



# Group Income Protection For Employees

Product Disclosure Statement  
V1.1 July 2017

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**PayCover**   
by COVERFORCE

## About this document

This Product Disclosure Statement (PDS) contains information about PayCover, an insurance product designed for employers and employees. PayCover is issued and underwritten by Hannover Life Re of Australasia Ltd (ABN 37 062 395 484) (Hannover) and managed by Coverforce Pty Limited (ABN 31 067 079 261) (Coverforce). PayCover is purchased by employers to provide insurance cover to their employees in the event of their sickness, injury or death.

The purpose of this document is to give You, an employer, an overview of the terms and conditions of PayCover and how PayCover operates. You should read this document carefully before purchasing PayCover and if You are unclear on any point You should contact Coverforce for assistance.

This document explains the key features of PayCover. For complete details of the cover You should read the Master Policy issued by Hannover to Coverforce. A copy of the Master Policy will be supplied to You when You purchase PayCover. It is important to note that in the event of any inconsistency between the terms and conditions of the Master Policy and this PDS the relevant Master Policy terms prevail.

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## Important notes

The information in this PDS is current at the time of issue. Amendments to this PDS that in the opinion of Coverforce do not adversely affect the benefits provided by PayCover, will be advised through the PayCover section of the Coverforce website **coverforce.com.au/paycover**. You can obtain a paper copy of any updated information, free of charge, by contacting Coverforce.

This PDS is issued by Hannover. We are responsible for the form and content of this PDS. This PDS has been prepared without taking into account any persons' financial objectives, situations or needs. Nothing in this PDS constitutes financial product advice. Before acting on any information in this document You should consider seeking advice from an appropriately qualified specialist advisor.

## About Hannover

Hannover Life Re of Australasia Ltd (Hannover) is a specialist provider of group life and group income protection insurance to employers, superannuation funds, industry funds and master trusts in Australia.

Hannover has a proud history of being an industry leader in the provision of group risk insurance. As one of the longest standing group risk insurers in the Australian market, Hannover understands the value of long term partnership, sustainability and delivering the highest level of customer satisfaction.

From 1 July 2017, Hannover is a signatory to the Life Insurance Code of Practice (the **Code**). Further information about the Code can be found at **fsc.gov.au**.

## Financial strength & security

During challenging and uncertain economic times it is paramount that the insurer you select has the ability to continually pay claims. By selecting Hannover, you have the confidence in knowing that Hannover has a long term commitment to the Australian life insurance market, we are financially strong and we have the resources and capital reserves to meet present and future claims.

Hannover is a wholly-owned subsidiary of Hannover Re, one of the world's leading global life reinsurance groups. Hannover Re transacts all lines of non-life and life & health reinsurance and is present on all continents with around 2,900 staff. This places Hannover in the enviable position of having global access to insurance developments, expertise and resources which enables us to constantly deliver innovative group insurance solutions. Hannover Re globally holds total assets in excess of €63 billion and gross annual premium of €16.4 billion.

At 1 July 2017 our total annual in force premium in Australia was approximately \$1 billion. Hannover and our parent Hannover Re both enjoy a Standard & Poor's financial strength rating of AA- (very strong).

## About Coverforce

Coverforce Pty Limited, ABN 31 067 079 261, ranks amongst the largest Australian owned insurance brokers by revenue and is the market leader for group income protection insurance as an employee benefit.

Coverforce has over 20 years experience in managing group income protection plans.

Coverforce holds Australian Financial Services Licence (AFSL) number 238874 which permits it to provide financial product advice and to arrange, manage and administer life insurance products such as PayCover.

In addition to managing group plans such as PayCover, Coverforce provides general insurance and risk advice to thousands of businesses across Australia. This PDS deals specifically with the financial services Coverforce provides in relation to PayCover. If You are interested in other Coverforce products and services, please contact Coverforce at the address on the back of this PDS or visit the Coverforce website at [coverforce.com.au](http://coverforce.com.au).

