



Significant Event Notice

Change to Death and Total & Permanent Disablement Insurance

This notice is to advise members of amendments to the Death and Total & Permanent Disablement insurance policy that result in changes to amount and timing of insurance premiums paid by members from 1 April 2015.

The changes are:

- Death and Total & Permanent Disablement (TPD) insurance premiums have increased by approximately 14% for employee and retained members; and
- Premiums will be deducted at the commencement of the insurance year (1 April) for the year in advance for all members.

There has been no change to the premium rates payable by spouse members of the fund.

What are the new insurance premiums?

The premium you pay for your cover is based on your age and membership type. The new premium rate tables for Death and TPD cover for all ages and membership types are attached at the end of this notice.

You will be sent a letter in April 2015 which advises your new individual cover amount from 1 April 2015 and the premiums payable.

Is there any change to my Salary Continuance Insurance premiums?

Salary Continuance Insurance premiums are not changing at this time. The current premiums payable have been guaranteed until 31 March 2016, so no change will occur prior to this date.

Why has the cost changed?

Insurance premium costs are determined by the Fund's insurer, MLC Limited, based on the claims experience of the Fund and the insurance industry in general.

The Trustee has negotiated with MLC to keep the increase as low as possible and MLC have agreed to a discount in the premium payable in return for the Fund paying the premiums annually in advance.

If the rates are going up, why didn't CBH Super change insurers?

While it is never ideal for costs to increase, the premium increase applied by MLC is reasonable compared to what is available from other insurers. Group insurance premiums have increased across the insurance industry over the past 18 months, with some superannuation funds increasing premiums by as much as 35% for some cover.

The insurers who offer group insurance policies to Australian superannuation funds give the following reasons for premium increases:

- A significant increase in the number of claims being lodged and paid by insurers;
- Rising operational costs faced by insurance companies; and
- New regulations that require insurance companies to hold more capital to support their business*.

* *Superfunds magazine, April 2014.*

How will premiums be charged to my account?

In future, your Death and TPD premiums will be payable for the year in advance for the period 1 April to 31 March each year. The premium amount for the full year will be deducted from your account on 1 April each year.

If you cancel your cover during the year or leave the Fund, you will be refunded any overpaid premium amount at the date you cancelled your cover or left the Fund.

If you change your amount of cover during the year, an adjustment amount will be calculated and deducted from account at the end of the insurance year on 31 March.

Previously premiums were paid to MLC monthly and deducted from your account on 31 October each year. As the change in the timing of premium deductions has occurred during the 2014-15 year, Death and TPD premiums payable for the period 1 November 2014 – 31 March 2015 will be deducted from your account on 31 October 2015.

As there has been no change to the payment and deduction of salary continuance insurance premiums, your full premium for the period 1 November 2014 – 31 October 2015 will be deducted from your account on 31 October 2015.

If I want to change my insurance options, what do I need to do?

You can increase, reduce or cancel your cover at any time by notifying the Fund Secretary in writing of your required cover amounts.

For increased cover, you will generally have to provide the insurer with evidence of good health and may have to undertake a medical examination before the new or additional cover is provided.

If you opt out of any cover or reduce the cover amount and later wish to have cover re-instated or increased, you will need to provide the insurer with evidence of good health.

Before making any changes to your insurance cover, we encourage you to consider discussing your insurance arrangements with a licensed financial adviser to obtain advice that is tailored to suit your own personal circumstance.

Changes to Fund documentation

The Fund's Product Disclosure Statement and incorporated brochures have been updated to reflect these changes to the Fund's insurance offering. You can view the current version of these documents on the Fund's website at www.cbhsuper.com.au under the 'Documents and Forms' menu → Member Information.

Further information

If you have any queries about your insurance cover or these changes, please contact the Fund Secretary on 08 9237 9707 or at donna.adam@cbh.com.au.

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CBH Superannuation Fund Premium rates from 1 April 2015

Age next birthday	Employee and retained members			Spouse members		
	Death cover	TPD cover	Death & TPD cover combined	Death cover	TPD cover	Death & TPD cover combined
16	0.25	0.13	0.38	0.30	0.16	0.46
17	0.31	0.13	0.44	0.38	0.16	0.54
18	0.36	0.11	0.47	0.44	0.14	0.58
19	0.41	0.11	0.52	0.50	0.14	0.64
20	0.46	0.11	0.57	0.55	0.14	0.69
21	0.47	0.11	0.58	0.58	0.14	0.72
22	0.48	0.11	0.59	0.59	0.14	0.73
23	0.49	0.11	0.60	0.60	0.14	0.74
24	0.49	0.13	0.62	0.60	0.16	0.76
25	0.49	0.14	0.63	0.60	0.17	0.77
26	0.46	0.15	0.61	0.55	0.18	0.73
27	0.44	0.17	0.61	0.54	0.22	0.76
28	0.44	0.19	0.63	0.54	0.25	0.79
29	0.43	0.22	0.65	0.53	0.28	0.81
30	0.43	0.25	0.68	0.53	0.32	0.85
31	0.43	0.26	0.69	0.53	0.34	0.87
32	0.43	0.30	0.73	0.53	0.38	0.91
33	0.43	0.33	0.76	0.53	0.42	0.95
34	0.44	0.36	0.80	0.54	0.46	1.00
35	0.46	0.41	0.87	0.55	0.53	1.08
36	0.47	0.47	0.94	0.57	0.59	1.16
37	0.48	0.51	0.99	0.59	0.66	1.25
38	0.49	0.57	1.06	0.60	0.74	1.34
39	0.54	0.64	1.18	0.66	0.81	1.47
40	0.57	0.71	1.28	0.71	0.91	1.62
41	0.62	0.78	1.40	0.76	1.00	1.76
42	0.67	0.87	1.54	0.82	1.10	1.92
43	0.73	0.95	1.68	0.89	1.21	2.10
44	0.81	1.08	1.89	1.00	1.39	2.39
45	0.89	1.24	2.13	1.10	1.59	2.69
46	0.99	1.41	2.4	1.22	1.81	3.03
47	1.11	1.62	2.73	1.36	2.08	3.44
48	1.23	1.85	3.08	1.51	2.36	3.87
49	1.35	2.12	3.47	1.65	2.72	4.22
50	1.47	2.44	3.91	1.80	3.13	4.93
51	1.60	2.82	4.42	1.97	3.66	5.63
52	1.76	3.24	5.00	2.15	4.14	6.29
53	1.90	3.72	5.62	2.34	4.75	7.09
54	2.09	4.23	6.32	2.56	5.41	7.97
55	2.27	4.81	7.08	2.78	6.16	8.94
56	2.47	5.48	7.95	3.04	7.01	10.05
57	2.69	6.24	8.93	3.30	7.99	11.29
58	2.93	7.11	10.04	3.59	9.10	12.69
59	3.24	7.73	10.97	3.98	9.89	13.87
60	3.60	8.41	12.01	4.42	10.77	15.19
61	3.98	9.15	13.13	4.89	11.72	16.61
62	4.40	9.95	14.35	5.40	12.74	18.14
63	4.87	10.83	15.70	5.97	13.87	19.84
64	5.31	12.13	17.44	6.53	15.53	22.06
65	5.80	13.57	19.37	7.13	17.36	24.49
66	6.40	15.82	22.22	7.85	20.25	28.10
67	7.03	18.41	25.44	8.63	23.56	32.19
68	7.74	21.39	29.13	9.50	27.37	36.87
69	8.50	24.74	33.24	10.44	31.67	42.11
70	9.36	28.56	37.92	11.49	36.55	48.04