

# Insurance factsheet for current Defined Benefit members that also have a separate Accumulate Plus account in Group Super.

13 11 84 | [australianretirementtrust.com.au](https://australianretirementtrust.com.au)

Last updated | 3 October 2023

If you're currently a Defined Benefit member that also has a separate Accumulate Plus account in Group Super, this insurance factsheet is for you.

## Understand your insurance

In the CBA Group Super Plan with Australian Retirement Trust, members will have access to the following insurance:

- **Death cover**, which is designed to pay a benefit if you die. You may be able to receive an insurance benefit if you are diagnosed with a terminal illness. You'll need to meet the terminal illness definition.
- **Total & Permanent Disability cover**, which is designed to pay a benefit if you can't ever work again. You'll need to meet the relevant definitions of total and permanent disablement for your cover.
- **Income Protection cover (called Salary Continuance with Group Super)** - which provides a monthly benefit in the event that you are unable to work due to sickness or injury (if currently held with Group Super).

## Your Death and Total & Permanent Disability cover

When the new CBA Group Super Plan commences in Australian Retirement Trust on 4 November 2023, if you currently hold Voluntary cover with Group Super, you'll be provided with insurance cover<sup>1</sup> that is equal to the amount of cover you had in Group Super.

Any Voluntary Death and Total & Permanent Disability cover you had at the time of the transition with Group Super will continue with us as Additional Death and/or Total & Permanent Disability cover on a fixed cover basis.

In Australian Retirement Trust, once you reach age 51, your Additional Death and Total & Permanent Disability cover reduces annually by 5% of your insured benefit at age 50, until your 70th birthday when cover ceases.

Where any individual exclusions, restrictions or loadings apply to existing cover in Group Super, these will continue to apply when your account is carried over to us.



It's important to note that your Death and Total & Permanent Disability cover with Australian Retirement Trust will taper (cover decreases with age) from age 51. Further details on **how to opt out of tapering** are provided later in this factsheet.

<sup>1</sup>Insurance cover in Australian Retirement Trust will be provided via group life policies for Death and Total & Permanent Disability and Income Protection cover issued by AIA Australia Limited (ABN 79 004 837 861, AFSL No 230043) to the Trustee of the Australian Retirement Trust Superannuation Fund.

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## Important information about your insurance cover

Insurance cover in Australian Retirement Trust is provided under different insurance policies with different terms and conditions to those in Group Super.

It's important to note that cover tapers (decreases with age) in the new CBA Group Super Plan with Australian Retirement Trust. The change in tapering rules was introduced to address the concern of account balance erosion due to insurance premiums, by automatically reducing high (and expensive) levels of cover at older ages of membership.

Insurance premium rates are set to decrease. Overall, CBA Group employees will benefit from a reduction in Death and Total and Permanent Disablement premium rates of on average around 26%, and Salary Continuance premium rates of on average around 6%, compared to what you currently pay in Group Super. The premium impact varies depending on your age and the type of cover you hold. The same premium rates will apply for Standard Cover and Additional Cover.

## Tapering of Additional cover

Australian Retirement Trust applies tapering on Additional cover. The amount of tapering will depend on your age at the transfer date and whether you have Additional cover at the transfer date or apply for it or at a later date.

Standard tapering will apply if you're younger than age 51 on transfer date and to any new applications for Additional cover after transfer date.

Below is the difference in tapering rules within Group Super and in the new CBA Group Super Plan with Australian Retirement Trust.

Tapering with Group Super	Standard tapering in the CBA Group Super Plan
No Tapering	Additional Death and Total & Permanent Disability cover reduces annually from age 51 by 5% of your insured benefit at age 50, until your 70th birthday when cover ceases.

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Transitional tapering on Additional cover will apply if you're aged 51 and older on the transfer date. This will provide a smoothed reduction in your insured cover between the transfer date and age 70. The first annual taper will apply on your next birthday and the amount of taper is listed below:

Age transitional tapering starts	Your Additional cover will taper each year by:
51	5.0% p.a.
52	5.3% p.a.
53	5.6% p.a.
54	5.9% p.a.
55	6.3% p.a.
56	6.7% p.a.
57	7.1% p.a.
58	7.7% p.a.
59	8.3% p.a.
60	9.1% p.a.
61	10.0% p.a.
62	11.1% p.a.
63	12.5% p.a.
64	14.3% p.a.
65	16.7% p.a.
66	20% p.a.
67	25% p.a.
68	33.3% p.a.
69	50% p.a.
70	100% p.a.

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## Opt out of tapering

You have the option to opt out of tapering and fix your Death and/or Total & Permanent Disability cover effective 4 November 2023. It's important to note that if you fix your cover, it will remain level for the duration of your membership and will not experience tapering (tapering from your 51st birthday). This means the amount of your insurance cover stays the same regardless of your age.



**To fix your current Death and Total & Permanent Disability cover and opt out of tapering,** click the link in the transition email we sent you by 4 December 2023.

As the insurance premiums deducted from your super balance can affect the amount of money that you have at retirement, especially if the premiums deducted from your account are higher than the contributions and earnings credited to your account the Trustee thought it was prudent to introduce measures to offset the cost of insurance at older ages.

It's important that you regularly review your contribution amount/s and insurance cover to make sure it continues to meet your needs and still allows you to provide for your retirement.

## Tailor your cover

You can also apply for Additional cover on a fixed<sup>1</sup> dollar amount of cover.

Any application for an increase in cover is subject to acceptance by the insurer. Satisfactory evidence of health may be required.

You can tailor your cover after 4 November 2023. All forms are available at [art.com.au/cbasp](https://art.com.au/cbasp). You can also cancel your insurance cover any time through Member Online or by contacting us on **13 11 84**.

<sup>1</sup>With fixed cover, Death and Total & Permanent Disability cover reduces annually from age 51 by 5% of your insured benefit at age 50, until your 70th birthday when cover ceases.

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## Your Income Protection cover

If you have Salary Continuance Insurance in Group Super, your cover will continue to be calculated as it currently is.

### Tailor your existing Income Protection cover

You can apply to change your existing Income Protection cover to provide a replacement income of up to 75% of Salary, for up to 2 years or to-age-65, after a waiting period of 30 or 90 days, while you're unable to work due to sickness or injury.

You can tailor your existing cover after 4 November 2023. All forms are available at [art.com.au/cbasp](https://art.com.au/cbasp)

It's important to note that no new applications for Income Protection cover are available in the new CBA Group Super Plan, with Australian Retirement Trust.

### Covid-19

It's important to note that, AIA's existing Death, Total & Permanent Disability and Income Protection policies provide cover for COVID-19, in accordance with the policy terms. There is nothing in the policy terms that prevents AIA from paying claims in these circumstances and they don't have any policy exclusions or limitations related to epidemics and/or pandemics.

### More information

- Use the Insurance Calculator available at [art.com.au/cbasp](https://art.com.au/cbasp) and enter your employment details for a more detailed insurance quote.
- Read the Super Savings - Corporate Insurance guide CBA Group Super Plan<sup>1</sup>, available at [art.com.au/cbasp](https://art.com.au/cbasp) to compare the terms and conditions in your current plan with those in Australian Retirement Trust, including the premiums and details of your cover.
- Check your insurance cover in your Welcome letter which will be sent mid-November 2023.

<sup>1</sup>The Super Savings - Corporate Insurance guide CBA Group Super Plan which will be available on or shortly after 3 October 2023 (for information only purposes until the Plan starts on 4 November 2023) at [art.com.au/cbasp](https://art.com.au/cbasp)