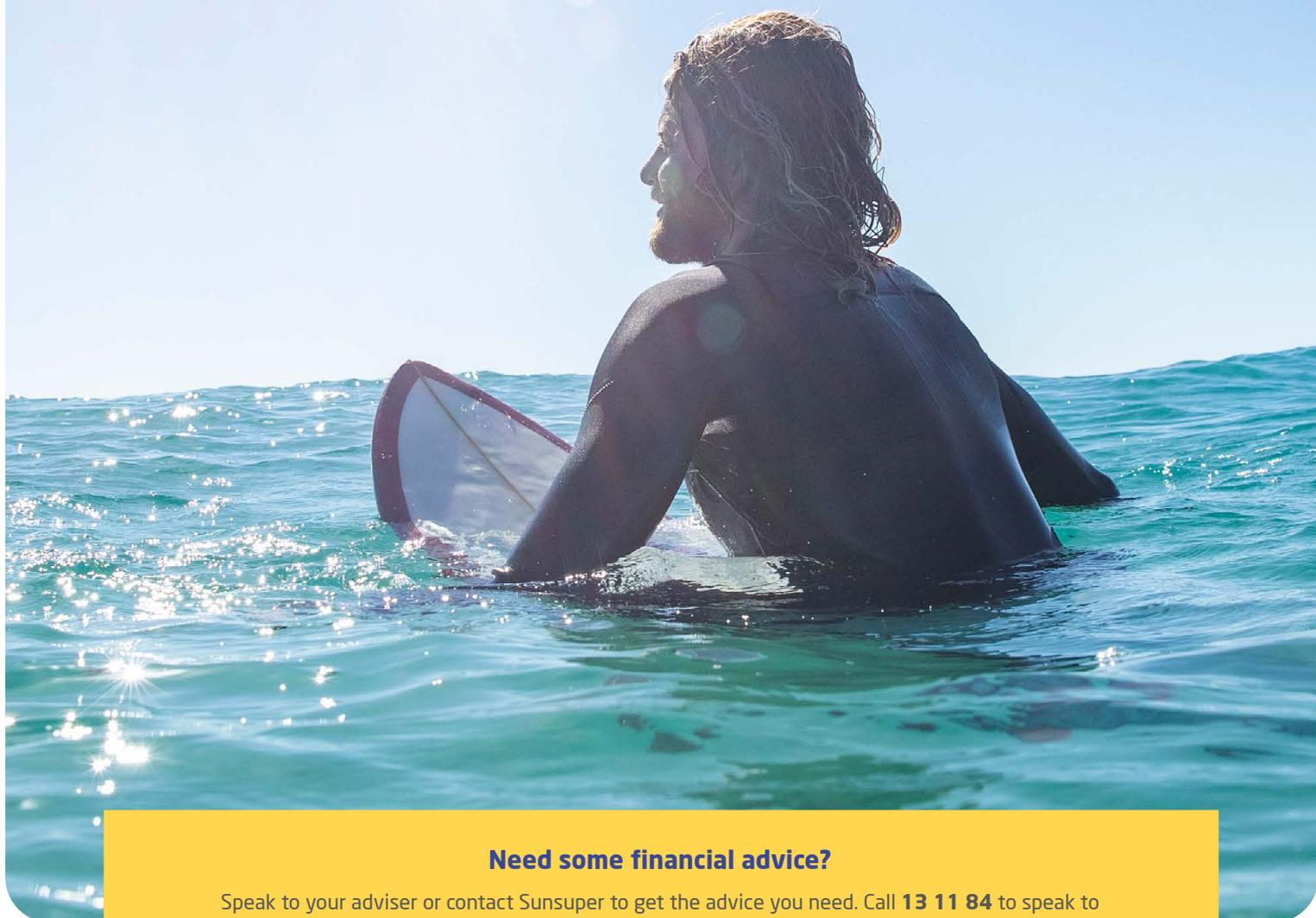


Product update (for 29 March 2020)

*Sunsuper for life, Sunsuper for life Business
and Sunsuper for life Corporate*



Need some financial advice?

