

YOUR INSURANCE GUIDE
ACCELERATED PROTECTION



Life choices at your fingertips

Income Protection.

TAL

We take some of the best things in life for granted. The ability to earn an income can be one of them. It's just work, right? But it's probably your most valuable asset. So how would you feel if it was lost or taken away?

**Work to live, or live to work
– either way, they go together.**

Most people wouldn't drive without car insurance, or live in a house without home and contents insurance. Yet most Australians don't consider protecting their ability to earn the income that funds their lives and those of their families.

**It's not just work.
It's life.**

If you can't work and earn an income because you're sick or injured, mounting debts can cause stress that makes recovery even more difficult. How long could you afford to cover your expenses without draining your savings?

If you're like most Australians, not long at all. That's where Income Protection Cover can help, providing a replacement income to help you and your family meet the cost of living if this happens to you. Despite the risks – and the facts – many Australians don't have Income Protection Cover – often due to some common misconceptions.

THE FACTS

2.6 million

2.6 million Australians aged under 65 are living with a physical disability¹.

1 in 3

Australians have a one in three chance of being diagnosed with cancer before age 75².

690,000

690,000 Australians were injured at work between 2005 – 2006, with 43% not receiving any financial assistance³.

60%

More than 60% of Australians will be disabled for more than one month during their working life⁴.

25%

More than 25% of Australians will be disabled for more than three months during their working life⁵.

"I'll be covered under Workers Compensation"

Workers Compensation is limited. It only applies if you are injured during working hours or for illness directly resulting from your employment. If you're self-employed, you may not even have this cover.

"I can't afford it"

Income Protection premiums are tax deductible and can cost less than \$4 per day⁶.

Work can seem like no fun at all until you're forced to take time off. Because that's when the real work begins: like trying to meet mounting bills with little or no income. Income Protection Cover pays up to 75% of your income if you can't work due to illness or injury.

Cover that helps you move forward, not backwards, in life.

Just some of the features your Income Protection Cover offers include:

Tax deductible premiums

Your premiums are generally tax deductible, which spells value, affordable cover.

Partial payments

If you can return to part-time work, you can receive a partial monthly payment to support your transition back to full time employment.

Additional benefits

A range of additional benefits let you tailor the cover to suit your needs.

Because timing is everything.

Income Protection Cover can be tailored to suit a variety of different needs, depending on your time of life, expenses and income. Your options include:

'Agreed value' or 'Indemnity'

'Agreed value' cover will pay the predetermined sum insured, no matter what your income is at the time of the claim.

'Indemnity' cover will pay whatever is the lesser amount between your sum insured and your income at the time of claim.

A choice of waiting periods

If you need to claim, you can choose how long you will wait before you receive benefit payments: 2, 4, 8, 13, 26, 52 or 104 weeks. The waiting period you choose will affect your premium amount.

Benefit periods

You choose the benefit payment period: for one, two or five years; or until you turn 65 or 70.

A range of extra options

The Retirement Protection Option, for example, will cover your super contributions if you make a claim.

Inside or outside super

You may be able to hold your Income Protection Cover inside super and pay premiums using pre-tax dollars. Rules and restrictions apply however, so it's important you talk to your financial adviser about what's best for you.

Choice of premium options

'Stepped' premiums increase each year in line with your age, while 'Level' premiums remain constant until you're 65 or 70 depending on which 'Level' premium option you have selected, after which they convert to Stepped.

It's all about keeping on top of things.

A monthly Income Protection Benefit could help you stay on top of debts, pay for medical bills and generally help you maintain a reasonable lifestyle – even if you can't earn an income. It can help cover:

Mortgage repayments

Whatever happens, there will be funds available to safeguard the family home.

Day-to-day expenses

Everyday bills can add up – fast, especially when there's little or no income coming in. Regular payments can help cover living expenses like food, utility payments, clothing and schooling.

