



# Super insurance explained

If you're thinking about getting insurance to protect you and your family, it's worth checking out what's on offer from your super fund as they tend to offer a range of insurance options at very competitive prices.

## Types of insurance offered by funds

### Life

Provides a benefit (either in the form of a lump sum payment or an income stream) to your financial dependents, who you can specify or nominate to your fund, when you die.

### Total and permanent disability (TPD)

Provides a financial safety net if you become seriously ill or permanently disabled and are no longer able to work. Normally paid as a lump sum, it is designed to help cover the costs of adjusting to life with a disability as well as future expenses that may arise.

### Income Protection (IP)

Provides you with regular income if you can't work due to injury or illness. It helps you pay your living expenses either until you reach a specified age or you get better.

## Ten questions to ask about your super fund insurance

- 1 What types of insurance cover do I have at the moment?
- 2 If I die, how much will my family get?
- 3 If I die, who decides who will get my superannuation?
- 4 Will I get a payment if:
  - » I cannot work for a period of, say 6 months?
  - » I am terminally ill?
  - » I can never work again?
- 5 If I get a payment, how much will I be paid and when?
- 6 Can I increase my cover without having to be medically tested?
- 7 What happens to my insurance if I leave the fund?
- 8 What happens to my insurance if I change jobs?
- 9 Who should I contact if I need to make a claim?
- 10 What impact does paying for my insurance cover have on my retirement balance?