

Understanding your insurance and premiums

You may be able to adjust your cover to suit your circumstances, and reduce your premiums. More information is available over the page, and at btlifeinsurance.tal.com.au/your-premium

Why is insurance important?

Insurance cover can help provide you with peace of mind if things go wrong. It can:



support you when you're sick or injured,



take the financial pressure off so you can concentrate on getting better, or



provide for your loved ones in the event of your death or a terminal illness diagnosis.

Insurance works by customers pooling their premiums together, which in turn means we can support them when something does go wrong.

Why do premium rates need to increase?

Like most businesses, insurers are susceptible to changes in costs and economic conditions, which in turn can impact customers' premiums.

Following a recent review, our anticipated future claims costs are higher than expected, and we need to consider this in the way we manage our pricing.

We need to ensure the premiums we collect can adequately manage future claims and that we can be there to support our customers when they need us most.

We will never single you out for a rate increase – our rate increases are determined in relation to and applied across a group of comparable customers.

How do you calculate my premium?

Many factors can influence how your premiums were initially calculated, including the cover type selected and information originally provided about the life insured. For example, age, gender, occupation, smoking status, health and pastimes may have been considered.

Your cover is guaranteed to continue each anniversary until your policy or benefits expire or end, as explained in your product and policy terms. We will not alter your existing cover or premiums as a result of your health, occupation or pastimes changing after you take out your cover. However, premiums can change each year, based on a number of other factors including but not limited to the following:

- 1 If it has been necessary for us to increase premium rates for our customers, to ensure we can continue to adequately address rising business and future claims costs.
- 2 If your policy is, or will be held on a stepped premium basis, your insurance premiums are recalculated every year based upon your increase in age and will generally rise with your age.
- 3 If Consumer Price Index (CPI) increases apply, your Sum Insured will increase. Your premiums will also increase to reflect the higher cover amount and the insured person's age at the time of the CPI increase. You can choose to decline these CPI increases or reduce your cover.

For more information on stepped and level premiums and premium increases, refer to the relevant disclosure documents such as the Product Disclosure Statement (PDS) and your Policy Document. You can also find details of your cover and your chosen options in your Renewal Summary.

Ways to reduce your premium

As your life changes, so can your insurance needs, and you may wish to change your policy. You might not think about insurance cover very often but you or your family may be glad it's there when you need it. If you want to change your cover, the following options may be available to you.



Decline the automatic CPI increase on your cover for the year and/or request that CPI increases never apply again, if applicable.[^]



You may be eligible for a discount if you change your payment frequency to yearly.



Reduce your Sum Insured.[^]



If your health has improved or your pastimes have changed, ask us to review any loadings applied to your cover.



Update your smoker status if you haven't smoked at all in the past 12 months.



Change the definition that applies to any Total and Permanent Disablement (TPD) cover you might have, if applicable.[^]



Switch your Living Insurance cover from Living Plus to Living, if relevant.[^]



Remove optional benefits attached to your TPD or Living benefit such as TPD Buy Back, Double TPD, Living reinstatement or Waiver of Life Premium, if applicable.[^]

The above options do not take into account your individual or personal circumstances. Before making any changes to your policy, we encourage you to speak with a financial adviser if you have one, as they can help you assess whether these options are appropriate for you.

[^]If you later wish to make changes to your insurance cover, including by reapplying for any insurance cover that was reduced, removed or altered, you will need to complete a form, which may be subject to an underwriting assessment. Please note, the same cover previously provided by us may no longer be available, you may not be eligible for the cover, or you may be offered cover under different terms and conditions. If your application is successful, you may also need to serve qualifying periods for some claims, as applicable.

We're here when you need us most

Supporting our customers and their families through the claims we pay is the most important thing we do.



People often think life insurance is a about payments to families when a loved one passes away. But **of the claims we paid, approximately 63% helped our customers continue living their lives while recovering from illness or injury.***

We're here for you when the unexpected happens

The top 5 reasons for making a claim:



1. Cancer



2. Mental Health



3. Cardiovascular



4. Musculo-skeletal and connective tissue diseases



5. Accidents

*Claims statistics based on total number of claims paid by TLISL between 1 August 2022 and 31 March 2023. Payment of each claim is subject to the terms and conditions of the applicable policy, which are set out in the relevant Product Disclosure Statement and Policy Document.

[^]Any financial product advice is general in nature only and does not take into account any person's objectives, financial situation or needs. Before acting on it, the appropriateness of the advice for any person should be considered, having regard to those factors. Persons deciding whether to acquire or continue to hold life insurance issued by TLISL should consider the relevant disclosure document, such as a Product Disclosure Statement (PDS) and/or Policy Document. Disclosure documents can be obtained by visiting btlifeinsurance.tal.com.au or calling 1300 553 764. A target market determination has been made for Protection Plans products. Please visit btlifeinsurance.tal.com.au for any of our target market determinations.