School fees

Having continued income means your children can continue to go to the school that you choose – and they love.

Additional care

Injury and illness often means the need for additional care or help around the house. Ongoing income can help to cover this.

Rehabilitation

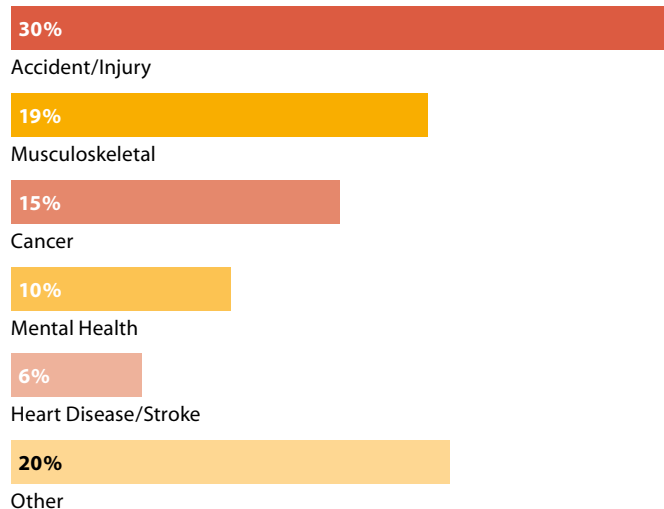
Transitioning back to work and life can require rehabilitation. Ongoing income will help you to afford this – and get you back sooner.

Retirement savings

You can select options that will cover up to 85% of your income to help maintain your retirement savings.

Why Income Protection? Because sometimes you don't know what you've got till it's gone. And we're right there to make sure you never find out. In 2012 alone, TAL paid over \$77 million Income Protection claims to Australians aged 16 - 72⁷.





CAUSE OF CLAIM



CLAIMANT SAMPLE

Occupation	Age	Gender	Cause	Benefit paid
Manager / Executive	51	M	Brain Cancer	\$3,594,303
Mining Worker	37	M	Depression	\$1,157,625
Administration Manager	41	F	Loss of limb	\$1,653,750
Dentist	51	M	Fracture of Fingers	\$2,350,000
Demolition Worker	40	M	Site injury	\$1,713,285
Publisher	62	M	Ear Condition	\$1,600,807
Lawyer	52	M	Leukaemia	\$3,000,000
Solicitor	53	M	Multiple Sclerosis	\$2,000,000
Telephonist	31	F	Back Condition	\$1,000,000
Manager	61	M	Heart Disease	\$1,500,000

For more information:

-  Talk to your financial adviser
-  TAL's Customer Service Centre on 1300 209 088, Monday to Friday 8am – 7pm AEST
-  customerservice@tal.com.au
-  www.tal.com.au



References: 1 AIHW (2008) Australia's health 2008, Cat. no. AUS 99, Canberra. 2 AIHW (2008) Cancer in Australia: an overview 2008, Cancer series no. 46, Cat. no. CAN 42, Canberra. 3 ABS (2007) Australian Social Trends 2007, Cat. no. 4102.0, Canberra. 4 Fabrizio, E (2007) Australia & NZ Disability Income Experience www.actuaries.org/IAAHS/Colloquia/Cape_Town/Walker_-_Income_protection.pdf. 5 AIHW (2008) Cancer in Australia: an overview 2008, Cancer series no. 46, Cat. no. CAN 42, Canberra. 6 Based on TAL's Accelerated Protection, \$2000 monthly benefit, 1 year waiting period, Age 65 benefit period. 7 The figures shown represent actual claims paid by TAL from 1 January 2012 to 31 December 2012 across all TAL products.

Important information. This flyer does not take into account a potential policy owner's objectives, financial situation or needs. Before making a decision based on the contents of this flyer, a potential policy owner should consider the appropriateness of this information having regard to their objectives, financial situation and needs or, speak with their financial adviser.

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