

# How to calculate my insurance premiums

## Death only or Death and TPD cover

Death and TPD cover is intended to provide a lump sum benefit to you if you become totally and permanently disabled, or to your family if you pass away.

## Unit-based cover

With unit-based cover, the cost of each unit is the same regardless of age. However, the dollar value of cover of each unit is linked with your age and will gradually decrease.

The cost and value of death only and death and TPD cover can be found below.

### Unitised cover - Premium per unit per week

|           | General |             | White Collar |             | Professional |             | Own Occupation* |             |
|-----------|---------|-------------|--------------|-------------|--------------|-------------|-----------------|-------------|
|           | Death   | Death & TPD | Death        | Death & TPD | Death        | Death & TPD | Death           | Death & TPD |
| Unit cost | 0.34    | 0.97        | 0.27         | 0.78        | 0.19         | 0.55        | 0.34            | 1.07        |

\* applicable to own occupation cover granted prior to 1 July 2014  
The premiums shown have been rounded to two decimal places for simplicity.

### Unit-based death only and death and TPD cover

| Age            | Cover per unit | Age       | Cover per unit | Age       | Cover per unit |
|----------------|----------------|-----------|----------------|-----------|----------------|
| <b>14 - 35</b> | \$51,500       | <b>47</b> | \$17,000       | <b>59</b> | \$3,750        |
| <b>36</b>      | \$46,000       | <b>48</b> | \$15,000       | <b>60</b> | \$3,500        |
| <b>37</b>      | \$46,000       | <b>49</b> | \$13,000       | <b>61</b> | \$3,000        |
| <b>38</b>      | \$45,500       | <b>50</b> | \$11,000       | <b>62</b> | \$2,500        |
| <b>39</b>      | \$45,500       | <b>51</b> | \$10,000       | <b>63</b> | \$2,000        |
| <b>40</b>      | \$40,500       | <b>52</b> | \$9,000        | <b>64</b> | \$1,750        |
| <b>41</b>      | \$40,500       | <b>53</b> | \$8,000        | <b>65</b> | \$1,500        |
| <b>42</b>      | \$40,000       | <b>54</b> | \$7,000        | <b>66</b> | \$1,400        |
| <b>43</b>      | \$35,000       | <b>55</b> | \$6,200        | <b>67</b> | \$1,350        |
| <b>44</b>      | \$29,000       | <b>56</b> | \$5,500        | <b>68</b> | \$1,250        |
| <b>45</b>      | \$24,000       | <b>57</b> | \$4,750        | <b>69</b> | \$1,150        |
| <b>46</b>      | \$20,000       | <b>58</b> | \$4,250        | <b>70</b> | \$0            |

### To calculate your weekly premium:

#### Step 1

Refer to your occupation category in the unit based premium table.

#### Step 2

Multiply the Death or Death & TPD premium for your relevant occupation category by the number of units held to determine your weekly premium.



### **Calculating Death and TPD example**

Let's have a look at Lauren's insurance cover.

Here's a quick snapshot of Lauren who;

- is 28 years of age
- works in an office
- qualifies for the white-collar occupation category, and
- would like to apply for the 8 units of death and TPD cover

At 28 years of age, each unit of death and TPD provides Lauren with \$51,500 of cover. By taking out 8 units, she will have total death and TPD cover of \$412,000.

The cost of her cover is:

8 units x \$0.78 per week.

= \$6.24 per week

# Fixed cover

Fixed cover is provided in the form of a dollar amount. Unlike unit-based cover, the level of cover remains the same regardless of age however, the premium gradually increases with your age.

