

ALUCA



# ALUCA TURKS SCHOLARSHIP

Suffering from change fatigue?  
Get amongst it by having your say on a multitude of issues  
facing the life industry. Prizes to the value of \$8,000  
are on offer as well as the ongoing respect and  
admiration of your industry.

*Make our vital industry even stronger  
and more resilient. Enter the Scholarship today!*



**2021 APPLICATIONS NOW OPEN**

Applications close: Sunday, 15 August 2021

Further information and application forms available at

[www.turkslegal.com.au/TurksLegal/Scholarship/aluca-turkslegal-scholarship](http://www.turkslegal.com.au/TurksLegal/Scholarship/aluca-turkslegal-scholarship) or [www.aluca.com](http://www.aluca.com)

## ABOUT THE SCHOLARSHIP

Now in its 15th year, the ALUCA Turks Scholarship is designed to support the professional growth of ALUCA and its members by providing a significant career development opportunity for professionals working in the life insurance industry.

## HOW TO ENTER

Entrants are asked to submit a paper (2,500 words max) addressing one of the 8 topical life insurance industry questions in this application form.

## WHO CAN ENTER

The Scholarship is open to all members of ALUCA regardless of country of residence. Each entrant must be a current financial member of ALUCA as at 23:59pm AEST on Friday, 6 August 2021 and work in the life insurance industry.

Lawyers, accountants or medico-legal professionals who meet the above criteria are eligible to enter provided they are **direct employees** of life insurance companies, life reinsurance companies, superannuation trustees or superannuation administrators.

## JUDGING CRITERIA

Submissions will be assessed on:

- Understanding of and insight into the chosen topic
- Conclusions supported by sound evidence and research
- Clarity of thought
- Commercial insight
- Presentation

## MAJOR PRIZE

The winner of the Scholarship receives a package valued at up to AU\$8,000 including return travel, accommodation, \$1,000 cash and registration to one of the following overseas conferences of their choice:

2022 Eastern Claims Conference

2022 Life Insurance Conference

2022 Supplemental Health, DI & LTC Conference

If international travel restrictions are still in place when your chosen conference is scheduled, the prize may be awarded as cash in the sum of AU\$8,000.

The winner is invited to sit on the judging panel alongside senior industry leaders for next year's scholarship and receives automatic membership to ALUCA and TurksLegal's scholarship alumni program, Life Insurance Future Thinking (LIFT).

Additionally, the winner will be invited to headline the Turks Summer Life Matters webinar in early December 2021.

The 1st runner-up will receive a AU\$1,000 Visa pre-paid gift card and the 2nd runner-up will receive a AU\$250 restaurant voucher.

## ANNOUNCEMENT OF WINNERS

The winners will be announced at the ALUCA Biennial Conference on the Gold Coast from 14-16 October 2021.

## APPLICATIONS CLOSE

23:59pm AEST on Sunday, 15 August 2021

## JUDGING PANEL

The judging panel comprises the following senior industry leaders



**JENNY OLIVER**  
Chief Claims Officer  
TAL



**GAVIN PEARCE**  
Chairman  
Scor Global Life Australia



**DAVID CAMPBELL**  
Chief Operating Officer  
MetLife



**JEREMY HOUGHTON**  
Head of Strategy &  
Corporate Affairs  
AIA



**MALCOLM WEIR**  
Financial Services Executive



**LINDA WINTERBOTTOM**  
Claims Rehabilitation  
Consultant  
RGA Reinsurance



**HONOR GRANT-HENNESSY**  
Senior Group Underwriter  
OnePath Life / Zurich  
(2020 Scholarship winner)



**MARK RABERGER**  
Chair of ALUCA &  
Head of Health  
MetLife



**ALPH EDWARDS**  
Partner  
TurksLegal



**DARRYL PEREIRA**  
Partner  
TurksLegal

## QUESTIONS

Answer ONE of the following 8 questions. The content of your submission must be no more than 2,500 words.

### Q1. SCALED ADVICE AND LIFE INSURANCE: ARE THEY COMPATIBLE?

Improved insurance coverage across the community is essential to the wellbeing of all Australians and there is also much evidence which suggests that those with access to insurance advice have a better insurance experience. However, the ability of advisers to provide scaled (limited) advice and meet their best interests duties to customers, has been under the spotlight.

Is scaled advice a way of allowing more Australians access to advice on their life insurance needs? What are the impediments to the delivery of good quality scaled insurance advice and how can these be overcome? Your response should explore the compatibility of life insurance with scaled advice and the discussion of scaled advice in ASIC Consultation Paper 332 *Promoting access to affordable advice for consumers* (CP 332).