## PayCover administration

PayCover is administered by Coverforce who will:

- > arrange Your registration as a participating employer;
- > arrange the registration of Your employees;
- > collect, allocate and remit insurance premiums;
- > distribute and process all the relevant documentation necessary in arranging and administering Your insurance including but not limited to monthly premium statements, receipts for payment of premiums, distribution to You of disclosure documentation such as a PDS and a copy of the Master Policy;
- > provide You with specific advice regarding the Master Policy if requested;
- > manage and administer applications for claims;
- > manage and administer the ongoing claims process;
- > process payments for claims including the management and remittance of applicable taxes and any other statutory requirements;
- > issue PAYG summaries to claimants that have received benefits directly from Us;
- > maintain and improve the technology used to administer PayCover; and
- > provide all necessary assistance to participating employers and insured employees.

## How PayCover works

PayCover is a group insurance product issued by Hannover to Coverforce under a single Master Policy. Participating employers acquire an interest in the Master Policy by completing an application form and paying monthly premiums. Eligible employees that are nominated by a participating employer are insured through the PayCover Master Policy. PayCover is managed and administered by Coverforce. PayCover is not an investment product and is not designed to generate a return for any employee or employer.

## Introducing PayCover

PayCover is a special purpose life insurance product purchased by employers for their employees.

PayCover provides a replacement income for employees who cannot work at full capacity or at all due to sickness or injury. The income insured by PayCover is the employee's average income over the past 12 months and includes overtime and allowances paid to the employee. The level of income PayCover replaces is in accordance with the level of cover You have purchased and is specified on Your monthly premium statement.

PayCover provides additional cover such as a \$20,000 death cover for an insured employee, a \$5,000 death cover for the insured employee's spouse, homemakers assistance, rehabilitation assistance and return to work assistance.

PayCover covers insured employees 24 hours a day, 7 days a week, anywhere in the world.



## PayCover insurance benefits explained

The following table describes the insurance cover provided by purchasing PayCover:

Type of cover	Description of cover
<b>Injury cover</b>	<p>Provides a fortnightly income benefit if the insured employee has been totally or partially disabled due to injury and remains totally or partially disabled after the nominated waiting period. Please note the greater of 28 days or the nominated waiting period applies to all injury claims arising from any code of football.</p> <p>Benefits are only payable for an injury which occurs whilst the employee is insured by PayCover. At the expiry of the waiting period benefit payments are paid 14 days in arrears.</p> <p>Benefits are reduced by statutory income payments such as workers compensation and other income as detailed on page 8. Benefits are also reduced where the insured employee is partially disabled and returns to work in a reduced capacity. Examples of benefit calculations are shown on page 12, see complete definition on page 13.</p>
<b>Sickness cover</b>	<p>Provides a fortnightly income benefit if the insured employee has been totally or partially disabled due to sickness and remains totally or partially disabled after the nominated waiting period.</p> <p>Benefits are only payable for a sickness which the insured employee first becomes aware of while covered by PayCover or during a period of previous cover as agreed by Us (see page 13 for an explanation of previous cover).</p> <p>At the expiry of the waiting period benefit payments are paid 14 days in arrears.</p> <p>Benefits are reduced by statutory income payments such as workers compensation and other income as detailed on page 8. Benefits are also reduced where the insured employee is partially disabled and returns to work in a reduced capacity. Examples of benefit calculations are shown on page 12, see complete definition on page 13.</p>
<b>Funeral cover</b>	<p>Provides a payment to contribute to funeral costs if an insured employee who is in receipt of a total or partial disability benefit dies. The payment is equal to one week's total disability benefit.</p>
<b>Death cover</b>	<p>Provides a lump sum payment of \$20,000 to nominated beneficiaries or the estate on the death of an insured employee. It also provides a lump sum payment of \$5,000 in the event of the death of the insured employee's spouse.</p>
<b>Homemakers assistance</b>	<p>Provides a weekly benefit of up to \$200 per week for up to 20 weeks if an insured employee's spouse who performs homemaker duties and is not in receipt of any income, suffers an injury or sickness lasting for 24 consecutive hours or more. Homemaker assistance is defined on page 13. This benefit is only payable once while the insured employee is covered under the policy.</p>
<b>Return to work assistance</b>	<p>Provides up to \$20,000 benefit in respect of insured employees who are in receipt of a total or partial disability benefit, for training or advice from a licensed vocational school provided such is undertaken with the agreement of the insured employee's medical practitioner. This benefit and the amount payable are at Hannover's absolute discretion.</p>
<b>Rehabilitation assistance</b>	<p>Provides up to \$20,000 benefit in respect of insured employees who are in receipt of a total or partial disability benefit, for professional assistance to improve their physical and/or emotional condition. This benefit and the amount payable are at Hannover's absolute discretion.</p>
<b>Extended between job cover</b>	<p>Cover for an insured employee continues for a period of up to 30 days from the date the insured employee ceases employment with his or her participating employer provided the insured employee has written evidence they accepted a position with another employer prior to ceasing employment. Cover ceases on the earlier of commencement of the new employment or 30 days.</p>

