

AXA's group insurance

Continuation option guide



redefining / insurance

Your guide to AXA's continuation options /

This brochure contains information for group insurance clients and intermediaries about AXA's continuation options. It provides:

- Answers to common questions related to the continuation options
- Details of the terms and conditions which apply to the continuation options
- Information about when cover ceases under the Group Insurance Plan and may be transferred to an Individual Insurance Plan
- The Individual Insurance Plans available
- Step-by-step application instructions with a flow chart of the application process
- Our service standards relating to continuation option applications.

What is a continuation option?

A continuation option is an optional feature that may allow insured members to continue their cover when they leave the employer, under an equivalent Individual Insurance plan. The continuation option provides a waiver of medical underwriting that the person would have to undergo if they applied for an Individual Insurance Plan under normal circumstances.

Who is eligible for a continuation option?

A person's eligibility to apply for a continuation option will depend on the current group insurance policy continuation option eligibility conditions.

How to check if a Group Insurance Plan includes a continuation option?

If a continuation option is available under an AXA Group Insurance Plan, it will be included as a feature on the plan policy schedule. Alternatively, this information can be obtained from the Group Insurance Portfolio Administrator.

When can a continuation option be applied for?

A person may apply for a continuation option when their cover stops because they have ceased employment with the employer, who is the owner of (or party to) the Group Insurance Plan. The person must not be leaving their employer because of injury or illness.

What happens if the person has taken up a continuation option before?

The person will not be eligible for a continuation option if they have previously taken up a continuation option with AXA or a related company.

What cover can be transferred to the new Individual Insurance plan?

If under the Group Insurance Plan, the person's cover includes a continuation option, and they are eligible for a continuation option, they may apply for the following cover.

Group Life

If the person has **Death** cover under the policy, the same amount of Death cover may be able to be transferred to the new Individual Insurance Plan.

If the person has Total and Permanent Disablement (TPD) cover, they may also be able to apply to continue the same amount of TPD cover under the Individual Insurance Plan.

If the person has any special acceptance terms applicable to the cover under the Group Insurance Plan, for example, an exclusion or loading as a result of a medical condition, these will also apply to the cover under an Individual Insurance Plan.

Group Salary Continuance (GSC)

The amount of cover transferred to the Individual Insurance Plan is subject to the maximum allowed for Individual Insurance Plans at the time. This cannot be more than the amount the person was covered for under the Group Insurance Plan.

If the person has any special acceptance terms applicable to the cover under the GSC Plan, for example, an exclusion or loading as a result of a medical condition, these will also apply to the cover under an Individual Insurance Plan.

The above is subject to the standard terms and conditions of the Individual Insurance Plan applicable at the time.

Other conditions for the continuation option

The person must apply for the continuation option within 60 days after leaving employment with their employer.

The person must also be:

- aged 65 or less for death cover,
- aged 55 or less for TPD cover,
- aged 60 or less for GSC cover,
- commencing permanent employment to work at least 25 hours per week for TPD and GSC cover, and
- 'at work' at the time of applying for the Individual Insurance Plan for TPD and GSC cover.

'At work' means the person was properly performing all his or her normal and usual duties and hours of paid employment, or would have been had the relevant day not been a public holiday, weekend day or a day of leave, other than due to injury or sickness.

Free extended cover is provided

Normally cover should stop on the day the person stops working for their employer. However, under AXA's Group Insurance Plans, death cover and TPD cover (if applicable) and/or accidental injury cover (if applicable) is extended free of charge. This is called extended cover.

Extended cover stops as soon as any one of the following occur:

- the person reaches the expiry age for cover under the Group Insurance Plan,
- the person commences employment with a new employer,
- the person commences membership in a new superannuation fund (if applicable),
- cover commences under the Individual Insurance Plan issued under the continuation option, or
- 60 days pass from the date the person ceased employment with their employer.

