AXA’s group insurance

Administration guide

Partner

redefining / insurance

Contents

A guide to AXA's group insurance

This brochure contains information for group insurance brokers, advisers and intermediaries, about AXA's group insurance administration procedures and membership information requirements. It also provides information on AXA's group insurance service standards.

At AXA, each group insurance intermediary and client has a dedicated administration team member who is responsible for providing responses to any questions regarding client's insurance arrangements. The intermediary or client will have direct access to the dedicated administrator.

Our administration service levels

We are committed to defined group insurance administration service standards.

Activity	Service level
Respond to queries	Responses to any telephone or email queries will be provided the same day or the next day.
Annual review initiation	Contact the plan owner/intermediary 6 weeks prior to the annual review date to request information for the annual review.
Annual review completion	Annual review to be completed 4 weeks after all required and correct information is received.
Monthly premium notice	Send premium due notice to the plan owner/intermediary on the third working day of each month.
Commission payment	Where commission is payable, after receipt of the full amount of premium requested, commission will be calculated and paid via Electronic Funds Transfer at the next scheduled fortnightly commission payment day.

Membership movements

When should AXA be notified of new insured members joining the plan?

Details of new members joining the plan should be provided to AXA annually via the annual review data, unless the member requires underwriting. The following information is required for each insured member:

- Name
- Date of birth
- Gender
- Date joined company
- Date joined plan
- Benefit category/division (this is the AXA category of insurance as set out in the plan schedule)
- Salary
- Sum insured for Death, TPD and GSC (as appropriate) at date joined plan, and
- State of residence.

When should AXA be notified of insured members leaving the plan?

Details of insured members leaving the plan should be provided annually via the annual review data. The insured member may be eligible to continue their cover in an individual insurance plan through a continuation option (if applicable) and in these circumstances, notification should be as soon as possible after the insured member leaves the plan. The following information is required for each insured member leaving the plan:

- Name
- Date of birth
- Gender
- Date joined company
- Date joined plan
- Benefit category/division (this is the AXA category of insurance as set out in the plan schedule)
- Date of exit
- Salary
- Member number
- Sum insured for Death, TPD and GSC (as appropriate) at date of exit , and
- Reason for leaving.

Annual reviews (plan renewals)

When is the request for annual review data forwarded to clients?

A request for the annual review data (or membership data) will be forwarded within six weeks of the annual review date, and followed up each month thereafter until the data has been received by AXA.

What information is required to complete the plan annual review and in what format should the data be?

For each member the following information is required:

- Name
- Date of birth
- Gender
- Date joined company
- Date joined plan
- Benefit category/division (this is the AXA category of insurance as set out in the plan schedule)
- Salary
- Member number
- Sum insured for Death, TPD and GSC as appropriate, and
- State of residence of the insured member.

Identification of and information regarding the insured members who have left the plan since the last review and any members who have joined the plan since the last review is also required.

To ensure the review is completed as quickly and accurately as possible, this information should be supplied in electronic format, preferably using AXA's annual review data request template.

AXA's Annual Review Calculator (ARC)

AXA's Annual Review Calculator (ARC) is exclusively available to AXA's group insurance clients. This system was custom built to simplify the collation process of membership data, by providing clients with an electronic template that can be returned to AXA via the central email address: gireview@axa.com.au.

The annual review is then completed and returned in an electronic format, providing a clear explanation of review related calculations and individual insured member information, encompassing the sum insured and premium calculations, individual premium loadings as applicable, and any formula adjustments made during the review period.

The ARC also identifies individual members for whom cover or an increase in cover is subject to underwriting approval.

How long does a plan annual review take?

Once all required information is received, the annual review will be returned within 4 weeks.

What information will AXA provide with the annual review?

Once the review is completed, an annual review document will be provided.

This document details:

- Membership schedules of all members whose risk has been accepted as at the annual review date, with details of their cover.
- Plan category summary providing a condensed version of the membership schedule details.
- Underwriting schedule (when applicable) with details of members who are required to be underwritten as a result of their cover being in excess of automatic acceptance limits, joining outside of eligibility conditions, or for any other reason.
- Accounting statement advising the breakdown of stamp duty, frequency loading, premium adjustments, premium reconciliation and the total premium refund or balance due. Any premium balances are due within 30 days of notice.
- Formula adjustment reflecting the changes in the number of insured members (entrants and exits) and the changes in sums insured (increases or decreases) over the previous 12 months (not applicable to establishment).

