

December 2019

# Putting Members' Interests First reforms

The Government has made changes to superannuation which could have a major impact on you.

These changes come into effect on 1 April 2020 and aim to ensure members' superannuation balances are not unnecessarily eroded by insurance premiums by requiring superannuation funds to only provide insurance on an 'opt-in' basis to:

- a) members who are under 25 and begin to hold a new superannuation account from 1 April 2020; or
- b) members whose superannuation balance has not been \$6,000 or more from 1 November 2019.

**This means that we will be required to 'turn off' insurance cover on 1 April 2020 for members whose account balances have not been \$6,000 or more since 1 November 2019, unless you elect to retain your insurance.**

## Benefits of life insurance through your super

GuildSuper offers three types of insurance cover to protect you and your loved ones: Death (including Terminal Illness), Total and Permanent Disablement and Income Protection cover.

The benefits of insurance cover through super include:

- discounted bulk insurance rates for members;
- insurance premiums are deducted from your super account each month, not your take-home pay.

## Some things to consider

- do you have a partner or dependants who rely on your income?
- do you need to pay your mortgage or any other debts such as, education, child care and living expenses?
- insurance premiums are deducted from your superannuation account balance.

If you do, and are affected by the changes, you may wish to consider keeping your cover.

## How to elect to keep your life insurance cover

GuildSuper will be writing to affected members giving them the opportunity to keep their insurance cover – so remember to open any emails or letters you get from the Fund.

## Your life insurance cover continues until it is turned off

Your rights to be covered by insurance remain unaffected until the end of the period for which premiums have been charged or the expiry date of the term of your insurance contract.

## Unsure whether to take action?

GuildSuper members have access to over-the-phone advice about their super, including advice on insurance, at no extra cost. If you would like help, you can arrange an appointment by calling 1300 361 477.

 **1300 361 477 (8am–7pm AEST)**  **guildsuper.com.au**

The information in this factsheet is general information only and doesn't take into account your personal financial situation or needs. You may wish to consult a licensed financial adviser to obtain financial advice tailored to suit your personal circumstances. For more information refer to the GuildSuper PDS and Insurance guide available at [guildsuper.com.au](http://guildsuper.com.au)

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