## Fixed cover - Premium per \$1,000 sum insured per annum

| Age | General |             | White Collar |             | Professional |             | Own occupation* |             |
|-----|---------|-------------|--------------|-------------|--------------|-------------|-----------------|-------------|
|     | Death   | Death & TPD | Death        | Death & TPD | Death        | Death & TPD | Death           | Death & TPD |
| 14  | 0.47    | 0.70        | 0.38         | 0.56        | 0.27         | 0.39        | 0.39            | 0.72        |
| 15  | 0.47    | 0.70        | 0.38         | 0.56        | 0.27         | 0.39        | 0.39            | 0.72        |
| 16  | 0.55    | 0.80        | 0.44         | 0.64        | 0.31         | 0.45        | 0.45            | 0.83        |
| 17  | 0.59    | 0.86        | 0.47         | 0.69        | 0.33         | 0.48        | 0.47            | 0.88        |
| 18  | 0.65    | 0.95        | 0.51         | 0.77        | 0.36         | 0.54        | 0.50            | 0.98        |
| 19  | 0.64    | 0.94        | 0.51         | 0.75        | 0.36         | 0.53        | 0.50            | 0.97        |
| 20  | 0.57    | 0.84        | 0.46         | 0.67        | 0.32         | 0.47        | 0.46            | 0.87        |
| 21  | 0.55    | 0.80        | 0.44         | 0.64        | 0.31         | 0.45        | 0.45            | 0.83        |
| 22  | 0.50    | 0.73        | 0.40         | 0.59        | 0.28         | 0.41        | 0.41            | 0.76        |
| 23  | 0.48    | 0.72        | 0.39         | 0.57        | 0.27         | 0.40        | 0.41            | 0.72        |
| 24  | 0.45    | 0.66        | 0.36         | 0.53        | 0.25         | 0.37        | 0.36            | 0.69        |
| 25  | 0.43    | 0.62        | 0.34         | 0.50        | 0.24         | 0.35        | 0.34            | 0.65        |
| 26  | 0.41    | 0.58        | 0.33         | 0.47        | 0.23         | 0.33        | 0.32            | 0.61        |
| 27  | 0.41    | 0.60        | 0.33         | 0.48        | 0.23         | 0.34        | 0.32            | 0.63        |
| 28  | 0.41    | 0.60        | 0.33         | 0.48        | 0.23         | 0.34        | 0.34            | 0.63        |
| 29  | 0.43    | 0.62        | 0.34         | 0.50        | 0.24         | 0.35        | 0.34            | 0.65        |
| 30  | 0.45    | 0.66        | 0.35         | 0.53        | 0.25         | 0.37        | 0.35            | 0.69        |
| 31  | 0.45    | 0.66        | 0.36         | 0.53        | 0.25         | 0.37        | 0.37            | 0.71        |
| 32  | 0.50    | 0.73        | 0.40         | 0.59        | 0.28         | 0.41        | 0.41            | 0.78        |
| 33  | 0.55    | 0.80        | 0.44         | 0.64        | 0.31         | 0.45        | 0.45            | 0.85        |
| 34  | 0.59    | 0.86        | 0.47         | 0.69        | 0.33         | 0.48        | 0.47            | 0.90        |
| 35  | 0.66    | 0.97        | 0.52         | 0.78        | 0.37         | 0.55        | 0.52            | 1.04        |
| 36  | 0.73    | 1.09        | 0.56         | 0.88        | 0.39         | 0.62        | 0.55            | 1.15        |
| 37  | 0.79    | 1.19        | 0.63         | 0.95        | 0.44         | 0.67        | 0.62            | 1.24        |
| 38  | 0.90    | 1.35        | 0.70         | 1.09        | 0.49         | 0.76        | 0.70            | 1.44        |
| 39  | 0.95    | 1.52        | 0.76         | 1.22        | 0.53         | 0.86        | 0.75            | 1.61        |