Speak to your adviser or contact Sunsuper to get the advice you need. Call **13 11 84** to speak to one of our qualified financial advisers¹ who can give you simple advice about your Sunsuper account at no additional cost, quickly over the phone. For more comprehensive advice, we may refer you to an accredited external financial adviser². Advice of this nature may incur a fee.

¹ Sunsuper employees provide advice as representatives of Sunsuper Financial Services Pty Ltd (ABN 50 087 154 818 AFSL No. 227867) (SFS), wholly owned by the Sunsuper Superannuation Fund. ² Sunsuper has established a panel of accredited external financial advisers who are not employees of Sunsuper. Sunsuper is not responsible for the advice provided by these planners and does not receive or pay any referral fees. These advisers will explain to you how their advice fees are determined.



This *Product update* describes recent and upcoming changes to Sunsuper and super in general which may affect you.

It includes changes to our *Sunsuper for life*, *Sunsuper for life Business* and *Sunsuper for life Corporate* products. Where the product type isn't specified, the change applies to all three. Please take some time to familiarise yourself with all of the changes to make sure you understand how they may affect your account.

While we have sought to provide you with the information you need to understand the changes, we recommend that you read our updated *Product Disclosure Statement* and relevant *Insurance guide*, available from 29 March 2020 at [sunsuper.com.au/pds](https://www.sunsuper.com.au/pds) for *Sunsuper for life* members, or your employer's Sunsuper microsite (for *Sunsuper for life Business* and *Sunsuper for life Corporate* members).



Quick reference guide

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Changes to when insurance can be provided to members

The Australian government recently passed the Putting Members' Interests First legislation, which takes effect on 1 April 2020. If you're a member who recently joined us, currently has a low balance, or are under the age of 25, you may be impacted by these changes.

What is the Putting Members' Interests First legislation (PMIF)?

The PMIF legislation is designed to protect members super savings from unnecessary erosion by insurance premiums. The legislation includes two key changes for the provision of insurance cover in super:

1. On 1 April 2020 the legislation requires funds to cancel insurance cover for members with account balances of less than \$6,000.
2. On an ongoing basis from 1 April 2020, members will need to have attained the age of 25 and reached an account balance of \$6,000 before they are eligible for automatic Standard insurance.

Sunsuper will apply these age and account balance rules to its products from 29 March 2020.

The information below details these changes for Sunsuper members.

1. Changes for members with an account balance less than \$6,000 and insurance on 1 April 2020

Generally, Sunsuper members with insurance cover and an account balance of less than \$6,000 at 1 April 2020 will have their insurance cover cancelled effective on 31 March 2020. Whilst some members may be exempt from this change, we encourage all members with a low account balance (below \$6,000) and insurance to consider the impact of insurance premiums on their account and to make a decision on whether the insurance they have is right for them.

If you need help to determine whether insurance cover is right for you, we encourage you to speak with your financial adviser, or to contact us on **13 11 84** to get the right advice from one of our qualified financial advisers¹. You can also refer to ASIC's MoneySmart website at moneysmart.gov.au for additional information about insurance through your super.

If you have a balance less than \$6,000 and want to prevent the insurance cover you currently have from potentially being cancelled effective on 31 March 2020, you will need to provide an election in writing to keep your insurance cover.

You also have options to amend your level of cover or cancel your cover. If you take no action, your insurance cover may be cancelled.

Keep insurance cover	Cancel insurance cover
<p>To keep your insurance cover, let us know in one of the following ways:</p> <ul style="list-style-type: none"> • Login to <i>Member Online</i> and go to 'Keep your insurance cover' in the Insurance section; or • Complete the online form at sunsuper.com.au/keepmyinsurance <p>Requests to keep insurance cover can't be taken over the phone as we are required by law to have your request in writing.</p> <p>Requests must be received before 31 March 2020.</p>	<p>To cancel cover, let us know in one of the following ways:</p> <ul style="list-style-type: none"> • Login to <i>Member Online</i> and go to 'Reduce or cancel your insurance cover' in the Insurance section; or • Call us on 13 11 84 <p>Please note if you choose to cancel your cover and decide later to have cover, evidence of health satisfactory to the insurer will be required before cover can restart.</p>

Please note that members who are waiting for Standard insurance cover to commence may still be impacted by the laws should their cover start prior to 1 April 2020.