## Is insurance under PayCover flexible?

PayCover offers employers the flexibility they require to meet the insurance needs of their employees. The following table describes the most commonly used insurance options purchased through PayCover.

PayCover type	Waiting period in days	Waiting period in days for football injuries	Income replacement percentage for workplace disability	Income replacement percentage for non-workplace disability	Maximum benefit period	Is a weekly benefit capping available on request?
Platinum 14	14	28	100	90	104 weeks	Yes
Platinum 21	21	28	100	90	104 weeks	Yes
Platinum 28	28	28	100	90	104 weeks	Yes
Gold 14	14	28	90	90	104 weeks	Yes
Gold 21	21	28	90	90	104 weeks	Yes
Gold 28	28	28	90	90	104 weeks	Yes
Silver 14	14	28	85	85	104 weeks	Yes
Silver 21	21	28	85	85	104 weeks	Yes
Silver 28	28	28	85	85	104 weeks	Yes
Bronze 14	14	28	80	80	104 weeks	Yes
Bronze 21	21	28	80	80	104 weeks	Yes
Bronze 28	28	28	80	80	104 weeks	Yes

## Becoming a participating employer

You become a participating employer when You send Coverforce Your completed application and Coverforce advise You in writing that Your application is accepted.

If Your application is accepted, Coverforce will confirm the details of Your cover in writing, including the commencement date of Your cover, the relevant policy terms and any special conditions.

Coverforce will also confirm details of Your cover on each monthly premium statement. Please contact Coverforce immediately, if the type of cover You have purchased is not in accordance with Your requirements.

## When does cover commence?

### Eligible employees

To become an insured employee, an employee must be an Australian Resident not less than age 15 or over age 70, gainfully employed by a participating employer.

Employees over the age of 65 years are not eligible for sickness cover, but can receive all other PayCover benefits up to the age of 70 years.

### When does cover for your eligible employees commence?

Eligible employees who are employed by You on the date You are accepted as a participating employer are covered from that date. Eligible employees who commence employment after that date are covered from the date they commence employment. In both circumstances it is a condition of cover that You nominate all eligible employees when providing monthly payroll information to Coverforce and that You pay the corresponding premium by the due date.

## When does cover cease?

### Ceasing to be a participating employer

If You no longer wish to be a participating employer You may terminate the cover at any time by advising Coverforce in writing. If cover ceases, You must still submit final monthly payroll information following the termination of cover and Coverforce will use this information to calculate Your final premium payment.

### When does cover for your insured employees cease?

Cover in respect of an insured employee shall cease on the earliest date where:

- a. the insured employee is no longer eligible for cover;
- b. for injury and death cover, when the insured employee reaches age 70;
- c. for sickness cover, when the insured employee reaches age 65;
- d. the insured employee dies;
- e. the policy is terminated. In all cases, insurance cover for each participating employer is subject to the terms and conditions of the policy;
- f. the insured employee ceases to be employed by the participating employer, or the extended between job cover period has expired, if applicable;
- g. the employer of the insured employee ceases to be a participating employer;
- h. 30 days after the date premiums in respect of the insured employee are due and still remain unpaid by the participating employer.