Premiums – methods of calculation

There are two types of premium calculations as follows:

1 Formula adjustment

This reflects the difference between the premium calculated at the beginning of the policy year and the premium that would have been payable, taking into account changes in the number of insured members (entrants and exits) and the changes in sums insured during the policy year.

The formula used for this method of premium calculation is as follows:

$1/2 \times P/S1 \times (S2 - S1) \times N/12$

Where:

P = Annual premium calculated at last annual review.

S1 = Sum insured calculated at last annual review.

S2 = Sum insured calculated at this annual review.

N = Number of months in the last review period.

2 Exact remittance

In some circumstances, such as for large superannuation funds the calculation of the premium can be made by the plan's administrator. The exact amount of premium for the members is then remitted to AXA as an exact amount at the end of each month.

However, AXA must have agreed in writing to this first and the plan must be able to provide supporting data on a monthly basis to AXA showing how the premium is calculated and for which members and highlight members needing underwriting.

Premiums – when and how to pay

When are premiums due?

Premiums are to be paid in advance and by the premium due date unless AXA has agreed in writing to receive premiums in arrears. If this is the case you will be provided with specific instructions. The premium due date will depend upon the payment frequency of the plan.

There are two standard payment options:

- Non annual: The premium request will be forwarded one month prior to the due date. For example: premium for 1 July 2009 will be requested at 1 June 2009. The premium should be paid by 1 July 2009.
- Annual: The premium request will be forwarded six weeks prior to the annual review date. For example: for an annual review date of 1 July 2009, the yearly premium will be requested in mid May, together with the annual data (see Annual reviews). The premium should be paid by 1 July 2009.

How are premiums payable?

Premiums can be paid by cheque or via Electronic Funds Transfer (EFT). Premiums are to be remitted to AXA inclusive of any commission.

To pay your premium by EFT, the following information needs to be included on the internet transaction.

AXA bank account details

Bank	Westpac
Address	360 Collins Street, Melbourne Vic 3000 Australia
BSB	033-230
Account no.	200076
Account name	AXA Operating

Your 10 digit Account Reference

Example: Account Reference 12345ABCDE

The account reference is located in the description field shown in the table at the bottom of the premium due notice. Please enter your account reference in the format shown above, without punctuation or space between the policy number and checkname. This will assist in processing payments promptly and accurately.

Note: Account reference details are unique for each Group Insurance Plan. If you are making payments for more than one plan you will need to make a payment for each plan quoting its unique account reference number.

Confirmation of deposit

Payments are valid as at the day that they are made. To enable us to allocate the deposit with the plan's premium due period, please confirm your deposit on the day it is made by either:

- faxing a copy of the Premium Due Notice with amount banked to your administrator on facsimile (03) 8688 5258, or alternatively
- emailing your administrator the details of your payment, the plan and the period that the payment relates to.

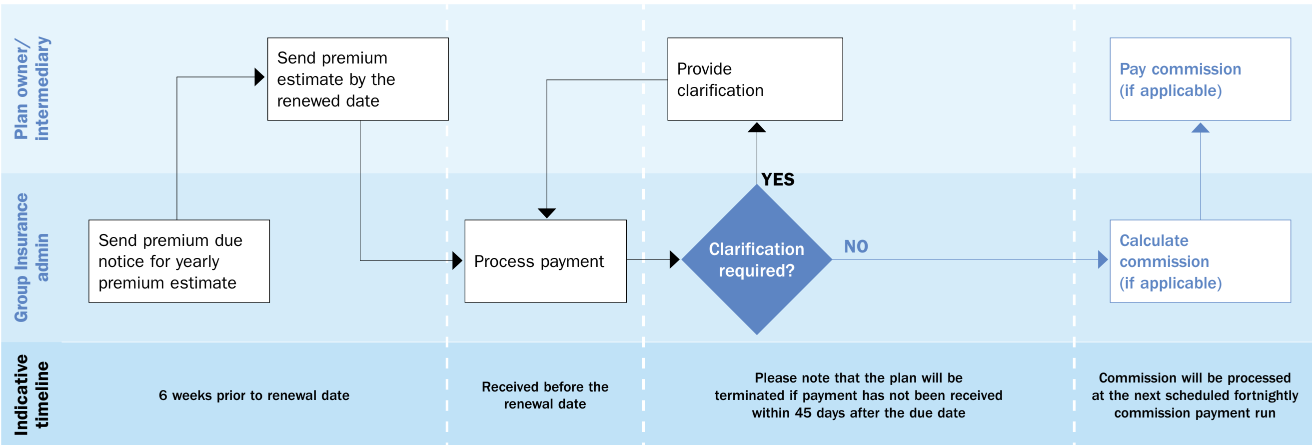
The flowcharts on this and the next page have been provided to illustrate the processes.