2. New insurance rules from 29 March 2020 for providing automatic Standard insurance cover

From 29 March 2020, members will be subject to new age and account balance rules before they will be eligible for automatic Standard insurance cover.

	From 29 March 2020
<p>When am I eligible for automatic Standard insurance cover?</p>	<p>To be eligible for automatic Standard cover, you must have attained age 25, and have reached an account balance of \$6,000.</p> <p>Other existing rules (such as: being actively employed¹; any requirement for receipt of an employer Superannuation Guarantee (SG) contribution; employment status provisions; and limited cover) will continue to apply.</p> <p>For Sunsuper for life Business and Sunsuper for life Corporate only – members of some plans in these products may have their insurance premiums paid by their employer. Any insurance types fully paid by the employer are not impacted by the new eligibility rules.</p>
<p>When does automatic Standard insurance cover start?</p>	<p>Where an SG contribution is one of the eligibility requirements, Standard cover will commence from:</p> <ul style="list-style-type: none"> • the date you attain age 25 and reach an account balance of \$6,000 (if a SG contribution has been received in the prior 120 days); or otherwise • The date we receive the next SG contribution. <p>For Sunsuper for life Corporate only – where an SG contribution is not an initial eligibility requirement, standard cover will commence from the date you attain age 25 and reach an account balance of \$6,000.</p>

¹ You are actively employed if you satisfy the At Work definition, which we discuss in the section below headed "Important Eligibility terms and conditions".

Can I request Standard insurance cover before I attain age 25 and reach an account balance of \$6,000?

Yes, members who may not be immediately eligible due to the age and balance rules, can request Standard insurance cover earlier. All other eligibility criteria applying to the standard insurance cover must still be satisfied.

Other insurance updates

Changes to insurance cover for new members

Sunsuper for life

The Death and Total & Permanent Disability Assist insurance cover that eligible members will automatically receive from 29 March 2020 is now labelled Standard insurance cover. Members will no longer automatically receive the insurance cover labelled "Starter" cover.

The Standard insurance cover levels and cost are the same as for the cover we previously labelled as "Booster" cover (Previously, members automatically moved from "Starter" cover levels to "Booster" cover levels when their balance reached \$6,000). New members who meet existing eligibility criteria but who are under the age of 25 or with an account balance that has not yet reached \$6,000 can request Standard insurance cover early.

Where this request for Standard cover is within 120 days of joining the *Sunsuper for life* product, the following "New Member options" remain available:

- Apply for Opt-In Income Protection;
- Complete a White Collar occupation assessment to apply for White Collar insurance cover (an additional 50% of Standard insurance cover at no extra cost). This occupation assessment can also be applied to your Opt-In Income Protection cover, resulting in a reduced cost,

Your Standard cover will start from date your request is received, if an employer SG contribution has been received in the prior 120 days (otherwise, it will start from the date the next SG contribution is received). Any "New Member options" will normally start on the same date as your Standard cover.

Sunsuper for Business and Sunsuper for life Corporate

New members who meet existing eligibility criteria but who are under the age of 25 or with an account balance that has not yet reached \$6,000 can request default Standard insurance cover early, before it is automatically provided:

1. Where this request for default Standard cover is within 120 days of commencing employment, the following options to vary the level of Standard cover remain available:

- Increase Standard cover to a level of cover higher than your default level;
- Decrease Standard cover to a level of cover lower than your default level.

Your Standard cover (default or varied) will normally start from date your request is received. Where receipt of an employer SG contribution is a requirement for Standard cover to start, it will also need to be received within 120 days of commencing employment.

