



Product Update



The following provides you with a brief update on the Putting Members' Interests First (PMIF) changes for both new clients joining Living Super on or after 1 April 2020, and also existing customers who may have cover cancelled on 1 April 2020.

No Automatic Cover (Death and Total and Permanent Disablement insurance) if your clients are under 25

Under the PMIF legislation, trustees of superannuation funds can no longer provide default insurance cover on an 'opt out' basis (Automatic Cover) to new members who are under the age of 25 and join a superannuation fund on or after 1 April 2020. The Federal Government introduced this reform with the intent to protect younger members' account balances from being eroded from insurance premiums for cover they may not need or want.

What does this mean for my client?

If your clients are under 25 and join after 1 April 2020, while the Trustee will not provide them with default insurance, being Automatic Cover (Death and Total and Permanent Disablement (TPD) insurance), they can still have the option to apply for Tailored Cover (Death and/or TPD) and/or Income Protection via the online insurance application.

To access the online insurance application, clients will need to login to their superannuation account at ing.com.au, go to 'My Accounts' > 'Superannuation' > 'Insurance' and select 'Review Insurance'. Once they have completed the insurance application, the insurer for Living Super (MetLife Australia) will inform you whether, and on what terms, they will insure your client. Under the legislation, the client must make an Election for insurance and the online insurance application contains this Election. This means that an adviser will not be able to make this Election on behalf of a client online.

New criteria for clients aged 25 and over and under 70 to qualify for Automatic Cover

From 1 April 2020, under the PMIF legislation, trustees of superannuation funds cannot provide insurance on an opt out basis (Automatic Cover) to members aged 25 and over and under 70, unless

1. they have a balance of \$6,000 or more; OR
2. they have made an Election (where they have an account balance of greater than nil, and less than \$6,000 and want Automatic Cover insurance).

Automatic Cover insurance will commence provided 1) or 2) is met within 120 days of your client opening a Living Super account. NB - From age 65, to 69 Automatic cover for Death

only is available. Automatic Cover is not available once a member reaches the age of 70.

What does this mean for my client?

If your client joins Living Super on or after 1 April 2020, is aged 25 and over and under 70, and has not opted out of Automatic Cover (being Death and TPD), Automatic Cover insurance will commence at the earlier date of:

1. your client's account balance reaching \$6,000; OR
2. your client making an Election to receive Automatic Cover (where they have an account balance of greater than nil and less than \$6,000) by logging into their superannuation account at ing.com.au, going to 'My Accounts' > 'Superannuation' > 'Insurance' and clicking on the 'Make an Election' button and completing the outlined steps. To maintain your client's insurance, please ensure they have a sufficient account balance to cover the cost of their insurance premiums;

provided either occur within 120 days of your client opening a Living Super account.

Please take note your client will not be insured until they have received confirmation that they have satisfied the above criteria. Please read Living Super's Product Guide - Section 9 - 'Insurance through ING Living Super' to see if the terms of insurance cover are right for your client's needs and circumstances.

If they decide that the amounts provided under Automatic Cover are not suitable for them but still want insurance, they can apply for Tailored Cover (Death and TPD insurance) and/or Income Protection by logging into their superannuation account at ing.com.au and going to 'My Accounts' > 'Superannuation' > 'Insurance' and selecting 'Review Insurance' and completing the online application process. The insurer for Living Super will then make an assessment as to whether and on what terms your client will be insured for. They can also review, amend or cancel their insurance(s) at any time by logging into their superannuation account at ing.com.au, clicking on the 'Insurance' tab and selecting 'Review Insurance'.

New adviser application form

Please note we have amended the application form for new clients joining on or after 1 April 2020. A copy of the new form can be found [here](#) on the [ING Adviser website](#) after 1 April. We will continue to accept applications on the old form for the month of April 2020 only. After this time, only new forms will be accepted.

Existing customers who will have their covered cancelled at 1 April 2020

We will write to existing clients shortly after 1 April 2020, where their cover under PMIF legislation is required to be cancelled from this date. These were customers in Living Super at 1 November 2019 with automatic Death and Total and Permanent Disablement (TPD) insurance cover who had a balance less than \$6,000, and

1. their balance has not exceeded \$6,000 before 1 April 2020, and
2. they have not submitted the online Election for their insurance cover to continue even though their balance is less than \$6,000.

What do I do if I want to reinstate my client's insurance cover(s)

If your client's cover is cancelled at 1 April 2020, your client's can apply to reinstate their cover, however must do so within 6 months (i.e. by 30 September 2020). To do this your client can:

- Login to ing.com.au - Go to 'My Accounts' > 'Superannuation' > 'Insurance' , Select 'Downloads & Links' at the bottom of the page
- Complete and return the 'Application for Reinstatement form'

Our Insurer will then confirm whether, and on what terms, your client's cover has been reinstated.

Need more information?

- Contact your ING representative
- Contact Adviser Services on 1300 656 226 Monday - Friday: 9:00am - 5:30pm AEST/AEDT or email direct.adviser@ing.com.au
- New applications can be emailed to adviser.applications@ing.com.au
- Account maintenance requests (including Adviser Authorisation Forms) can be emailed to adviser.admin@ing.com.au
- Living Super enquiries can be emailed to livingsuper.adviser@ing.com.au

To learn more



Visit adviser.ing.com.au



Call 1300 656 226



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Any advice in this Product Update does not take into account your or your clients objectives, financial situation or needs and you should consider whether it is appropriate for you and your clients. You should consider the relevant Product Disclosure Statement or Terms and Conditions and the Financial Services Guide available at ing.com.au and the product's appropriateness when deciding whether to acquire, or to continue to hold, a product. If you, or your clients, have a complaint, please call 1300 656 226 (Monday to Friday between 9.00am - 5:30pm AEST), as we have procedures in place to help resolve any issues you, or your client may have.

Issuer Details

Products (other than Living Super) are issued by ING, a business name of ING Bank (Australia) Limited ABN 24 000 893 292, AFSL and Australian Credit Licence 229823.

ING Business & Personal Term Deposits

Applications for Business and Personal Term Deposits are subject to eligibility criteria for approved applicants only. Minimum opening deposit of \$10,000 for any Term Deposit Account.

Maximum combined limits on Term Deposits - We may refuse an application for a term deposit where it would result in you exceeding the following limits:

- Personal Terms Deposits: The total combined balance of all Personal Term Deposit Accounts held by a person (individually or in joint names) cannot exceed \$5million.
- Business Term Deposits: The total combined balance of all Business Term Deposits as held by the Australian-resident business or trust cannot exceed \$10million.

The interest rates that apply to Business and Personal Term Deposits are the interest rates that are current on the date the term deposit is opened. Interest rate reduction will apply where you break the Term Deposit prior to the maturity date.

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