Commission payments

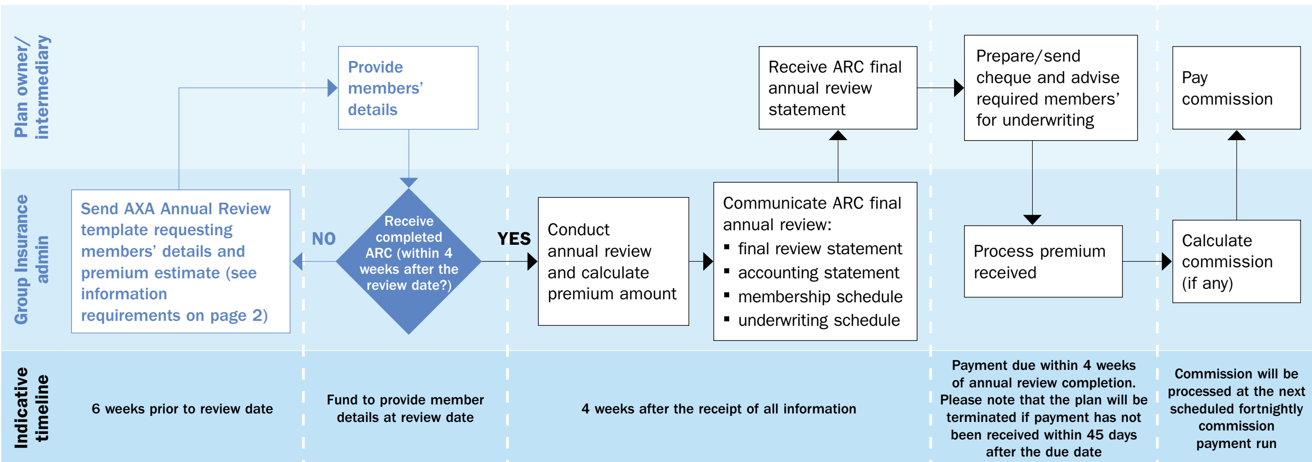
Commission due to you will be processed once the premium has been received. Commission is not paid in advance. The frequency of commission payments depends on the premium frequency payment. For example, if the plan pays premiums monthly, commission will also be paid upon receipt of the monthly premium.

Our premium payment processes

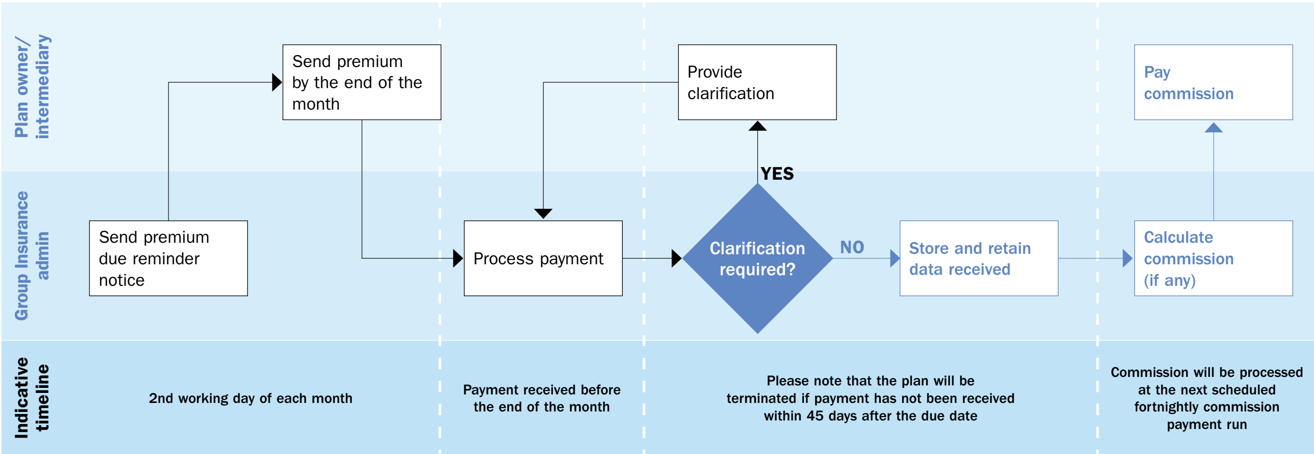
Annual premium estimates paid in advance