## Claims

### How to claim

Benefits are payable in accordance with the terms of the policy. You must provide Coverforce with proof to Our satisfaction of any event or condition establishing Your entitlement or any insured employees entitlement to benefits under the policy.

You must notify Coverforce immediately in writing of:

- > the death of an insured employee;
- > any sickness or injury suffered by any insured employee lasting for more than 14 days; or
- > any other circumstances which may lead to a claim under the policy.

You and the insured employee must comply with Our claim requirements, which may include (but are not limited to):

- > completed claim forms;
- > medical evidence and reports from treating doctors (We are entitled to have the insured employee examined by a medical practitioner or other qualified person nominated by Us at Our expense);
- > PayCover employer statement;
- > employee declaration form (issued by the ATO);
- > information or records relating to the income, attendance and duties of the insured employee;
- > certified copy of the death and birth certificate of the insured employee or spouse (if applicable); and
- > You must authorise Your workers compensation insurer to supply Us with any information We require to determine any claim.

## Benefit

### When do benefit payments commence?

For injury or sickness cover, once Hannover admits liability on an insured employee's claim, and the waiting period has expired, benefit payments start to accrue. Benefits are paid 14 days in arrears.

### When do disability benefit payments reduce?

Benefits are reduced by other income benefits received from other sources in respect of the period of disability. This includes other disability income payments such as workers compensation and other statutory benefits such as traffic accident compensation payments. The benefit amount is reduced by the benefits received from these other sources.

Benefits are reduced by sick leave or other not at work related payments. This will not apply if the sick leave or other not at work related payment is repaid and re-credited to the insured employee.

Where the insured employee is partially disabled and returns to work in a reduced capacity, weekly benefits will be calculated as follows:

- a = Pre-disability income
- b = Return to work income
- c = Total disability benefit

$$\frac{a - b \times c}{a}$$

If the insured employee is capable of returning to work in a reduced capacity but refuses, weekly benefits will reduce to a maximum of 25% of the total disability benefit.

### What happens if an insured employee has a recurring disability?

If within 6 months after the cessation of total disability or partial disability benefit payments, the insured employee again becomes totally disabled or partially disabled due to the same or a related injury or sickness, We will waive the waiting period and regard the total disability or partial disability as a continuation of the previous claim. The maximum benefit period will be reduced by the period over which benefit payments were previously made.

In the event an insured employee has received a disability benefit for a period of at least 6 months while insured under a period of previous cover, the benefit period under the policy will be reduced by the previous benefit period in the event the claim is for the same or related cause.

If an insured employee suffers a recurrence of total disability and/or partial disability for the same or a related sickness or injury, the subsequent period of total disability and/or partial disability will be deemed to have resulted from a new injury or sickness if the insured person worked on a full time basis for a period of 6 months performing all the duties of their usual occupation between such periods of total disability and/or partial disability.

### When do disability benefit payments cease?

Total or partial disablement benefits will automatically cease at the earliest date where:

- a. the insured employee is no longer totally or partially disabled, whichever is applicable;
- b. the maximum benefit period expires;
- c. the insured employee reaches the benefit ceasing age of 65 for sickness and age 70 for injury; or
- d. the insured employee dies.

If an insured employee suffers total or partial disability whilst residing or travelling outside Australia, the payment of benefits will cease 6 months after the date of commencement of total or partial disability unless the Insured person has permanently returned to Australia or another country acceptable to Us.

## Payment arrangements

Coverforce will make benefit payments to You or to Your employees as directed by You. Either payment method shall be a full discharge of Our liabilities under the policy for that payment.

## Recovery of overpaid amounts

Where You or an insured employee have been paid an amount under the policy which We are entitled to reduce under applicable legislation, We may seek to recover the overpayment.

## What are the policy exclusions?

### Pre-existing sickness

No benefit will be paid in respect of a sickness which a person was aware of prior to the earlier of:

- a. the start of his or her cover under the PayCover policy; or
- b. the start of his or her period of previous cover.

However, such condition will be covered provided that at the date of the sickness, You have ceased all treatment and advice for a period of at least 12 months.

