



**Meat Industry Employees' Superannuation Fund Pty Ltd.** ACN 005 793 199  
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## **SIGNIFICANT EVENT NOTICE - 28 MAY 2014**

This notice is issued by the Meat Industry Employees' Superannuation Fund (**the Fund**) with details of changes to the Fund's insured benefits and costs that are effective from 1 July 2014.

Currently there is no insured Death, Terminal Illness or Total and Permanent Disablement (TPD) cover available for members once they reach age 65. From 1 July 2014, eligible members age 65 to 69 inclusive, will have insured Death cover of \$35,000 inclusive of Terminal Illness cover of \$35,000. Terminal Illness cover ceases when a member reaches age 69. There will continue to be no insured TPD cover available once a member reaches age 65.

### **CHANGES TO THE DEATH AND TERMINAL ILLNESS INSURANCE COVER**

#### **1. Existing insured members at 30 June 2014**

For existing insured members at 30 June 2014, from 1 July 2014

- the cover cessation age for Death cover will be increased to the date the member reaches age 70.
- the cover cessation age for Terminal Illness cover will be increased to the date the member reaches age 69.
- the amount of Death cover (including Terminal Illness cover) will reduce to \$35,000 when the member reaches age 65.
- any TPD cover will still cease when the member reaches age 65, and
- any existing exclusions or restrictions that apply to the member's insurance cover will continue in relation to the cover.

#### **2. Existing uninsured members as at 30 June 2014**

If you are an existing uninsured member of the Fund on 30 June 2014 who is age 65 to 69 inclusive, you may be eligible to have insured Death cover (including Terminal Illness cover) of \$35,000 from 1 July 2014. To be eligible, you must have:

- not previously opted out of insurance cover in the Fund; and
- received an employer contribution from a participating employer into the Fund at some time since 1 July 2011.

Any Death and Terminal Illness cover will commence from 1 July 2014 for eligible members, subject to the cover restrictions as explained below.

Members aged 65 to 69 inclusive who have their Death and Terminal Illness cover reinstated due to the commencement of employer contributions from a participating employer after 1 July 2014, also have cover restrictions as explained below.

### **WHAT ARE THE COVER RESTRICTIONS FOR THE NEW INSURANCE?**

If when the Death and Terminal Illness cover commences:

- the member is not in **Active Employment**; or

- their first employer contribution to the Fund was received more than 6 months after they commenced work with the participating employer;

then cover will be restricted to **Limited Cover** for at least 2 years.

The Limited Cover condition will be removed and full cover will be provided once the member has 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 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. There is a rule that 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. If your cover ceases for this reason, you will become ineligible for insurance cover at any time. This rule does not apply once you reach age 65.

### **COST OF THE NEW DEATH INSURANCE COVER**

From 1 July 2014 the cost of the new Death and Terminal Illness cover will be recouped from insured 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 new extended insurance cover is designed to give financial assistance to you or your dependants in the event of your Death or Terminal Illness. The Trustee does not believe that the cost of this cover inappropriately erodes members' retirement benefits. Members may choose to opt out of the new Death and Terminal Illness cover altogether. 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**

The Fund's Insurance Booklet will be revised to include details of the new Death and Terminal Illness cover for members age 65 to 69 inclusive. It will be available on the Fund's website: [www.miesf.com.au](http://www.miesf.com.au) from 1 July 2014.

Please note that this new Insurance Booklet dated 1 July 2014 will form part of a new Product Disclosure Statement dated 1 July 2014.

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

Should you have any further queries regarding these matters, please contact us directly via the details shown above.