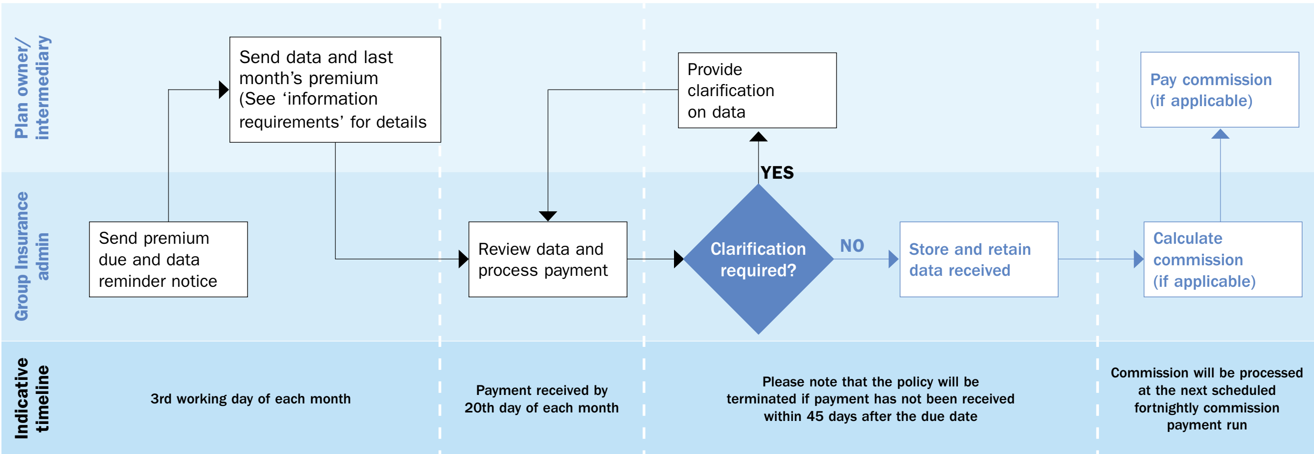
Annual premium in advance



Monthly premium in advance



Monthly premium in arrears



Underwriting

What information is required for members who need to be underwritten?

The following information is required for members needing to be underwritten:

- A fully completed and signed Personal Statement (unless the electronic version is used and uploaded through AXA Online)
- Any other evidence requested by AXA's underwriters
- The member details, which include:
  - Name
  - Date of birth
  - Gender
  - Date joined company
  - Date joined plan
  - Benefit category/division (this is the AXA category of insurance as set out in the plan schedule)
  - Salary
  - Member number
  - Sum insured for Death, TPD and GSC (as appropriate), including current cover and cover being applied for
  - State of residence, and
  - Reason for the need for underwriting.

Continuation options

What is a continuation option?

A continuation option is an optional feature that may allow insured members to continue the cover they had under the plan, in an Individual Insurance plan issued by AXA. Generally the insured member is not required to provide any additional medical evidence to transfer.

Application for a continuation option

An insured member who has stopped working with the employer, (for the purposes of the plan) for reasons other than injury or sickness, may apply for a continuation option (if included in the plan features). The insured person has 60 days from leaving employment to apply for an individual insurance plan.

Other important conditions apply. Please refer to AXA's Continuation Option brochure, Product Disclosure Statement and plan documents for full details.

Claims

Disablement claims (total and permanent disablement and salary continuance)

What information is required for a disablement claim?

The following information is required for a member who wishes to submit a disablement claim:

- Signed and completed Statement of Claim by Member
- Signed Authority forms
- A Disability Claim Medical Report, completed by member's current treating doctor
- Signed and completed Employer's Statement
- Any further reports such as medical and financial as requested by the claims assessor
- Member details, which include:
  - Name
  - Date of birth
  - Gender
  - Date joined company
  - Date joined plan
  - Benefit category/division (this is the AXA category of insurance as set out in the plan schedule)
  - Salary
  - Member number
  - Sum insured calculation
  - Last day at work
  - Employment termination date (if applicable).

