payments);

but before the deduction of income tax and excluding superannuation contributions to the extent that they are 10% or less of your earnings;

or

(b) Unemployed at any point in the 12 months prior to the Incident Date:

your remuneration averaged over the 12 months prior to the Incident Date in any:

- (i) permanent employment or while employed on a fixed term contract; and/or
- (ii) casual employment,

including the following:

1. overtime payments, shift allowances and the value of fringe benefits (if any) that you received from an employer through salary sacrifice and will benefit from for at least six months after the date that fringe benefit through salary sacrifice would have been paid by your employer; and/or

**Pre-Disability Income
- continued
(IP)**

2. performance related annual bonuses and commissions, except that the payments are to be averaged over the previous 36 months,

but before the deduction of income tax and excluding superannuation contributions to the extent that they are 10% or less of your earnings;

and/or

(c) Self-Employed in the 12 months prior to the Incident Date:

any income derived by you directly or indirectly from owning all or part of a business (other than from owning shares in a publicly listed company) in which regular work is performed which is calculated over the 12 months immediately prior to the Incident Date, calculated as:

- (i) to the extent not already captured in part (a) or (b) above, the amount paid by the business to you because of your personal exertion, plus
- (ii) your share of the total amount earned by that business over that 12 months because of your personal exertion, less your share of business expenses necessarily incurred (annualised if you have directly owned all or part of the business for less than 12 months),

but before the deduction of income tax and excluding superannuation contributions to the extent that they are 10% or less of your remuneration, divided by 12.

**Premium refund due to benefit offset
(IP)**

This benefit was introduced effective **1 July 2021**

At claim time generally, if you have IP cover with another fund as well as Rest, you may be able to claim for both, but one will be offset against the other resulting in being paid less than you are insured for.

No premium refund is offered under the current policy if this occurs.

We have introduced a refund option for members that are eligible to receive an IP monthly benefit payment from Rest, but at claim time no income component of the monthly benefit is payable due to it being offset by an income protection benefit paid by another fund.

If the Rest Default IP cover you have was received automatically or by choosing to take it up within 180 days of starting your current job, and you tell us that you are also insured for automatic IP cover with another fund, we can offer you a cancellation of your Rest IP cover and a refund of premiums for the overlap period of cover (up to maximum of 6 years). If you accept this offer, you will no longer be covered by Rest for IP or be eligible to claim. You will need to advise us at the time you lodge a claim if you have automatic IP cover with another fund.

Please note, that this refund option will only be offered in respect of Default cover and not where cover was underwritten in any way.

**Total and Permanent Disability definition
(TPD)**

This change is retrospectively effective **1 April 2020**

Part 3 of the current TPD definition 'Unable to look after yourself ever again' doesn't explicitly call out that the inability to look after yourself should be as a result of the illness or injury being claimed.

The TPD definition also requires that the definition cannot be met if the illness or injury being claimed for could be expected, on reasonable grounds, to be reversed by surgery or other treatment so that you would not then be TPD.

The revised part 3 of TPD definition for 'Unable to look after yourself ever again' has been updated to clarify that the inability to look after yourself must be as a direct result of the claimed illness or injury.

The TPD definition no longer requires that you pursue surgery or other treatment that could be expected, on reasonable grounds, to reverse your TPD.

We're here to help

🔗 rest.com.au

📲 [Download the Rest App](#)

💬 [Live Chat at rest.com.au](#)

Monday to Friday 8am - 10pm AEST

Saturday 9am - 6pm AEST

Sunday 10am - 6pm AEST

☎️ **1300 300 778**

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