| 40  | 1.06    | 1.71        | 0.84         | 1.37        | 0.59         | 0.96        | 0.83            | 1.82        |
| 41  | 1.13    | 1.91        | 0.91         | 1.53        | 0.64         | 1.07        | 0.91            | 2.03        |
| 42  | 1.23    | 2.09        | 0.98         | 1.68        | 0.69         | 1.17        | 0.98            | 2.23        |
| 43  | 1.29    | 2.28        | 1.03         | 1.83        | 0.72         | 1.28        | 1.02            | 2.44        |
| 44  | 1.41    | 2.52        | 1.13         | 2.02        | 0.79         | 1.42        | 1.12            | 2.68        |
| 45  | 1.50    | 2.80        | 1.20         | 2.24        | 0.84         | 1.57        | 1.22            | 3.00        |
| 46  | 1.61    | 3.14        | 1.29         | 2.51        | 0.90         | 1.76        | 1.31            | 3.34        |
| 47  | 1.77    | 3.54        | 1.41         | 2.84        | 0.99         | 1.99        | 1.43            | 3.79        |
| 48  | 1.97    | 4.01        | 1.58         | 3.21        | 1.11         | 2.25        | 1.60            | 4.29        |
| 49  | 2.17    | 4.57        | 1.74         | 3.66        | 1.22         | 2.56        | 1.77            | 4.91        |
| 50  | 2.40    | 5.19        | 1.92         | 4.15        | 1.34         | 2.91        | 1.97            | 5.58        |
| 51  | 2.64    | 5.86        | 2.12         | 4.69        | 1.48         | 3.28        | 2.17            | 6.31        |
| 52  | 2.87    | 6.54        | 2.30         | 5.23        | 1.61         | 3.66        | 2.37            | 7.02        |
| 53  | 3.10    | 7.22        | 2.48         | 5.78        | 1.74         | 4.05        | 2.56            | 7.79        |
| 54  | 3.39    | 8.06        | 2.71         | 6.45        | 1.90         | 4.52        | 2.81            | 8.69        |
| 55  | 3.66    | 9.16        | 2.93         | 7.33        | 2.05         | 5.13        | 3.05            | 9.89        |
| 56  | 4.00    | 10.37       | 3.20         | 8.29        | 2.24         | 5.81        | 3.34            | 11.22       |
| 57  | 4.31    | 11.71       | 3.45         | 9.37        | 2.42         | 6.56        | 3.62            | 12.65       |
| 58  | 4.68    | 13.19       | 3.74         | 10.55       | 2.62         | 7.39        | 3.95            | 14.30       |
| 59  | 5.06    | 14.99       | 4.05         | 12.00       | 2.84         | 8.40        | 4.29            | 16.25       |
| 60  | 5.80    | 17.16       | 4.64         | 13.73       | 3.25         | 9.61        | 4.92            | 18.61       |
| 61  | 6.65    | 19.73       | 5.32         | 15.79       | 3.73         | 11.05       | 5.64            | 21.41       |
| 62  | 7.61    | 22.78       | 6.09         | 18.23       | 4.26         | 12.76       | 6.47            | 24.74       |
| 63  | 8.73    | 26.39       | 6.98         | 21.11       | 4.89         | 14.78       | 7.42            | 28.62       |
| 64  | 9.98    | 30.52       | 7.98         | 24.42       | 5.59         | 17.09       | 8.51            | 33.14       |
| 65  | 11.23   | 34.84       | 8.99         | 27.87       | 6.29         | 19.51       | 9.57            | 37.82       |
| 66  | 12.59   | 39.60       | 10.07        | 31.68       | 7.05         | 22.18       | 10.72           | 42.99       |
| 67  | 14.09   | 44.96       | 11.28        | 35.97       | 7.89         | 25.18       | 11.98           | 48.79       |
| 68  | 15.66   | 50.85       | 12.53        | 40.68       | 8.77         | 28.48       | 13.33           | 55.17       |
| 69  | 17.35   | 57.37       | 13.88        | 45.90       | 9.72         | 32.13       | 14.77           | 62.25       |