Death claims

What information is required for a Death claim?

The following information is required for a death claim:

- Signed and completed Death Claim Employer Statement
- Originally certified copy of the death certificate
- Originally certified copies of the birth and marriage certificates
- Proof of age, eg originally certified copy of birth certificate, drivers licence or passport
- Confirmation of the Death cover life sum insured calculation basis.

PAYG

In the event that the member is terminated from the employer and there is a request from the Trustee to take over the PAYG processing on behalf of the member, AXA will require the following:

- A written request from the Trustee for AXA to take over PAYG processing from the member and the reason as to why the Trustee is requesting AXA to do this.
- A fully completed TFN from the member.
- Full details of the member's bank account so that any applicable benefit payments can be direct debited through to the member's preferred bank account.

Plan re-rates

What is a 're-rate'?

A re-rate reviews the plan's premium rates to ensure that the appropriate premiums are reflective of the insured risk are being charged. The re-rate takes into account the plan's claims experience, and current insured benefit and plan membership profile including age, gender, occupation, size of membership and other insured risk factors.

How often is a re-rate done?

This will depend on the plan's premium guarantee period, which is generally three years. Once the premium guarantee period expires, the plan will be re-rated and we will advise you of any rate change at least 30 days prior to the effective date.

When is the re-rate effective?

The re-rate will be effective from the plan's next annual review date or the date AXA otherwise notifies you. Following a re-rate AXA will offer a new premium guarantee period.

Plan terminations

What information, and in what format, is required for a plan termination?

The owner of the policy can terminate by giving AXA one month's written notice. Should a plan's insurance policy cease for any reason, AXA will require the following information:

- A copy of the letter from the plan owner informing AXA that the plan is to terminate, the intended effective date of termination and reason for termination for each member insured by plan.
- Plan membership as at the termination date including:
  - Member name
  - Date of birth
  - Gender
  - Date joined company
  - Date joined plan
  - Benefit category/division (this is the AXA category of insurance as set out in the plan schedule)
  - Salary
  - Member number, and
  - Sum insured for Death, TPD and GSC (as appropriate)

We will also need a listing of all insured members who have left the plan since the last review and any members who have joined the plan since the last completed review.

To ensure the termination is completed as soon as possible, this information should be supplied in electronic format, preferably using AXA's template.

How long will a plan termination take?

Once all the necessary information has been received, AXA will finalise the termination and forward the appropriate information within 6 weeks. This will include:

- Premium due for the year for all members who were insured up until the termination date
- Premium refund or request for premium balance. Any premium balances are due within 30 days, and
- Where appropriate the individual member underwriting terms and confirmation of sum insured.

Plan numbers on all correspondence

To assist AXA's administration staff in their day-to-day operations, your assistance in ensuring that all correspondence includes the relevant AXA plan number, member number and member details (where applicable) is appreciated.

What to do if you have a complaint

If you or your client has a complaint, please advise AXA in writing, stating the precise nature of the complaint and the name and number of the plan to:

AXA's Group Insurance Administration Manager
Group Insurance
GPO Box 4927 V V
MELBOURNE VIC 3001
Fax: (03) 8688 5258

If you are not satisfied with the handling of the complaint, there are two industry bodies who may be able to assist you.

For complaints involving a non-superannuation policy the Financial Ombudsman Service may be available to assist. The Ombudsman Service can be contacted on 1300 780 808. Alternatively, you can write to:

Financial Ombudsman Service
GPO Box 3
MELBOURNE VIC 3001

For complaints involving a superannuation plan, the Superannuation Complaints Tribunal may be available to assist. The Superannuation Complaints Tribunal is an independent tribunal established by the Commonwealth Government to deal with complaints about superannuation funds including insurance. The Complaints Tribunal can be contacted on 1300 884 144. Alternatively, you can write to:

The Manager
Superannuation Complaints Tribunal
Locked Mail Bag 3060
GPO MELBOURNE VIC 3001

For more information visit the AXA group insurance website at **www.axaadvantage.com.au/groupinsurance** or contact your AXA business development manager Mark Harper on (03) 8688 3103.

This page has been left blank intentionally.

axaadvantage.com.au

08207-11-08P

The National Mutual Life Association of Australasia Limited
ABN 72 004 020 437 AFS Licence No. 234649
Member of the Global AXA Group
Registered Office: 750 Collins Street Docklands Victoria 3008

Partner

AXA redefining / insurance