### War exclusion

No benefit will be paid for injury, sickness or death caused by or resulting from war, whether declared or not, hostilities or rebellion, civil war, revolution, insurrection, military or usurped power, invasion, or act of foreign enemy.

### Other exclusions

No benefit will be payable for injury or sickness caused by or resulting from:

- > ionising radiation or contamination by radioactivity from any nuclear fuel or nuclear waste, from the combustion of nuclear fuel, or nuclear fuel material;
- > nuclear, biological or chemical terrorism; or
- > intentional self-inflicted injury or sickness; or
- > an insured employee being a pilot or crew member in any aircraft or engaging in any aerial activity except as a fare paying passenger in a licensed aircraft or as a passenger in an aircraft used as the only means of transporting the insured employee to and from their place of work;
- > pregnancy, however complications which arise from pregnancy in the first 33 weeks of pregnancy which cause hospitalisation are covered;
- > any professional sporting activities;

- > a criminal act committed by the insured employee;
- > any stress-related or psychiatric related condition; or
- > naval, military or air force service or operations.

No benefit will be payable for injury or sickness occurring during any period of maternity leave.

## How are monthly premiums paid?

Monthly premiums are payable in arrears and calculated as a percentage of an insured employee's total income. The percentage used is agreed between Hannover and Coverforce and will be provided to You before You become a participating employer. Premiums for the previous month are due by the 15th day of the subsequent month.

Before the first business day of each month Coverforce will request the prior month's payroll information from You in electronic format. The information should be easily obtainable from Your payroll system and downloaded to an excel spreadsheet in the format indicated in the example below:

The information will reflect the payroll history of the prior month and will be used to determine the total premium payable. Within 48 hours of Coverforce receiving Your payroll information You will be issued a PayCover monthly premium statement.

The PayCover monthly premium statement sets out:

- > employees covered under PayCover;
- > period of coverage;
- > type of coverage including any special conditions or policy endorsements;
- > amount of premium due;
- > due date for payment; and
- > payment instructions.

The premium payable is calculated as a percentage of Your employees' salaries and the number of eligible employees insured. If You do not pay the premium when due then cover may cease and Your employees may not be covered by PayCover.

<b>Your payroll number</b>	100361	100362
<b>Surname</b>	Anderson	Davis
<b>First name(s)</b>	James John	Harry
<b>Date of Birth</b>	05/03/1963	01/08/1974
<b>Street address</b>	40 Sample Street	40 Sample Street
<b>Suburb</b>	Melbourne	Melbourne
<b>State</b>	VIC	VIC
<b>Postcode</b>	3000	3000
<b>Employment start date if applicable</b>	01/12/2004	13/07/2002
<b>Employment end date if applicable</b>	13/07/2002	01/01/2009
<b>Total gross monthly remuneration including overtime and allowances</b>	5260.54	4780.98

## What are the obligations of a participating employer?

You are required to nominate all eligible employees to be insured by PayCover and make the premium payments when they fall due.

You must also provide Us with payroll information for each eligible employee each month. Coverforce will use this information to produce Your PayCover monthly premium statement.

You must pay 100% of each insured employee's premium and You must insure all of Your employees who meet the eligibility criteria.

We may terminate cover if the payment of a monthly installment premium remains unpaid for more than 30 days after the due date.

On acceptance of cover, eligible employees will become insured employees of PayCover. You must also inform Coverforce of any changes to an insured employee's information that You previously provided. You can do this by amending the information set out in Your PayCover monthly premium statement and returning a copy to Coverforce.

If an insured employee is on claim and may be able to return to work, You must help Us get the insured employee back to work.

## Taxation

Our understanding of the current relevant taxation laws are as follows:

- > the premiums paid for PayCover are a tax deductible expense for the participating employer.
- > benefits paid out will be assessable as income for the participating employer, but the participating employer should receive a deduction for any benefits paid to an employee.
- > any benefit paid under the policy, other than a death or funeral expenses benefit will be assessable to the employee.

- > death or funeral expenses benefits paid to a dependant of an employee will not be assessable. If these benefits are paid to non-dependants, they will be assessable at the applicable tax rate.
- > this product is a life insurance policy and therefore is GST exempt.