### Q2. REVISITING PMIF: ARE THE MANDATORY POST PMIF GROUP INSURANCE DEFAULT SETTINGS PUTTING MEMBERS INTERESTS FIRST?

The current health crisis has highlighted the need for broad insurance coverage. Of course, group insurance is the way most Australians have access to life insurance coverage. The PYS and PMIF reforms saw default cover removed for significant cohorts. Is it time to revisit these reforms? What is the appropriate setting for default cover within super? In your answer please address the impacts of PYS and PMIF, whether those reforms have benefited members and, if not, how the goals of PYS and PMIF might be better addressed.

### Q3. YOUR FUTURE YOUR SUPER: 'YOUR INSURANCE?'

The Your Future, Your Super (YFYS) package is one of the largest government reform packages to the superannuation system and has been the subject of fierce debate. The reforms contain a performance test aimed at addressing underperformance of superannuation products, and a 'stapling' measure that ties members to superannuation funds and imposes a 'best financial interests' duty on trustees. However, the proposed measures do not consider the relative value of insurance cover held within super or the potential consequences of the reforms on insurance held within super.

How will the YFYS reforms impact insurance held within super? How can superannuation funds and group insurers best address such impacts?

### Q4. COVID-19 AND WORK FROM HOME (WFH)

One of the more profound and wide reaching impacts of COVID-19 (that seemingly is here to stay) is the WFH revolution which promises to change the way we go about work forever. Given that such a big part of the value proposition of life insurance is protection against our inability to work due to illness or injury, it seems inevitable that the WFH revolution will impact life insurance. How will this occur and what will be the advantages and disadvantages for customers? Your answer should focus on all aspects of life insurance business, including product design, distribution and claims.



## Q5. CLAIMS HANDLING AS A FINANCIAL SERVICE

One of the most significant insurance-related legislative reforms to flow from the FSRC is that the handling and settling of insurance claims will no longer be exempt from being a 'financial service' under the *Corporations Act 2001* (Cth). This means the providers of claims handling services in respect of insurance products will be required to hold an AFS licence and comply with the various obligations under s912A of the Act including the requirement to ensure that such services are provided efficiently, honestly and fairly.

How will the new obligations impact future claims handling? For example, will it assist insurers in delivering a better customer claims experience and improve customer confidence in the system? If so, how and why? Specifically, will the change address the claims handling issues identified by Commissioner Hayne?

## Q6. OFFSET CLAUSES

The offset clause has long been an important feature of income protection insurance. It has the practical effect of allowing an adjustment to benefits paid under a policy, on account of other monies which may be received due to the claimed condition. This is crucial in ensuring benefits paid are in line with a customer's pre-disability income.

The offset clause is one of the most disputed elements of income protection and the courts have adopted a policy of strictly interpreting the words of the clause in the narrowest possible sense.

Explain the purpose and objective of the offset clause and why it is important to the sustainability of income protection insurance. Explore the challenges the industry faces in its ability to offset. Address what steps can be taken by life insurers to ensure that an offset clause is likely to operate in the manner intended. Please feel free in your answer to reference the impending changes to income protection cover as a result of APRA's recent sustainability directives on this product.

## Q7. ARTIFICIAL INTELLIGENCE IN CLAIMS AND UNDERWRITING

Legal & General America launched a trial leveraging trust and facial and image recognition capabilities of machine learning to provide instantaneous automated assessments to individuals through selfies. In exchange for a selfie, consumers were provided with an estimate for life insurance based on an estimate of age, gender and BMI. It is not beyond imagining that the behavioural drivers of mortality could also be digitally assessed via access to a consumer's online interactions and be used to personalise the product offerings, or that this data could be used for underwriting and claims assessment.

To what extent can traditional risk and claims assessment methods be replaced with digital end to end platforms? Is this a good thing?

Are there ethical limitations to the use of the requisite data and to what extent may the move to deep learning in underwriting and claims embed the type of unconscious bias that is being experienced with credit based computer scores?

## Q8. THE QUEST FOR SUSTAINABILITY IN LIFE INSURANCE

Pleasingly, APRA's life insurance statistics for the March 2021 quarter show an overall upward trend in profitability, however risk products continue to record significant losses.

Consider and analyse the steps taken by the industry and regulators to date to address this slide, including but not limited to APRA's recent recommendations in respect of group insurance and the role of AFCA in ensuring policy terms are fairly applied. Do you think more needs to be done to ensure long-term sustainability, or is the industry on the right track?

# APPLICATION FORM



Entrants must submit this application form together with a paper, answering one of the 8 questions listed. A word limit of 2,500 words applies and will be strictly enforced. Each entrant must include the word count on this application form and at the bottom of their paper. All entries are expected to be the original work of the entrant, based on their own primary and secondary research. Reference to supplementary material must be clearly acknowledged in the paper.