Extended cover for group salary continuance (a feature of which is accidental injury cover) is only available to non-superannuation policies.

Simple application procedures

The intermediary needs to follow these steps to apply for a continuation option:

Step 1: The intermediary completes the AXA Continuation Option request form for the person and sends it to the Group Insurance Portfolio Administrator responsible for the employer's Group Insurance Plan. The following information needs to be provided:

- type of continuation option the person to be insured wishes to apply for (ie Death only, Death & TPD, GSC)
- name of the relevant Group Insurance Plan
- the person's name and address
- the person's date of birth
- the person's contact telephone numbers (work and home)
- the person's annual salary as at last day at work
- Group Life sum insured (where applicable) as at last day at work
- the date the person joined their employer, joined the Group Insurance Plan and the date of leaving the employer, and
- the reason for leaving employment

The request should be sent to your Group Insurance Portfolio Administrator either via email or fax, for eligibility to be processed.

Step 2: If the person is eligible for the continuation option, AXA will then complete the Continuation Option application form, confirm the cover details and availability of a continuation option. The form will then be sent back to the intermediary.

Step 3: The person must now declare they are eligible to take up a continuation option by signing and dating the Declaration section of the Continuation Option application form. The person will also be required to complete an Individual Insurance application form. They will need the intermediary's assistance to do this.

Step 4: Provided the person makes the applicable declarations, the continuation of cover will be available without the need for additional medical evidence, subject to the acceptable completion of an Individual Insurance application form, and the underwriting of the following information from the Personal Statement:

- occupation, residence and travel details
- sports and pastimes details
- insurance details
- smoking questions, and
- declaration/consent section signed and dated.

In addition, if the continuation option is for salary continuance/income protection or TPD benefits, it is also subject to the underwriting of the income and employment details.

Step 5: Please return the documentation in the order suggested below as this will ensure that the New Business Application is directed to the Individual New Business team.

Order of Documents as required:

- 1 Completed Individual Insurance Plan application form.
- 2 Signed Continuation application form – with declaration signed and dated by the member.
- 3 Individual Insurance Plan deposit premium.

These items should be returned to the following address:

AXA New Business Team
PO Box 14330
MELBOURNE VIC 8001

or

Facsimile: (03) 9287 4888

Step 6: The application for the continuation option will then be assessed. If the person is accepted for cover and all requirements are received, cover will commence.

If the person is not eligible for a continuation option (eg the election period to take up a continuation option has expired), AXA will contact the person or the intermediary. The premium payment for the continuation option will then be returned.

Our continuation option service levels

On the next page of this brochure we have included a flowchart of the continuation option application process. It also includes our service standards as described below.

Activity	Description
Confirm continuation option	Where AXA is notified of a member wanting to take up a continuation option, AXA will confirm the expiry date of the option, the eligibility status, type and amount of cover and other details. AXA will then send the continuation option application to the member (intermediary) within 3-5 working days from date of notification.
Assess application for Individual Insurance plan	Once received, the application for the Individual Insurance plan will be assessed by the underwriting department within 2-5 working days of receiving the necessary application documents.
Issue Individual Insurance plan	If accepted, the policy will be issued within 1-2 working days.

Any questions?