Any statements relating to taxation are based on Our understanding of the taxation laws current at the time of issue and as such the exact taxation treatment of any benefits or premium payments may be subject to change and may not relate precisely to Your situation. As such if there are any issues relating to taxation that You are unsure of, You should seek professional advice as to Your individual situation.

## What else do I need to know?

### Risks

Non-payment of premiums will result in the cancellation of Your cover. If Your cover is cancelled due to non-payment Your employees will not be covered in the event of death, injury or sickness and You may inadvertently be in breach of an award or applicable industrial agreement. Neither Coverforce, or Hannover will be liable for any breaches of industrial contracts resulting from Your failure to pay premiums.

PayCover is not an all-encompassing insurance policy. There are limits to its coverage as stated within this document, limiting liability in some cases to less than 100% of an employee's average weekly earnings and a total benefit period of 104 weeks. You or Your employees should consider whether to take other insurance cover in addition to this product.

If You fail to insure all eligible employees they will not be covered by the policy, and will not have a right to make a claim in the case of an injury, sickness or death.

The objective of the PayCover policy is to provide as many employers as possible with a high standard of insurance for their employees. To assist this objective the PayCover policy enables Coverforce the right to amend the terms of an employer's insurance if claims from that employer are unusually excessive in comparison to the majority of participating employers. Coverforce will not however do this unreasonably and will consult You beforehand to explore alternative solutions.

### Duty of disclosure

You have a duty to inform Coverforce of any information that You know or could reasonably expect to know is relevant to Our decision to grant insurance. This duty excludes information that reduces Our risk or is common knowledge that We know or ought to know in the ordinary course of business. Any failure to disclose relevant information may result in reduction or non-payment of a benefit.

### Changes to PayCover

Coverforce, as the PayCover policy owner and policy manager may from time to time negotiate changes in the policy terms, scope of cover or premiums payable, including the appointment of an alternative insurer if they believe that such changes are in the interest of participating employers and employees. If there are any changes of this nature Coverforce will provide notice in writing to You before such changes come into effect.

### Obtaining further information

If You have any questions about the insurance cover available under PayCover, You can contact Coverforce Using the details shown on the back cover of this document.

## What if I change my mind?

If You have purchased PayCover as a retail client, You may cancel Your cover within 21 days of the date Coverforce confirm acceptance of Your application. This is known as the cooling-off period. If You cancel the cover during the cooling-off period, We will refund premiums paid by You. To make a cancellation of cover please contact Coverforce in writing Using the details shown on the back cover of this PDS.

You may not exercise Your right to cancel the cover where You have exercised another right under the policy, such as making a claim. The Corporations Act 2001 (Cth) limits Our liability to certain retail clients. Note that You will generally not be considered a retail client for the purposes of the Corporations Act 2001 (Cth) if as a business You employ 100 or more employees and You are in a business that is or includes the manufacture of goods, or 20 or more employees for all other types of business, although check with Your legal adviser.

Please note that by exercising Your cooling-off rights You may breach other agreements You may have in place, including relevant enterprise bargaining agreements. Neither Coverforce nor Hannover shall be liable for any such breach. It is strongly recommended that You seek Your own legal advice in this regard.

## Hannover Privacy Statement

The Privacy Act 1988 ("the Act") sets out a number of principles that we must comply with in the collection, security, storage, use and disclosure of personal information. These principles are known as the Australian Privacy Principles.

The following information is provided to you in accordance with these Principles.

The organisation collecting information about you is Hannover Life Re of Australasia Ltd ("HLRA"). Our contact details are shown below. The information we collect will be used to assess and process your claim. The information may also be used if you apply for insurance from us. The information we collect may be disclosed to other organisations, including but not limited to, medical and legal practitioners, health service providers, other insurance or reinsurance companies including our parent company, legal tribunals, investigation organisations and interpreters. If you fail to provide us with all or part of the information we require, we will be unable to assess and process your application or claim.