Please also read the terms and conditions in this application form before submitting an entry.

Entrants must submit their paper by email along with a completed application form by 23:59pm AEST on Sunday, 15 August 2021 to:

**Sarah Waley**  
Head of Client Care & Communications, TurksLegal  
Email: [scholarships@turkslegal.com.au](mailto:scholarships@turkslegal.com.au)

Further information about the Scholarship is available at:  
[www.turkslegal.com.au/TurksLegal/Scholarship/aluca-turkslegal-scholarship](http://www.turkslegal.com.au/TurksLegal/Scholarship/aluca-turkslegal-scholarship) or [www.aluca.com](http://www.aluca.com)

Applications must be received no later than **23:59pm AEST on Sunday, 15 August 2021**

## PERSONAL DETAILS

Mr  Ms  Mrs  Miss  Dr

Current ALUCA Member:  Yes  No

Surname

Other Given Name(s)

Organisation

Position

Street / PO Box:

Suburb / City

State

Postcode

Direct Phone

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Mobile

Email

Question Answered

Word Count (Max 2500 Words):

## APPLICANT'S DECLARATION

By signing this application form and submitting your entry you confirm that you have read and understood the terms and conditions of the Scholarship, you agree to be bound by these terms and conditions, and the organisation you work for has no objection to your entry being submitted:

Applicant's signature

Date

 /  /

# TERMS AND CONDITIONS

## DEFINITIONS

- A.** TurksLegal: means the legal practice partnership operating under that registered business name.
- B.** ALUCA: means Australasian Life Underwriting and Claims Association Inc.
- C.** Major Prize: means an overseas package valued at up to AUD\$8,000 (inclusive of GST). It includes registration to one of the following overseas conferences: 2022 Eastern Claims Conference, [dates/location TBC]; 2022 Life Insurance Conference, [dates/location TBC]; 2022 Supplemental Health, DI & LTC Conference, [dates and location TBC]; return economy airfares for one person to one of the above locations valued up to \$3,000; four nights accommodation valued up to \$2,000 for one person at a hotel to be confirmed by the organisers; and \$1,000 spending money. The package does not include: transfers to and from the airport, any insurances, taxes, additional spending money, charges, levies, hotel incidentals, tours and activities or meals not included in conference registration (except where specified). Dollars (\$) means Australian dollars.
- D.** 1st Runner-up: means the Scholarship's 1st runner-up who will be awarded a Visa pre-paid gift card to the value of AUD\$1,000 (inclusive of GST).
- E.** 2nd Runner-up: means the Scholarship's 2nd runner-up who will be awarded a AUD\$250 (inclusive of GST) restaurant voucher.
- F.** Term: means the entire period of the Scholarship commencing on 25 June 2021 and concluding on 15 August 2021 at 23:59pm AEST.
- G.** Judging Panel: means the Judging Panel constituted to judge the 2021 ALUCA TurksLegal Scholarship.
- H.** Scholarship: means the ALUCA Turks Scholarship.

