



Hi

We know that insurance isn't something that you'd normally spend much time thinking about, but when you need it then it becomes really important.

We're making changes to our insurance offering from 14 October 2020, including changes to Death cover, Death and Total and Permanent Disablement (TPD) cover and Income Protection. We've reviewed our offering to take into consideration the 'Putting Members' Interests First (PMIF)' legislation introduced by the Federal Government on 1 April 2020.

What's changing?

- Default Death and TPD Cover ('Current Default Cover') is changing and the amount of cover you receive will be based on your age
- We'll now be looking at your age, sex at birth and your occupation to determine your premiums, which will change each year on your birthday

Please [visit our website](#) to understand the detail of these changes.

Our aim is to make our premiums fairer by changing our insurance offering to better reflect our members' stage of life and characteristics. In addition to this, there will no longer be a distinction between Employer-Sponsored Members and Personal Members.

Australian Ethical doesn't take any commissions or have any profit-sharing arrangements with the Insurer and any tax rebates received for premiums paid are put back into your super account.

What does this mean for you?

Your Current Default Cover and Income Protection Insurance on 28 August 2020

Type of cover	Total cover	Annual premium*	Occupation category#
Death	\$XXXX	\$XXXX	XXXX
Total and Permanent Disablement	\$XXXX	\$XXXX	
Income Protection	\$XXXX per month	\$XXXX	

Income Protection waiting period XX days and benefit period X years.

Your new Default Cover and Income Protection Insurance from 14 October 2020 - unless you make changes or it's cancelled before this date

Type of cover	Total cover	Annual premium*	Occupation category#
Death	\$XXXX	\$XXXX	XXXX
Total and Permanent Disablement	\$XXXX	\$XXXX	
Income Protection	\$XXXX per month	\$XXXX	

Income Protection waiting period XX days and benefit period X years.

Your smoking status:[^] XXXX

*Insurance premiums are deducted from your account at the end of each month.

#[^] We're also making some changes to the names we use to describe occupation categories so they are easier to understand. If these details are not correct please let us know by completing the **Insurance Variation Form** as this will affect the premiums you pay.

Important: If you have previously been accepted for cover with exclusions or loadings, these will still apply to your current and new insurance. Please refer to your original acceptance letter for those details.

What are your options for Default Death and TPD cover?

- **do nothing** and you'll automatically move to your new Default Cover from 14 October 2020, as shown in the second table above.¹ The amount of insurance cover you have under the new Default Cover changes over time, typically reducing after 40 years of age; or
- **keep the amount of Default Cover you'll have at 13 October 2020² by choosing to fix it**, with no medical screening required. You should consider the **new Fixed Cover Rates** and you'll need to **complete this form** by 13 October 2020.

You always have the option to cancel, vary or apply for additional insurance. You can do this by logging onto your member portal.

You won't be able to see your updated insurance or make any insurance changes in the portal between 14 October and 21 October 2020 while we're finalising these changes.

More information

For more information about these changes, including the new premium rates, terms and definitions that apply from 1 October 2020, please [visit our website here](#).

We understand that insurance (or a certain level of cover) might not be appropriate for all members. Please consider the impact insurance premiums have on your overall super account balance over time.

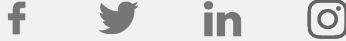
[Find out more](#)

We're here to help

If you have any questions, please call us on **1300 134 337** 8am and 8pm (AEST) Monday to Friday or [email us](#).

Best regards

The Australian Ethical team



1. If your insurance cover is higher as a result of the New Default Cover and you are not in *active employment* on 14 October 2020, new events cover limitations will apply to the increased portion of insurance cover until you're in *active employment* for 30 consecutive days.

2. The level of cover provided under Fixed Cover will remain the same regardless of your age until you reach 61 (subject to maximum insurable age restrictions). From age 61, the level of TPD cover will reduce each year until it reduces to zero at 70. If you have a birthday between 28 August 2020 and 13 October 2020, your Current Default Cover amount noted in the first table above may change, so the amount you are able to fix may also change. Please see the [current Insurance Guide 1 April 2020](#) on our website (p 8) to check your level of cover based on your occupation category and your 'age next birthday'.

This email and the [information here](#) with the heading "Important changes to the terms and conditions of your insurance that apply from 14 October 2020" should be read together and form part of this Significant Event Notice. These changes are important, so we encourage you to take the time to consider how they might affect you and keep a copy of this email for your records. You may wish to consult a financial adviser if you're not sure what impact this has on your financial objectives, situation or needs.

This information is of a general nature and is not intended to provide you with financial advice or take into account your personal objectives, financial situation or needs. Before acting on the information, consider its appropriateness to your circumstances and read the product disclosure statement (PDS), available at australianethical.com.au/super/pds. You may wish to seek independent financial advice from a licensed or authorised financial adviser before making an investment decision.

Interests in the Australian Ethical Retail Superannuation Fund (ABN 49 633 667 743, USI AET0100AU) are offered by arrangement by Australian Ethical Investment Limited (ABN 47 003 188 930, AFSL 229949) and issued by the Trustee of the Fund, Australian Ethical Superannuation Pty Limited (ABN 43 079 259 733).

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