If you would like further information, please refer to our Privacy Policy Document available on request or go to [hannover-re.com/1094181/australia\\_lh\\_privacy](http://hannover-re.com/1094181/australia_lh_privacy):

- > how we collect, use and disclose your personal information;
- > how you may request access to, or correction of, your personal information that is held by HLRA; and
- > making a privacy complaint about the handling of your personal information and how your complaint will be dealt with by HLRA.

## Coverforce Privacy Statement

We are committed to protecting your privacy. We use the information you provide to advise about and assist with your insurance needs. We provide your information to insurance companies and agents that provide insurance quotes and offer insurance terms to you or the companies that deal with your insurance claim (such as loss assessors and claims administrators). Your information may be given to an overseas insurer (like Lloyd's of London) if we are seeking insurance terms from an overseas insurer, or to reinsurers who are located overseas. We will try to tell you where those companies are located at the time of advising you. We do not trade, rent or sell your information.

If you don't provide us with full information, we can't properly advise you, seek insurance terms for you, or assist with claims and you could breach your duty of disclosure.

For more information about how to access the personal information we hold about you and how to have the information corrected and how to complain if you think we have breached the privacy laws, you can access a copy of our Privacy Policy on our website [coverforce.com.au](http://coverforce.com.au) or alternatively contact our Privacy Officer on 02 9376 7888.

## Completing the application form

When completing the application form ensure You have read the PDS carefully. Make sure You nominate all eligible employees for cover. You can provide Coverforce with electronic information if You prefer. Use a black pen and write in BLOCK LETTERS. Read, sign and date the declaration. Do NOT send any payments by cash. Only a person with the authority to enter into contracts on behalf of the participating employer should sign the application form.

Send, fax or email Your completed application form and payment for the initial Premium to:

Attn: Coverforce Pty Limited

Locked Bag 5273  
Sydney NSW 2001

F 02 9223 1333  
paycover@coverforce.com.au

## Complaints and disputes

If You have a complaint regarding the policy, You can contact Coverforce by telephone or in writing. Their contact details are shown on the back cover of this PDS. They will acknowledge Your complaint in writing and endeavour to resolve Your complaint within 45 business days.

If Coverforce's resolution to Your complaint is not to Your satisfaction, You can refer Your complaint to the Australian Financial Complaints Authority (AFCA). Contact details for AFCA are:

T 1800 931 678  
F 03 9613 6399

[afca.org.au](http://afca.org.au)  
info@afca.org.au

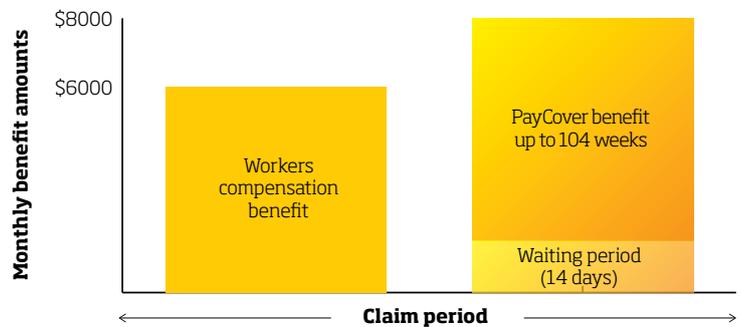
GPO Box 3,  
Melbourne VIC 3001

## How Your total disability benefit is calculated

### Example 1:

You have purchased PayCover with a Platinum 14 benefit structure. Your employee is injured at the workplace and is totally disabled for the entire duration of the PayCover benefit period. The employee has a pre-disability income of \$8,000.00 gross per month. The employee receives \$6,000.00 gross per month in workers compensation benefits.

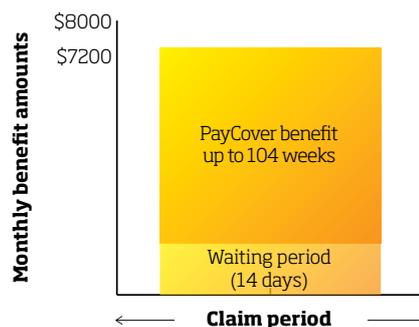
Pre-disability income per month	\$8,000
PayCover monthly benefit for a workplace injury is 100% of pre-disability income	\$8,000
Less monthly workers compensation benefits	-\$6,000
<b>Total gross monthly benefit</b>	<b>\$2,000</b>



### Example 2:

You have purchased PayCover with a Platinum 14 benefit structure. Your employee is injured outside the workplace and is totally disabled for the entire duration of the PayCover benefit period. The employee has a pre-disability income of \$8,000.00 gross per month. The employee does not receive workers compensation benefits.