\* applicable to own occupation cover granted prior to 1 July 2014

The premiums shown have been rounded to two decimal places for simplicity.

## To calculate your annual premium:

### Step 1

Divide your fixed cover by 1,000 to determine your multiple.

### Step 2

Refer to your occupation category and age in the fixed cover premium table to determine the annual premium amount.

### Step 3

Multiply the annual premium amount by your multiple determined in step 1 to determine your annual premium.



### Calculating fixed cover premiums example

Let's have a look at Jessica's insurance cover.

Here's a quick snapshot of Jessica who;

- is 32 years old
- works in a school as a Teacher
- qualifies for the white-collar occupation category, and
- Currently holds \$250,000 of Death and TPD cover

At 32 years of age, and under the white-collar occupation category, every \$1,000 of cover will cost \$0.59 per annum.

The cost of her cover is:

$250 \times \$0.59$  per annum.

= \$147.50 per annum

# Income Protection

Income protection cover is designed to provide you with replacement income in the event that an injury or illness causes disability and impacts your earning capacity. The value of income protection cover is stated in units. Each unit of cover is worth \$500 per month.

## Income Protection rates - 1 July 2019 (2 year benefit period)

### Premium per unit per week - including Stamp Duty

Each unit is equivalent to \$500 per month of cover.

| Waiting period (days) | General |      |      | White Collar |      |      | Professional |      |      |
|-----------------------|---------|------|------|--------------|------|------|--------------|------|------|
|                       | 30      | 60   | 90   | 30           | 60   | 90   | 30           | 60   | 90   |
| Age                   |         |      |      |              |      |      |              |      |      |
| 14-19                 | 0.66    | 0.49 | 0.21 | 0.64         | 0.47 | 0.17 | 0.58         | 0.42 | 0.16 |
| 20-24                 | 0.72    | 0.55 | 0.23 | 0.66         | 0.52 | 0.21 | 0.60         | 0.48 | 0.19 |
| 25-29                 | 0.66    | 0.49 | 0.21 | 0.64         | 0.49 | 0.17 | 0.58         | 0.44 | 0.16 |
| 30-34                 | 0.75    | 0.58 | 0.23 | 0.69         | 0.55 | 0.21 | 0.63         | 0.50 | 0.19 |
| 35-39                 | 1.07    | 0.81 | 0.34 | 1.01         | 0.77 | 0.32 | 0.91         | 0.70 | 0.29 |
| 40-44                 | 1.50    | 1.12 | 0.47 | 1.41         | 1.07 | 0.43 | 1.27         | 0.97 | 0.39 |
| 45-49                 | 1.93    | 1.46 | 0.60 | 1.80         | 1.38 | 0.58 | 1.63         | 1.25 | 0.53 |
| 50-54                 | 2.44    | 1.87 | 0.77 | 2.32         | 1.75 | 0.72 | 2.10         | 1.58 | 0.65 |
| 55-59                 | 3.09    | 2.38 | 0.98 | 2.96         | 2.23 | 0.92 | 2.67         | 2.02 | 0.83 |
| 60-64                 | 3.95    | 3.01 | 1.24 | 3.76         | 2.87 | 1.18 | 3.40         | 2.59 | 1.07 |

The premiums shown have been rounded to two decimal places for simplicity.

## Income Protection rates - 1 July 2019 (5 year benefit period)

### Premium per unit per week - including Stamp Duty

Each unit is equivalent to \$500 per month of cover.

| Waiting period (days) | General |      |      | White Collar |      |      | Professional |      |      | Own Occupation |      |      |
|-----------------------|---------|------|------|--------------|------|------|--------------|------|------|----------------|------|------|
|                       | 30      | 60   | 90   | 30           | 60   | 90   | 30           | 60   | 90   | 30             | 60   | 90   |
| Age                   |         |      |      |              |      |      |              |      |      |                |      |      |
| 14-19                 | 0.89    | 0.66 | 0.43 | 0.83         | 0.64 | 0.40 | 0.75         | 0.58 | 0.36 | 0.95           | 0.72 | 0.49 |
| 20-24                 | 0.95    | 0.72 | 0.49 | 0.89         | 0.69 | 0.47 | 0.80         | 0.63 | 0.42 | 1.01           | 0.77 | 0.52 |
| 25-29                 | 0.89    | 0.66 | 0.43 | 0.83         | 0.64 | 0.43 | 0.75         | 0.58 | 0.39 | 0.95           | 0.72 | 0.49 |
| 30-34                 | 1.01    | 0.75 | 0.49 | 0.95         | 0.72 | 0.47 | 0.86         | 0.65 | 0.42 | 1.07           | 0.81 | 0.55 |
| 35-39                 | 1.44    | 1.09 | 0.72 | 1.35         | 1.03 | 0.69 | 1.22         | 0.94 | 0.63 | 1.55           | 1.18 | 0.77 |
| 40-44                 | 2.01    | 1.52 | 1.01 | 1.89         | 1.44 | 0.95 | 1.71         | 1.30 | 0.86 | 2.15           | 1.63 | 1.09 |
| 45-49                 | 2.58    | 1.95 | 1.29 | 2.44         | 1.87 | 1.24 | 2.20         | 1.69 | 1.12 | 2.75           | 2.10 | 1.38 |
| 50-54                 | 3.27    | 2.49 | 1.63 | 3.13         | 2.38 | 1.58 | 2.83         | 2.15 | 1.43 | 3.52           | 2.70 | 1.78 |
| 55-59                 | 4.19    | 3.18 | 2.10 | 3.99         | 3.04 | 2.01 | 3.60         | 2.75 | 1.82 | 4.49           | 3.44 | 2.27 |
| 60-64                 | 5.33    | 4.06 | 2.70 | 5.07         | 3.87 | 2.55 | 4.59         | 3.50 | 2.31 | 5.73           | 4.38 | 2.90 |

The premiums shown have been rounded to two decimal places for simplicity.

