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23 August 2022

I am writing to let you know about the upcoming changes to our insurance costs, which are effective on your Brighter Super account from 30 September 2022.

You are not required to do anything, but we recommend you review these changes in case you would like to update your account.

This notice explains the changes and what they could mean for you. You can also access it at brightersuper.com.au/sen.

For your convenience, below is a summary of the changes.

1. Changing how your insurance cover and costs are calculated.
2. Changes to your insurance premiums.
3. Providing automatic insurance for members who leave their local government or another employer sponsor before cover starts.
4. Making it easier to apply for additional cover based on life events.
5. Restrictions removed for non-Australian residents when they leave Australia.

The information in this notice is only a summary of the main features of the insurance policy terms. If there are any differences between the information in this notice and the terms of the policy, the policy will apply.

Changes to your insurance

Brighter Super provides insurance cover that balances the cost and level of cover with the needs of our members and their families. Last financial year, over \$37 million in claims were paid to more than 370 members and their families.

1. Changing how your insurance cover and costs are calculated

Currently, your insurance cover and costs are calculated each year using your age on 1 July. In addition, members with insurance linked to their salary also have their insurance cover levels automatically recalculated on 1 July each year.

From 30 September 2022, we will use your current age to calculate your insurance cover and costs.

This change is being made to make it easier for our members to understand how insurance cover and costs are calculated. It will also make it easier for members to compare products with other superannuation funds.

Members with insurance linked to their salary will have their insurance cover automatically recalculated on their birthday each year, using the latest salary provided by their employer.

2. Changes to your insurance premiums

Brighter Super will increase some of its insurance premiums on 30 September 2022. While an increase in cost is never ideal, we need to ensure that insurance premiums are sustainable so that you can continue to rely on your insurance in your time of need.

As a not-for-profit super fund, we work hard to ensure that our members are sufficiently protected and that the premiums charged are competitive and fair. We do not make any profit or receive any commission from the insurance provided to our members.

Death and Total and Permanent Disability (TPD) cover costs

The cost of Death and Total and Permanent Disability (TPD) cover will increase. The cost of Death only cover will not change.

The table below sets out the new weekly cost per unit of cover which applies from 30 September 2022.

Occupational risk rating	Weekly Death and TPD cover premium, per week per unit of cover up to 29 September 2022	Weekly Death and TPD cover premium, per week per unit of cover from 30 September 2022
Blue collar	\$1.52	\$1.75
White collar	\$1.17	\$1.35
Professional	\$1.00	\$1.15

The above premium rates include any applicable Stamp Duty and GST.

Fixed cover costs

For members with fixed cover, the premium rates per \$1,000 of fixed Death and TPD cover will increase from 30 September 2022. For details of these changes, please refer to the separate document attached to this notice.

Income Protection (IP) cover costs

From 30 September 2022, there will be new Income Protection premium rates per \$100 per month of cover and a multiplier to be applied, depending on your waiting period. The new rates are provided in a separate document attached to this notice.

The waiting period is the minimum time you must wait before your Income Protection benefit payment (if eligible) can start.

Your monthly insured benefit divided by 100, multiplied by the premium rate (see separate document attached to this notice), multiplied by your waiting period multiple (see table below).

your monthly insured benefit

100



your premium rate
(see document attached
to this notice)



your waiting period
premium multiple
(see table below)

Waiting period	Waiting period premium multiple
30 days	3.20
60 days	1.85
90 days	1.00
120 days	0.90
180 days	0.80
395 days	0.70

3. Providing automatic insurance for members who leave their local government or another employer sponsor before cover starts

From 30 September 2022, members who leave their local government or another employer sponsor will automatically receive four units of Death and TPD cover when (i) their account balance is at least \$6,000 and (ii) they are aged at least 25 years.

All automatic insurance will be initially restricted to New Events Cover. This means that a member will only be covered for death, terminal illness, or total and permanent disability that arises directly from an illness which became apparent to them, or an injury which occurred to them, on or after the date that their automatic insurance cover commenced.

The length of the restriction is dependent on the time between a member receiving a Superannuation Guarantee contribution from an employer and the date that their account balance reached at least \$6,000 and they are aged 25 years or more.

- Within 120 days: automatic insurance cover will be restricted to New Events Cover until they have been 'At Work' for 30 consecutive days¹.
- More than 120 days: automatic insurance cover will be New Event Cover for 24 months. This restriction will cease to apply once they are 'At Work' for 30 consecutive days after the end of the 24-month period¹.

¹ For the definition of the term 'At Work', please refer to the separate document attached to this notice.

4. Making it easier to apply for additional cover based on life events

You can already apply to increase your cover without needing to give detailed information about your health. This can help you when you're facing life events such as starting a family (including adoption), a change in your relationship status or taking out a mortgage on your home. You are currently restricted to no more than three life events during your membership.

From 30 September 2022, this restriction will be removed as we know our members may experience more than three life events during their membership.

In addition, members who have Income Protection cover will also be able to apply to increase their cover if they receive a pay rise. This will make it easier for members who are no longer working for a Queensland local government or another employer who provides their salary each year and have their Income Protection cover automatically recalculated.

To apply for an increase in your units of cover when you experience a life event, you can log into your account at **brightersuper.com.au**. Or you can complete a *Life Events Application form* available at **brightersuper.com.au/forms**.

5. Restrictions removed for non-Australian residents when they leave Australia

Currently, if you are a non-Australian resident your insurance cover ends when you permanently leave Australia or temporarily leave Australia for more than three months.

From 30 September 2022, this restriction will be removed to improve member outcomes. This change means all members will be provided with cover when overseas, subject to the terms of the policy.

If you make a Terminal Illness, TPD or Income Protection claim from outside Australia, you may be required to return (at your expense) for the purpose of assessment of your claim. If you are on an Income Protection claim whilst overseas, the maximum benefit period will be restricted to six months unless medical evidence of ongoing disability is provided.

What do you need to do?

The insurance cost changes will be automatically applied to your account on 30 September 2022.

You do not need to do anything, but if you would like to review or change your insurance cover, you can do so at any time by logging in to your Member Online account at **brightersuper.com.au**.

We're here to help

For further information, please refer to the *Product Disclosure Statement* and the *Insurance Guide* for your account, which are available at **brightersuper.com.au/pds**.

If you have any questions or would like to discuss the changes and how they relate to your account, please email us at **info@brightersuper.com.au** or call us on **1800 444 396**. We are open weekdays 8.00 am to 5.30 pm AEST. Our team of superannuation specialists and financial advisers are here to help you.

Yours sincerely,



Kate Farrar
CEO, Brighter Super Group