

«Date»

«Title» «First_Name» «Surname»
«Address_Line_1»
«Address_Line_2»
«Suburb» «State» «Postcode»
«Country»

Dear «Title» «Surname»

Member number: <<Member_number>>

The Cost of Your Insurance in smartMonday DIRECT is Increasing

Here at smartMonday, we truly understand how sensitive most households are to price increases. In light of this, we have worked hard with our Insurer to keep any price increases reasonable to members for the insurance cover built into their super.

New Insurance Rates

The new insurance rates below are based on (a) the insurers analysing claims information of the Fund members together with (b) the impact of legislative change on insurance pricing.

These legislative changes include the Australian Government's "Protecting Your Super" and "Putting Members Interest First" legislation which both impact the coverage across the Fund.

The Insurer is increasing the underlying rates for different components of smartMonday Insurance Cover as shown in the Table below. This means **new rates will take effect as of 15 December 2019**, however we have negotiated with the Insurer that these insurance premium rates are guaranteed until 30 June 2022.

This means the cost of cover for every age is guaranteed to remain unchanged until 30 June 2022, even if there is an increase in the number of claims under the Fund.

However, please note that premiums do rise as you get older. Insurers in general consider that the older you are the more risk you pose and they factor this into their pricing, therefore you should expect to pay more for cover each year.

The rates of increase for smartMonday Insurance Cover will be:

Type of insurance	Percentage increase
Death *	+ 12.7%
Total and permanent disablement (TPD) *	+ 21.6%
Income protection	+ 14.0% (2 Year Benefit Period)
Income protection	+ 93.6% (5 year or to age 65 Benefit Period)

* For members who have equal amount of Death and TPD cover, the composite increase in premiums for Death and TPD cover will range from 15% to 19%.

The new premium rates to apply from 15 December 2019 will be available in a *Factsheet* titled “*smartMonday – Insurance rates from 15 December 2019*”. This *Factsheet* should be viewed in conjunction with and forms the part of this notice. The *Factsheet* will be available from 15 November 2019 at <https://smartmonday.com.au/insurance-rates> or can be provided to you on request by phoning 1300 880 588.

Please note that the rates disclosed in the *Factsheet* do not include brokerage. If members commenced insurance before 1 July 2013, their insurance premiums may include brokerage paid to their adviser. If you are unsure about the rates that apply to you, speak to your adviser or call us on 1300 880 588.

What does this mean to a member?

If a member holds insurance cover in smartMonday, the premiums will increase from 15 December 2019. The increase in premiums does not impact the level and type of insurance cover for any insured member. Please note however the deduction of insurance premiums from superannuation accounts can have an impact on member balances at retirement.

We will also provide those members with further communications in January 2020 that will outline the specific details of their cover and the new premium that will apply.

This increase in premium rates does not require any action from members unless a member is concerned about the increased premiums, or level and type of cover.

The level and type of cover can be varied by completing the Insurance Update Form which can be found in the Forms Section of the smartMonday website. Members may also submit a request in writing to cancel cover at any time. If you wish to apply for an increase in cover, this may be subject to underwriting and approval by the Insurer.

At smartMonday, we encourage members to regularly review their insurance cover to ensure that it suits their situation.

What kind of insurance cover is available in smartMonday?

Insurance in smartMonday may include:

- Death insurance. Payable if you die or earlier in the event of terminal illness.
- Total and permanent disablement (TPD) insurance. Payable if an injury or illness prevents you ever being able to work again and you satisfy one of the definitions of total and permanent disablement.
- Income protection insurance. Payable as monthly income for a set period if an injury or illness prevents you from working.

For more information on smartMonday Terms and Conditions, including coverage, definitions and circumstances where there are exclusions or limitations to benefits, please refer to the [Insurance Reference Guide](#) which can be located in the Resources Section of the smartMonday website.

The [Insurance Reference Guide](#) can help members understand the insurance benefits available as well as their current costs – however please note, the new premium rates will be updated in the smartMonday DIRECT PDS-Insurance guide on 15 December 2019.

What are the benefits of insurance through smartMonday super?

- smartMonday has leveraged its relationships with leading Insurers to secure bulk discounts to offer members some of the best possible pricings for these types of policies.
- Eligible members, in many circumstances, may be automatically accepted for cover without requiring a health check.
- Insurance costs automatically paid out of super provides a member and their family protection, without impacting their weekly or monthly budget.

Please note that a possible disadvantage with insurance in super is that costs deducted from your account balance may reduce the benefit you have in retirement.

Have Questions about insurance or varying insurance within super?

If you would like to talk about insurance generally or the impacts of these premium rate increases, you may wish to consult with your adviser. If you have general questions about the changes occurring don't hesitate to contact us on **1300 880 588** or email **enquiries@smartMonday.com.au**

How can members check the insurance cover they have in smartMonday?

There are several ways to find out what your current insurance cover is in your fund by:

- accessing the **smartMonday Member Portal**
- or
- simply calling **smartMonday Member Services on 1300 880 588**.

Yours sincerely,

**For and on behalf of the Trustee
Equity Trustees Superannuation Limited**

This notice is prepared by Aon Hewitt Limited ABN 48 002 288 646 AFSL 236667 (Aon) on behalf of the trustee of the Fund should be read in conjunction with the "smartMonday – Insurance rates from 15 December 2019" *Factsheet* available from the smartMonday website. The information in this notice is general information only and does not take into account your particular objectives, financial circumstances or needs. You should consider obtaining personal financial advice that takes into account your particular circumstances before making any financial decisions based on the information in this notice.