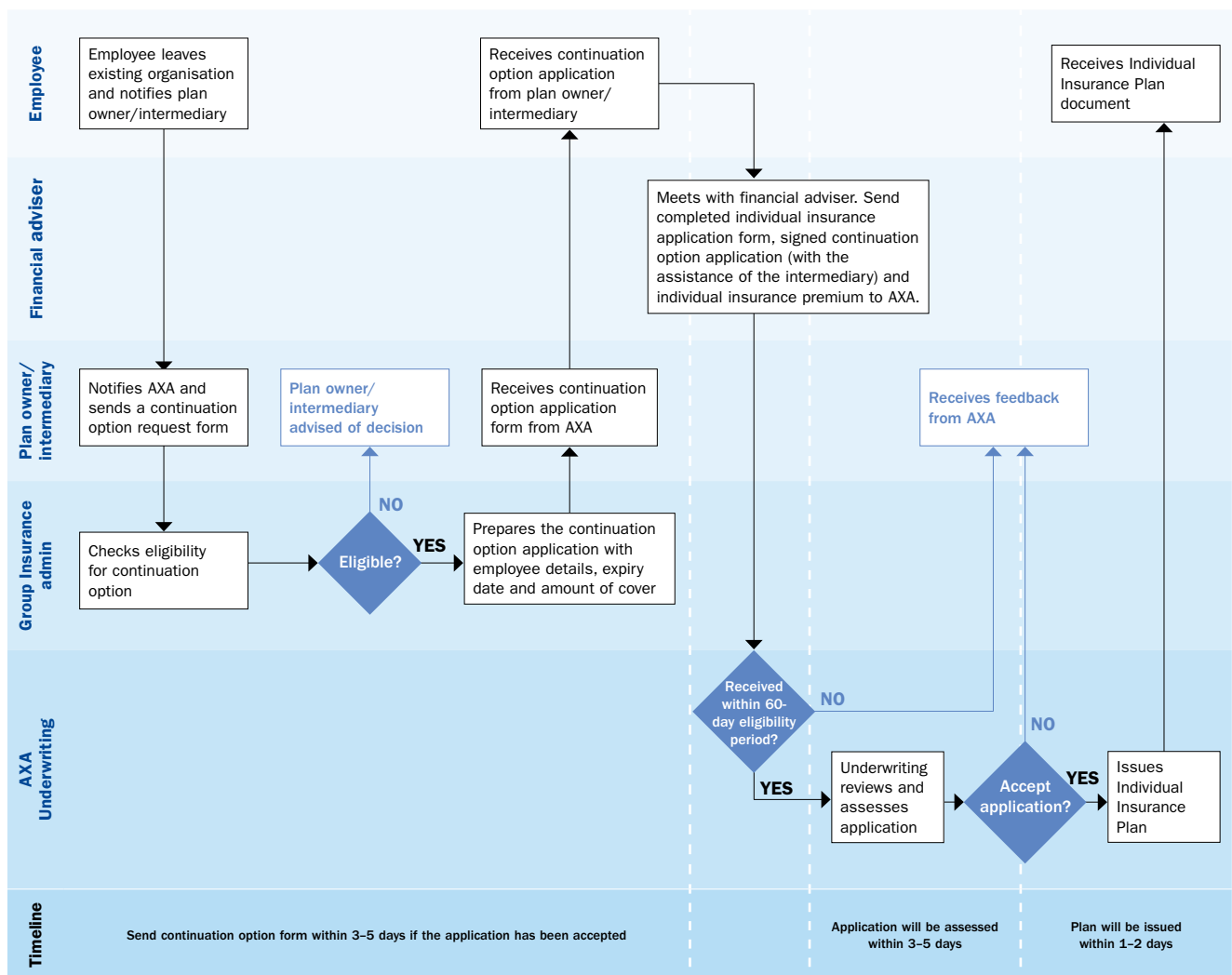
Please refer to the Group Insurance Plan for full terms and conditions. This brochure is not intended to replace the Plan documents, to the extent where any inconsistencies exist, the policy will take precedence over this brochure.

If you have any questions relating to a member's eligibility for a Continuation Option please contact your AXA Group Insurance Portfolio Administrator (quoting the applicable GL reference number) who will be happy to help with your query.

Should you have any questions relating to a type of Individual Insurance Plan being applied for, or the application process once you have received the Continuation Option Application, we ask that you direct your query to the AXA New Business team by calling 1800 655 655 and quoting the applicable reference number.

The continuation option process

When a person with a continuation option feature under their Group Insurance Plan ceases employment with their employer, cover may be converted to an Individual Insurance Plan via the following process:



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.

Important Information

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