



1 March 2020

**Private And Confidential**

«Title» «GivenNames» «FamilyName»  
«Mail1»  
«Mail2»  
«MailCity» «MailState» «MailCode»

**Member No:** «MbrNo»

**Membership Division:** Freedom of Choice, a division of AMG Super

**Significant Event Notice**

Dear «Title» «FamilyName»,

**Important changes to your insurance from 1 April 2020**

Equity Trustees Superannuation Limited as the Trustee of the Freedom of Choice ('Fund'), will be making changes to insurance available through the Fund. These changes are the result of a comprehensive review completed by the Trustee, to identify ways in which the insurance offering could be improved to benefit members including providing better value for money and an appropriate level of cover. This Significant Event Notice ('Notice') specifies what these changes are and how they impact you.

The enclosed Significant Event Notice Flyer ('Flyer') summarises important information about the current insurance available through the Fund and your insurance cover that will apply from 1 April 2020. This Notice should be read in conjunction with the enclosed Flyer dated 1 March 2020.

***What is changing?***

On 1 April 2020, there will be a number of changes to insurance available through the Fund, including but not limited to premiums, policy terms and the Fund's automatic insurance. You should refer to *'How will this change to the Fund Insurer affect me'* for changes that are specific to your insurance cover.

***Will there be a change to the Fund insurer?***

Yes. Following a tender process involving a number of potential insurers the Trustee has decided that from 1 April 2020, Hannover Life Re of Australasia ('Hannover') will replace TAL Life Limited ('TAL') as the group life insurer of the Fund. Up until 31 March 2020, TAL will continue its role as the insurer. Hannover is a specialist provider of Group Life and Group Income Protection insurance to employers, superannuation funds including, industry funds and master trusts in Australia. They have a proud history of being an industry leader in the provision of group risk insurance.

***What are the advantages and disadvantages of these insurance changes?***

The advantages of these changes include:

- Reduction in premiums for the majority of members.
- Improvement in a number of policy terms and definitions for Death & TPD and Income Protection cover.

The following points may be perceived as disadvantages of this change.

- Whilst every effort has been made to reduce premiums for all members, a small number of members may experience an increase in some premium rates.
- There may be some members that perceive some of the changes to policy terms and definitions as unfavourable. We encourage all members to read the enclosed Flyer.

**How will this change to the Fund insurer affect me?**

The table below show your current insurance cover and premiums, as at 1 February 2020:

Type of insurance cover	Amount	Annual Premiums
Death Cover		
TPD Cover		
Income Protection (IP)*		

\* If you have IP there will be no change to your waiting or benefit period.

From 1 April 2020, your new insurance cover and premiums will change as follows:

Type of insurance cover	Amount	Annual Premiums <sup>^</sup>

<sup>^</sup>The Annual Premium amount is inclusive of:

- an insurance administration fee of 7.5%.
- any stamp duty that applies. Stamp duty only applies to income protection premiums. Stamp duty varies depending on the charges applied by each state or territory which currently ranges between 5% to 11%.

Please note, if you have a ‘voluntary’ level of insurance cover stated in the table above, this amount is fixed. This means that as you age the amount of cover will not change. Premiums, however, will increase as you get older. This additional voluntary insured amount may have been applied to ensure there is no decrease in the level of cover you currently have. We encourage members to regularly review their level of cover to ensure that it meets their personal circumstances. If you would like to modify or cancel your insurance, you can do so by contacting us on «Division Phone» or by email to «Division Email».

The premium rate tables that apply to your ‘Type of insurance cover’ as shown in the table above, are set out in the enclosed Flyer. You should also refer to the Flyer for further information on changes to terms and definitions.

**Is there anything else changing from 1 April 2020?**

From 1 April 2020, superannuation funds will have to cease providing insurance cover for certain members because of recent changes to the law. These reforms known as Putting Members Interest First, are intended to ensure that insurance arrangements do not unduly erode retirement balances. If you had a balance of less than \$6,000 you would have received a letter from us letting you know that if we do not receive notification from you electing to maintain your insurance cover if, as at 1 April 2020 your account balance is still below \$6,000 your insurance will be cancelled. If you are a member impacted by these reforms and would like to know your options, you can do so by contacting us on «Division Phone» or by email to «Division Email».

**Do I need to take any action?**

You do not need to take any action. From 1 April 2020 your new insurance premiums will apply as shown under ‘How will this change to the Fund insurer affect me?’. We encourage you to review your insurance cover to confirm the level of cover is appropriate for your circumstances.

If you wish for your insurance cover to be modified or cancelled, please contact us on «Division Phone» or by email to «Division Email».

***How can I find out more information?***

A Product Disclosure Statement (PDS) containing further information about the insurance available through the Fund will be made available on the «Division» website «Division website» or on request, from 1 April 2020.

Further information can be obtained by contacting us on «Division Phone» or by email to «Division Email».

You should consider obtaining professional financial advice tailored to your personal circumstances before making decisions regarding your insurance through the Fund. If you have a financial adviser linked to your account, we have included their details below.

«Adviser Name»  
«Adviser Dealership»  
«Adviser Phone»  
«Adviser Email»

Yours sincerely,



Alan Hegerty  
**General Manager**

This Notice has been prepared by Equity Trustees Superannuation Limited (ABN 50 055 641 757, RSE Licence No. L0001458, AFSL 229757) Level 1, 575 Bourke Street, Melbourne, VIC 3000, as Trustee of AMG Super, ABN 30 099 320 583 and should be read in conjunction with the Flyer (dated 1 March 2020). The information in this Notice is as at 1 March 2020. The Trustee is unable to provide you with personal financial advice and this Notice and Flyer is not, and should not be construed as, providing such advice. The Notice and Flyer have been prepared without taking into account your personal objectives, financial situation or needs. The Trustee recommends that you obtain financial advice from a suitably qualified and licensed financial adviser before you make any decision regarding your superannuation. Equity Trustees Superannuation Limited is unable to guarantee that there will be no further changes to your superannuation.