## Income Protection rates - 1 July 2019 (benefit period to age 65)

### Premium per unit per week - including Stamp Duty

Each unit is equivalent to \$500 per month of cover.

| Waiting period (days) | General |      |      | White Collar |      |      | Professional |      |      | Own Occupation |      |      |
|-----------------------|---------|------|------|--------------|------|------|--------------|------|------|----------------|------|------|
|                       | 30      | 60   | 90   | 30           | 60   | 90   | 30           | 60   | 90   | 30             | 60   | 90   |
| Age                   |         |      |      |              |      |      |              |      |      |                |      |      |
| 14-19                 | 1.41    | 1.07 | 0.75 | 1.35         | 1.01 | 0.72 | 1.22         | 0.91 | 0.65 | 1.52           | 1.12 | 0.81 |
| 20-24                 | 1.52    | 1.12 | 0.81 | 1.44         | 1.07 | 0.75 | 1.30         | 0.97 | 0.68 | 1.63           | 1.20 | 0.86 |
| 25-29                 | 1.41    | 1.07 | 0.75 | 1.35         | 1.01 | 0.72 | 1.22         | 0.91 | 0.65 | 1.52           | 1.12 | 0.81 |
| 30-34                 | 1.58    | 1.18 | 0.83 | 1.52         | 1.12 | 0.81 | 1.38         | 1.02 | 0.73 | 1.72           | 1.26 | 0.89 |
| 35-39                 | 2.30    | 1.72 | 1.20 | 2.18         | 1.63 | 1.15 | 1.97         | 1.48 | 1.04 | 2.47           | 1.84 | 1.29 |
| 40-44                 | 3.22    | 2.38 | 1.69 | 3.04         | 2.27 | 1.61 | 2.75         | 2.05 | 1.46 | 3.44           | 2.55 | 1.80 |
| 45-49                 | 4.13    | 3.07 | 2.18 | 3.93         | 2.92 | 2.06 | 3.55         | 2.64 | 1.87 | 4.44           | 3.30 | 2.32 |
| 50-54                 | 5.28    | 3.90 | 2.75 | 5.02         | 3.73 | 2.64 | 4.54         | 3.37 | 2.39 | 5.65           | 4.21 | 2.98 |
| 55-59                 | 6.70    | 4.98 | 3.52 | 6.39         | 4.73 | 3.35 | 5.78         | 4.28 | 3.03 | 7.22           | 5.35 | 3.78 |
| 60-64                 | 5.33    | 4.06 | 2.70 | 5.07         | 3.87 | 2.55 | 4.59         | 3.50 | 2.31 | 5.73           | 4.38 | 2.90 |

The premiums shown have been rounded to two decimal places for simplicity.

## To calculate your weekly premium:

To calculate your premium, you'll need your age, your occupation category, the amount of cover required, your chosen waiting period and your chosen benefit period.

### Step 1

Refer to your occupation category and age in the income protection cover premium table applicable to your elected benefit period to determine the monthly premium amount.

### Step 2

Multiply the monthly premium amount by the number of units held to determine your weekly premium.



### Calculating Income Protection example

Let's have a look at Andrew's insurance. Here's a quick snapshot of Andrew;

- he's 35 years of age,
- works as a sales assistant
- qualifies for the general occupation
- earns \$58,000 per annum
- would like to take out cover of 85% of his salary with a waiting period of 60 days and a benefit period of two years.

Each unit of income protection cover provides \$500 per month in benefit. At 35 years of age, each unit of income protection, with a waiting period of 60 days and benefit period of two years will cost Andrew \$0.81 per week.

How many units does Andrew need?

$$\begin{aligned} & \$58,000 \text{ (Andrew's annual salary)} \times 85\% \\ & = \$49,300 \end{aligned}$$

$$\begin{aligned} & \text{Divided by 12 to determine his monthly benefit requirement} \\ & = \$4,108 \end{aligned}$$

Andrew must take out 9 units, each worth \$500 per month to cover 85% of his salary.

$$\begin{aligned} & \text{The cost of his cover is} \\ & 9 \text{ units} \times \$0.81 \text{ per week:} \\ & = \$7.29 \text{ per week} \end{aligned}$$