



**Meat Industry Employees' Superannuation Fund Pty Ltd.** ACN 005 793 199  
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### SIGNIFICANT EVENT NOTICE - 27 MAY 2013

This notice is issued by Meat Industry Employees' Superannuation Fund (**MIESF, the Fund**) with details of changes to the Fund's benefits and costs that are effective from 1 July 2013.

#### CHANGES TO THE DEATH BENEFIT

The Fund's "self insured" death benefit which is funded by deductions from members' accounts, will be replaced with an insurance policy taken out by the Trustee with TAL Life Limited, ABN 70 050 109 450, AFSL 237 848.

The Death cover insurance will also be payable on **Terminal Illness** which effectively means that the payment is made "early" prior to the date of death.

#### A NEW DISABLEMENT BENEFIT

A new lump sum benefit will also be payable if you become Totally and Permanently Disabled (**TPD**). The amount of Death and TPD cover that will apply is shown below based on the member's age as of the date of death or disablement.

| Death Cover | \$200,000 death cover (for ages at death 15 to 64) |              |
|-------------|--|--------------|
| TPD Cover   | Age at Date of Disablement                         | TPD Cover \$ |
|             | 15-38  | 200,000      |
|             | 39   | 150,000      |
|             | 40   | 110,000      |
|             | 41   | 80,000       |
|             | 42   | 55,000       |
|             | 43   | 30,000       |
|             | 44-49  | 20,000       |
|             | 50-54  | 10,000       |
|             | 55-59  | 5,000        |
|             | 60-64  | 2,500        |

The Death cover is restricted to \$100,000 in some limited circumstances.

#### CHANGES TO THE COST

Prior to 1 July 2013, the Death cover was funded by deductions from members' accounts of \$5.00 per week paid as \$260 deducted at the end of each fiscal year (30 June). There was usually a small surplus of deductions in excess of Death cover payments and this was added to the Fund's earnings.

From 1 July 2013 the cost of the new insurance cover will be recouped from members at the rate of \$5.60 per week paid as \$145.60 deducted at 31 December and \$145.60 deducted at 30 June each year. A pro rata amount will be deducted at the date of leaving the Fund.

The Fund's insurance cover is designed to give financial assistance to you or your dependants in the event of your permanent disablement or death. The Trustee does not believe that the cost of this cover inappropriately erodes members' retirement benefits.

Members may choose to opt out of Death and TPD cover altogether however a member cannot opt out of one but not the other. Once a member opts out of cover, the member will become ineligible for cover at any time. If you wish to opt out or have any questions concerning these insurance benefits, please contact the Fund Office as detailed above.

## INSURANCE BOOKLET

Please refer to the Fund's Insurance Booklet dated 27 May 2013 which is available on the Fund's website: [www.miesf.com.au](http://www.miesf.com.au)

The Insurance Booklet describes the Fund's insurance arrangements that will be in place from 1 July 2013.

Please note that this Insurance Booklet will be replaced in early July 2013 by a version dated 1 July 2013 which will form part of a new Product Disclosure Statement dated 1 July 2013.

You can obtain a paper copy of the Insurance Booklet by contacting the Fund Office.

Existing members of the Fund as at 30 June 2013 who are eligible to receive Death cover of \$200,000 (or \$100,000 in some limited circumstances) will have slightly different cover restrictions under the insurance policy compared with the cover restrictions in the Insurance Booklet which apply to new members who join the Fund from 1 July 2013. The differences are described below.

### WHAT ARE THE COVER RESTRICTIONS?

All MIESF members with Death cover as at 30 June 2013 will be provided with Death cover under the insurance policy from 1 July 2013. They will also be provided with Terminal Illness cover and TPD insurance cover provided they have never claimed or been eligible to claim a total and permanent disablement type benefit or terminal illness type benefit from a superannuation fund or insurance company.

If you are not in **Active Employment** on 1 July 2013 any TPD cover will be restricted to **Limited Cover** for at least 2 years from 1 July 2013. The Limited Cover condition will be removed and full TPD cover will be provided if you have been:

1. continuously insured for 2 years; and
2. in Active Employment for 2 consecutive months immediately prior to or after the end of the 2 years.

Please refer to the Insurance Booklet to learn about the definitions of TPD, Terminal Illness, Limited Cover and Active Employment.

Please note that the new insurance cover will cease for the same reasons as the Death cover currently ceases and the reasons are outlined in the Insurance Booklet. An additional reason cover will cease has been added in relation to withdrawals from the Fund.

From 1 July 2013, your insurance cover will cease if you make a partial cash withdrawal from your Member Account or rollover to another fund more than \$20,000 in any financial year commencing after 30 June 2013, unless the remaining balance in your Member Account is more than 50% of your Member Account at 1 July 2013. Once your cover ceases for this reason, you will become ineligible for insurance cover at any time.

### INTRODUCTION OF A WITHDRAWAL FEE

The Trustee has decided to begin charging a withdrawal fee by deducting \$35 from your Member Account each time you make a withdrawal from the Fund after 1 July 2013. This includes cash withdrawals, rollovers to other superannuation funds, payments to the ATO and any other withdrawals. This deduction is based on the cost of processing withdrawals from the Fund. Prior to 1 July 2013, these costs were met from the \$1.30 per week administration fee.