Pre-disability income per month	\$8,000
PayCover monthly benefit for a non-workplace injury is 90% of pre-disability income	\$7,200
<b>Total gross monthly benefit</b>	<b>\$7,200</b>



## Some important definitions

### “Australian resident”

means a person who permanently resides in Australia, or a temporary resident of Australia on a temporary working visa as agreed between Coverforce and Us.

### “Homemakers assistance”

means any professional non-medical and non-nursing assistance required to complete the homemaker duties.

### “Homemaker duties”

means the domestic tasks normally performed by a person who does not work for monetary reward and whose primary responsibility is tending the home and family. These duties may include cleaning, washing, cooking and tending to the needs of children and pets.

### “Income”

means the income before personal deductions and income tax, including all overtime and all allowances actually paid to the insured employee which was earned from personal exertion from his or her usual employment with the participating employer. The amount of income for an insured employee is subject to a maximum of \$20,000 per month unless otherwise agreed by Us and it does not include superannuation guarantee contributions.

### “Injury”

means a physical injury to an insured employee caused by a violent, external and visible means, which occurs fortuitously whilst this insurance is in force and which results in total or partial incapacity, within twelve (12) calendar months from the date of its occurrence, but does not include any condition which is also a sickness.

### “Master Policy”

means the group insurance policy issued by Hannover to Coverforce.

### “Medical practitioner”

means a medical practitioner legally qualified and registered to practise in Australia who is not:

- a. the insured employee; or
- b. a spouse or relative of the insured employee unless approved by Us; or
- c. a participating employer, their relatives, business partners, shareholders or employees.

A medical practitioner located outside Australia will be deemed to satisfy this definition if, in Our opinion he or she has qualifications equivalent to Australian qualifications.

### “Monthly premium statement”

means the monthly statement issued to participating employers by Coverforce.

### “Partial disablement, partial disability, partially disabled”

means that as a result of an injury or sickness an insured employee is unable to carry out his or her pre-disability working hours, or is unable to perform at least one income producing duty of his or her usual employment with the participating employer in Australia, suffers a reduction in income and is under the regular care of and acting in accordance with the instructions or professional advice of a medical practitioner.

### “Participating employer”

means a person, partnership or company who is accepted by Coverforce and employs insured employees.

### “Pre-disability income”

means the insured employee's average income for the number of months so engaged during the twelve (12) month period immediately preceding injury or sickness resulting in any of the insured events covered by this policy.

### “Previous cover”

means cover under a prior sickness and injury policy agreed by Us that was in force immediately prior to the cover commencing under this policy.

### “Return to work income”

means the insured employee's income while partially disabled in respect of the period to be paid.

### “Sickness”

means any illness or disease of which the insured employee first becomes aware of while this insurance is in force and which continues for a period of not less than the waiting period.

### “Spouse”

includes a de-facto or same sex spouse.

### “Statutory benefits”

means a regular benefit payment to an insured employee from a relevant workers compensation insurer or other statutory authority.

### “Total disablement, total disability, totally disabled”

means that as a result of injury or sickness the insured employee is wholly and continuously prevented from engaging in his or her usual occupation in Australia, and is under the regular care of and acting in accordance with the instructions or professional advice of a medical practitioner.

### “Waiting period”

means the period commencing on the later of the date the insured employee is deemed to be totally or partially disabled due to injury or sickness or the first day of treatment by a medical practitioner of the injury or sickness that causes the disability.

### “We/Our/Us” or “Hannover”

means Hannover Life Re Australasia Limited (Hannover) ABN 37 062 395 484.

### “You/Your”

means the employer or participating employer, as applicable.

For more information

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