2. Where this request for default (or decreased) Standard cover is received more than 120 days after commencing employment, your cover will normally start from the date your request is received. (Where receipt of an employer SG contribution is a requirement for Standard cover to start, the SG contribution needs to have been received in the 120 days period prior to the request, otherwise Standard cover will start from the date the next SG contribution is received). Any request to increase Standard cover to a level higher than your default level will require a full application, including a health assessment, and acceptance by the insurer.

Changes to the automatic restart rules for insurance that has ceased

Where your insurance cover has ceased as a result of:

- contribution inactivity (no eligible contributions into your account for 12 months or more); or
- low account balance (for example, balance below \$6,000 at 1 April 2020), or
- insufficient monies in your account to pay insurance premiums;

the rules for if and when this cover may automatically restart change from 29 March 2020.

Cover will now only automatically restart for members who have attained age 25 and reached an account balance of \$6,000. An employer SG contribution is always required and will restart standard insurance cover only from date of receipt of the contribution.

Within 60 days of cover ceasing due to contribution inactivity or low balance there is no change to the ability for a member to provide a written request for the cancelled cover (except Income Protection cover in *Sunsuper for life*) to be restarted. The request is effective from date received.

Important eligibility terms and conditions

There are important terms and conditions that apply to the provision of any insurance cover, including to Standard insurance cover. Members must meet the eligibility requirements for Standard cover to be provided. These eligibility rules now include attaining age 25 and reaching an account balance of \$6,000. Once cover commences, it will be subject to a Limited Cover condition that will apply until you satisfy an At Work (active employment) test. The timeframes for these conditions and test vary by when your insurance cover is obtained.

Limited Cover means you are only covered for an illness that first becomes apparent or an injury which first occurs on or after the date your cover began. At Work means you are actively performing or capable of performing all of your normal duties, without limitation due to sickness or injury, and where working you are working normal hours on the day cover is to commence. The full definition of these terms and details of eligibility and the other terms and conditions are published in the relevant *Insurance guide* available from 29 March 2020.

Need assistance?

Call our translation service on **13 14 50** and say one of the following languages at the prompt: Italian, Chinese, Vietnamese, Korean, or Arabic.

Important information

Please read this *Product update* and familiarise yourself with all of the changes and make sure you understand how they may affect your super.

Product Disclosure Statements (PDS) and important *PDS* updates are available at [sunsuper.com.au/pds](https://www.sunsuper.com.au/pds) for *Sunsuper for life* members or at your employer plan's microsite for *Sunsuper for life Business* and *Sunsuper for life Corporate* members.

The *PDS* will be updated with the changes outlined in this *Product update* effective 29 March 2020.

This information was current when this document was prepared. We make every effort to ensure the information shown is correct. Sunsuper reserves the right to make adjustments for any errors, misprints or omissions. A printed copy of the *Product update* is available on request at no additional cost.

Contacting us is easy

13 11 84 (+61 7 3121 0700 when overseas) | GPO Box 2924 Brisbane QLD 4001 | [sunsuper.com.au](https://www.sunsuper.com.au)



This *Product update* contains general information only. Any advice does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of any advice having regard to your personal objectives, financial situation and needs before acting on that advice. You should consider the *Product Disclosure Statement (PDS)* in deciding whether to acquire, or to continue to hold the product. A copy of the *PDS* can be obtained by visiting [sunsuper.com.au/pds](https://www.sunsuper.com.au/pds) for *Sunsuper for life* members. *Sunsuper for life Business* and *Sunsuper for life Corporate* members should refer to their employer plan's microsite. To contact us visit [sunsuper.com.au/contactus](https://www.sunsuper.com.au/contactus) Prepared by Sunsuper Pty Ltd ABN 88 010 720 840, AFSL No. 228975, the Trustee and issuer of the Sunsuper Superannuation Fund ABN 98 503 137 921, MySuper Authorisation 98 503 137 921 996, USI 98 503 137 921 001