## RULES

1. This Scholarship is open to all members of ALUCA regardless of country of residence. Each entrant must be a current financial member of ALUCA as at 23:59pm AEST on Friday, 6 August 2021. Entrants must work in the life insurance industry. Lawyers, accountants or medico-legal professionals who meet the above criteria are eligible to enter provided they are **direct employees** of life insurance companies, life reinsurance companies, superannuation trustees or superannuation administrators. Entry is not open to members of the ALUCA National Board.
2. As a condition of entry, an entrant accepts these terms and conditions and any rules, policies or procedures that may be adopted by TurksLegal or ALUCA from time to time. TurksLegal or ALUCA may change, amend or vary these terms and conditions and may extend the period of, or cancel, the Scholarship without notice.
3. Entry forms for the Scholarship can be found on the TurksLegal and ALUCA websites. Members of ALUCA who wish to participate in the Scholarship must complete the official entry form and send it with a copy of their paper by email to the Head of Client Care & Communications at [scholarships@turkslegal.com.au](mailto:scholarships@turkslegal.com.au) by 15 August 2021 at 23:59pm AEST. Only entries accompanied by an official application form will be accepted. Only one entry per ALUCA member will be accepted.
4. Entrants in the Scholarship must submit a written paper (**not exceeding 2,500 words in length**) on one of 8 questions selected by the Judging Panel and notified to entrants. Each entrant must include the word count on the application form and at the bottom of their paper. The judges may nevertheless, at their absolute discretion, direct that over-length papers be returned to entrants prior to judging and subsequently accept those papers for judging if they are modified to comply with the word limit.
5. The entrant must certify that they meet the conditions and that their employer has no objection to their paper being entered.
6. At the conclusion of the Term all entries will have personal information removed so that entrants' papers are considered anonymously by the Judging Panel; the winner and the 1st and 2nd runners-up will be officially announced at the ALUCA Biennial Conference on the Gold Coast on 14-16 October 2021.
7. The entrant whose paper is determined by the Judging Panel to be the best response ("the winner") will be awarded the Major Prize. The entrant whose paper is determined by the Judging Panel to be the next best ("the 1st runner-up") will receive the 1st runner-up Prize. The entrant whose paper is determined by the Judging Panel to be the next best ("the 2nd runner-up") will receive the 2nd runner-up Prize.
8. The Judging Panel will determine the winner, 1st and 2nd runner-up by simple majority. Where there is no clear majority in favour of any one entrant, the person elected by the Judging Panel as its Chairman must exercise a casting vote which will determine the winner and runners-up. In determining the winner and 1st and 2nd runners-up the Judging Panel will utilise the marking criteria that it has agreed to apply to all entries.
9. Notification will be given to the winner, 1st and 2nd runners-up as soon as practicable after the conclusion of the judging. Notice may be given by ordinary post, electronic mail, courier or personally.
10. The winning entry and 1st and 2nd runners-up papers will be published on the TurksLegal and ALUCA websites, in the ALUCA e-newsletter, RiskeBusiness, and other potential media sources. By signing the application form the entrant accepts these conditions and gives permission for publishing of their name and/or photos. Under the conditions of entry the copyright in all entries will vest in TurksLegal and ALUCA.
11. Entrants are responsible for ensuring that their contact details with TurksLegal and ALUCA are up to date.
12. Prizes are not transferable or exchangeable and the runners-up prizes cannot be taken solely in cash. If international travel restrictions are still in place when the chosen conference is scheduled, the major prize may be awarded as cash in the sum of AU\$8,000.
13. If for any reason the winner, 1st or 2nd runner-up are unable to utilise their prize once booked (including flights, accommodation, conference, restaurant and pre-paid visa gift card) and the date cannot be changed without penalty (of any kind, including financial charges) the winner, 1st or 2nd runner-up will not receive an alternative prize.
14. All entries are expected to be original work of the entrant, based on their own primary and secondary research. Reference to supplementary material must be clearly acknowledged in the paper. TurksLegal and ALUCA reserve the right to make whatever enquiries each consider necessary to ensure the work attributed to an entrant is that person's own work. All claims for prizes are subject to TurksLegal's and ALUCA's verification procedures as determined by TurksLegal and ALUCA in their absolute discretion.
15. TurksLegal's and ALUCA's decision in relation to all aspects of the Scholarship, including but not limited to any dispute as to the identity of an entrant, eligibility to participate in the Scholarship and determination of an entrant's eligibility to receive a prize, is final and binding and no correspondence will be entered into. These terms and conditions may be changed, amended or varied at any time by TurksLegal or ALUCA in their absolute discretion without notice and without assigning any reason therefore. TurksLegal and ALUCA reserve the right to cancel or vary the Scholarship in whole or in part in their absolute discretion at any time without prior notice. Any such cancellation shall not effect any entrant's entitlement to any prize that has accrued at the time of the cancellation.
16. Entrants accept these terms and conditions as amended from time to time and agree to be bound by them. Entry in the Scholarship is subject to these terms and conditions. In the case of any inconsistency between these terms and conditions and any promotional material, these terms and conditions prevail. TurksLegal and ALUCA reserve the right to cancel an entrant's participation in the Scholarship without assigning any reason therefore where TurksLegal and/or ALUCA, in their absolute discretion, consider that the entrant has not acted honestly, fairly, in good faith or in the spirit of the Scholarship.
17. Liability for any tax on any benefits provided to entrants pursuant to the Scholarship is the sole responsibility of the entrant. It is recommended that entrants contact their own accountant or taxation advisor in this regard.
18. TurksLegal and ALUCA accept no liability for late, lost or misdirected entries.
19. To the extent permitted by law, TurksLegal and ALUCA are not liable for and shall be kept harmless from any loss or damage to property or person including but not limited to direct or consequential loss and including loss from personal injury as a result of any person participating in the Scholarship or making use of a prize.
20. TurksLegal and ALUCA collect entrants' personal information in order to conduct the Scholarship. If the information requested is not provided, the entrant may not be permitted to participate in the Scholarship. By entering the Scholarship, unless otherwise advised, each participant agrees that TurksLegal and/or ALUCA may use this information in any media for future promotional, marketing and publicity purposes without any further reference, payment or other compensation to the entrant, including sending the entrant electronic messages. A request to access, update or correct any promotion should be directed to TurksLegal and/or ALUCA.