

## **Sunsuper to be first fund compliant with Insurance Code of Practice**

Sunsuper has today announced that it has signed up for the Insurance in Superannuation Voluntary Code of Practice and, in an industry first, will be compliant for its one million *Sunsuper for life* product members from the Code's commencement on 1 July 2018, three years ahead of the transition time frame.

The Fund, which has recently become one of the country's most awarded superannuation funds, also announced it will be dropping Total and Permanent Disability (TPD) insurance premiums for *Sunsuper for life* by an average of 20 per cent for its members.

Sunsuper's Chief Executive Officer Scott Hartley said Sunsuper has been an advocate of the Code since its creation and was heavily involved in its development.

"At Sunsuper we're very strong supporters of the Code as it provides a range of initiatives that are beneficial to all members, including enhancing our claims service, improving member engagement, education and awareness of insurance, and improving the member experience," said Mr Hartley.

"Not only will we be signing up to the Code from 31 March, but we will be compliant from the Code's commencement date of 1 July 2018.

"We have committed significant resources to the Insurance in Superannuation Working Group, which was responsible for the development of the Insurance in Superannuation Voluntary Code of Practice, so we had clear insight into the types of changes that would be coming in as part of the Code. Using this insight and knowing it was in the best interests of members, we started planning long before the Code was released so we were in a position to be compliant from day one."

Mr Hartley said that Sunsuper had taken an innovative approach to the 'erosion' component of the Code and would change from 1 July 2018 to a tiered cover approach which would allow young people, low income workers and part-time/casual staff to still have insurance cover, without eroding their super balances.

"We adopted this tiered cover concept from our merger partners Kinetic Super who recently won an insurance fund of the year award for the design of their insurance product which is unique in the market.

"For example, new members whose account balances are below \$6,000 will receive half the cover they would currently get, and therefore only pay half the premium. Once their account balance gets to \$6,000 we will automatically boost their cover.

"This will ensure that people with low super balances are still covered, but their super balances are continuing to grow for their benefit in retirement.

"This is a powerful example of the value of our merger with Kinetic and how we're adopting best practice from each of the merger partners for the benefit of all our customers."



Sunsuper is Australia's fastest-growing top 10 super fund with \$50 billion in funds under management and more than one million members across Australia. Sunsuper has been recognised as the best of the best when it comes to super, winning Money magazine's Best Super Fund Manager 2018 as well as Super Fund of the Year awards from Chant West, Super Review, SuperRatings and Conexus Financial.

**Ends**

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