

# Superannuation Life Cover PLUS benefit



*Life's better with the right partner®*



**AIA Australia's Superannuation Life Cover PLUS benefit is a component of AIA Australia's Priority Protection product range. It provides a Superannuation Life Cover benefit within a superannuation environment with Permanent Disablement and Crisis Recovery benefits outside of Super, but priced at rider rates.**

## How does the benefit work?

- Life Cover benefit within Super: A lump sum will be paid to the trustee on death or diagnosis of a terminal illness.
- Permanent Disablement and Crisis Recovery benefits outside Super: A lump sum will be paid directly to the policyholder upon permanent disablement or the diagnosis of a listed crisis event.

The Permanent Disablement and Crisis Recovery benefits are issued in the policyholder's name and structured outside of the superannuation environment. This way, if the policyholder suffers a listed crisis event, AIA Australia will pay the lump sum claim amount to the policyholder directly. The Life Cover sum insured will be subsequently reduced by the same claim amount.

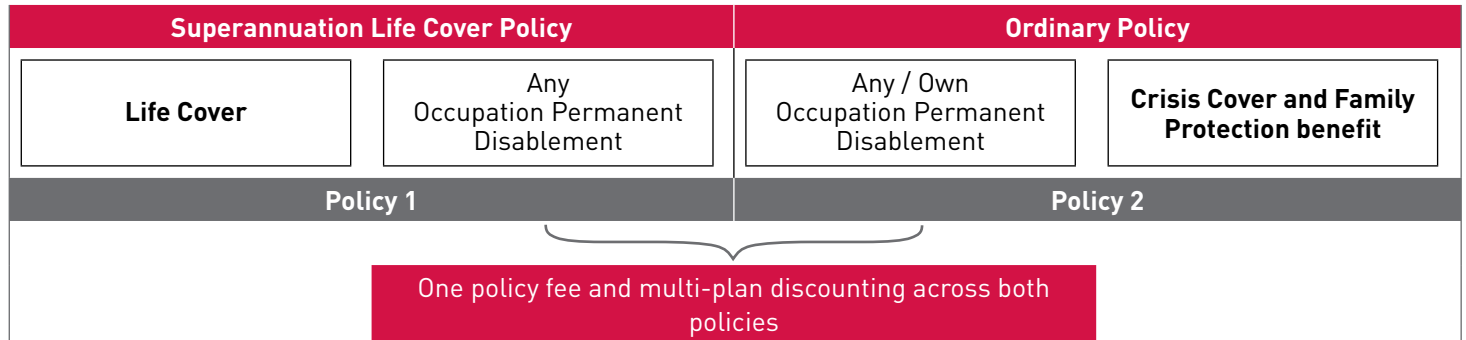
The Superannuation Life Cover PLUS benefit provides flexibility in that it allows policyholders to retain ownership of the Permanent Disablement and Crisis Recovery benefits whilst paying a reduced premium for these two rider benefits.

## Advantages of the benefit

The many advantages of the Superannuation Life Cover PLUS benefit include:

- Flexible policy ownership
- Potential for tax deductibility of the Life Cover benefit within Super
- Bundled pricing
- Cost reductions – the benefit is purchased as a rider and as a result does not incur stamp duty. (Excludes policies purchased in Western Australia where stamp duty is payable on rider benefits.)
- One policy fee even though two policies are issued
- Multiplan discounting can apply
- Permanent Disablement and Crisis Recovery benefits can be held outside Super
  - No tax payable on claim amount
  - No Conditions of Release need to be satisfied
- Permanent Disablement can be held within Super
  - Potential for tax deductibility of premiums

The following diagram illustrates the flexibility of structuring Superannuation PLUS with Crisis Recovery outside Super and with Permanent Disablement either inside Super, outside Super or a combination of both.



This document has been designed to assist you in explaining AIA Australia’s product to your clients. We encourage you to include this document in your Statement of Advice where applicable.

**For more information about AIA Australia’s Superannuation Life Cover PLUS benefit, contact a member of our Client Development team on 1800 033 490.**