



RUPA

**Player Group
Insurance 2012**

1 February 2012

Background.

- After almost nine months of research, planning, and looking to overseas market leading examples, RUPA engaged the insurance market and after receiving three tenders from globally renowned brokers, RUPA has sourced a policy mix for catastrophic and career ending injuries offering a significantly higher level of benefit than in 2011.
- RUPA has also come to agreement with the ARU on the level of investment that it is willing to contribute to the combined group insurance policies. However, there was still a significant shortfall in the funds required to invest in the premium.
- In an Australian first, the RUPA membership has unanimously agreed to endorse and contribute to the 2012 Group Insurance Policy – with each contracted player committing to the deduction of 2% of their total annual base salary to fund the policies' income protection component.

Coverage in 2012.

As a result, the levels of coverage for players in 2012 are as follows:

1. Death & Total Permanent Disablement(TPD) & Partial Permanent Disablement(PPD)

Event	ARU Community Policy	Player Group Insurance	TOTAL
Accidental Death	\$100k	\$500k	\$600k
Total Permanent Disablement (Paraplegia, Quadriplegia)	\$400k	\$500k	\$900k
Partial Permanent Disablement	Up to \$300k	-	Up to \$300k

- ✓ Significant increases to the level of benefit for Death (\$100k improvement) & TPD (\$400k improvement) compared to 2011.

Coverage in 2012.

2. Income Protection for Career Ending Injuries

In the event of a successful claim under the definition of a 'career ending injury' players will be compensated through an income protection plan which has been established with the primary aim of giving the player enough time and money to transition into life after rugby.

The level of benefit is:

- Monthly payments of 75% of a player's total combined Super Rugby and ARU base contract values, capped at \$300k per annum.
 - For a benefit period of 2 years after the expiry of a player's contract (Security of contract – player's guaranteed contract payment - still applies)
 - Full details, terms and exclusions are detailed over leaf.
- ✓ This new policy improves the maximum benefit for career ending injury from \$50k to \$600k, as a direct result of the players' contributions.

Coverage in 2012 – Examples.

Player A - \$400k per annum – 1 yr left on contract – Career Ending Injury

2011 entitlement: $\$400k \times 1 + \$50k = \$450k$ over 1 year.

2012 entitlement: $\$400k \times 1 + (\$300k \times 2) = \$1M$ over 3 year.

✓ BENEFIT IMPROVEMENT - \$550k

Player B - \$80k per annum – 2 yrs left on contract – Career Ending Injury

2011 entitlement: $\$80k \times 2 + \$50k = \$210k$ over 2 years.

2012 entitlement: $\$80k \times 2 + (2 \times \$60k) = \$280k$ over 4 years.

✓ BENEFIT IMPROVEMENT - \$70k

Player C - \$200k per annum – 2 yrs left on contract – Spinal Injury

2011 entitlement: $\$400k + (\$200k \times 2) + \$50k = \$850k$ over 2 years.

2012 entitlement: $\$900k + (\$200k \times 2) + (\$150k \times 2) = \$1.6M$ over 4 years.

✓ BENEFIT IMPROVEMENT - \$750k

Particulars for **Income Protection.**

Policy Wording and Definitions

- Policy Term: 01/02/2012 to 01/02/2013
- Named Insured: Rugby Union Players' Association
- Beneficiary's: 171 contracted players are presently nominated persons.
- Covers: Accident & Sickness 24 hour / 7 day cover with Maximum Sum Insured being \$A600,000 per Insured Person, being a maximum A\$300,000 per year for 2 years , following a 75% calculation of SR/ARU combined current annual salary/contract.
- Waiting Period: 12 months or the expiry date of the players contract whichever is the latter.

Particulars for **Income Protection.**

Wording and Definition – ‘Career Ending Injury’ for Income Protection Claim

Career Ending Injury shall mean a specific physical injury which is the direct consequence of an shall mean a single sudden and unexpected event, which occurs at an identifiable time and place and which causes unexpected Bodily Injury or Sickness (not including osteoarthritis, arthritis or any other degenerative process of the joints, bones, tendons or ligaments but including cancer) and is not the accumulation of a series of accidents or traumas and if it is not directly or indirectly caused by, contributed to by and/or aggravated by any physical impairment, defect, degenerative process or infirmity existing prior to the Policy's inception.

A physical impairment, defect, degenerative process or infirmity exists prior to the inception of this Policy if it has been diagnosed by a health care practitioner prior to the date of inception of this Policy or in the event that it has not been so diagnosed then, in the opinion of a health care practitioner the Insured could reasonably have been expected to be aware of its existence on the date of inception of this Policy. The injury shall mean the Insured's complete and total physical inability to Participate in his occupation as a rugby union player and that as a result of the injury the Insured has no likely hope of improvement, sufficient to Participate ever again in his occupation

Particulars for **Income Protection.**

Exclusions (Part 1)

This Policy does not cover disability wholly or partially, directly or indirectly caused by, contributed to by or aggravated by:

1. war or any act of war, whether war is declared or not;
2. suicide, self-destruction, attempted suicide or self destruction, or intentionally self-inflicted injury, while sane or insane;
3. the Insured's own criminal or felonious act;
4. the death of the Insured, howsoever caused (Accidental Death is covered under other components of the group insurance policy as detailed earlier)
5. the Insured;
 - a) being under the influence of alcohol, as defined by the motor vehicle laws of the state/province/country in which this Policy was delivered;
 - b) being under the influence of drugs or narcotics that are not lawfully available, unless prescribed for the Insured by a qualified health care practitioner;
 - c) using any drugs or substances in violation of the rules or regulations of the governing body of the sport in which the Insured plays;

Particulars for **Income Protection.**

Exclusions (Part 2)

This Policy does not cover disability wholly or partially, directly or indirectly caused by, contributed to by or aggravated by:

6. the Insured's use of performance enhancing substances, including but not limited to anabolic steroids, stimulants and corticosteroids, regardless of whether or not prescribed by a qualified health care practitioner;
7. any practices or activities excluded by the Insured's professional sports contract in connection with his occupation as stated in the Schedule;
8. conditions of psychotic, psychoneurotic or epileptic origin;
9. osteoarthritis, arthritis or any other degenerative process of the joints, bones, tendons or ligaments.



For any questions or concerns, please contact:

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