

Important insurance changes

from 1 May 2022

Police Blue Ribbon Super



Effective 1 May 2022, there will be changes to the premiums payable for insurance benefits for the Police category under Part 1 of Police Blue Ribbon Super.

In the following pages, we explain how the changes affect you and the premiums you will pay.

Eligible NSW Police Officers have access to two separate types of insurance through Aware Super: Automatic cover, Death and total and permanent disablement (Part 1), and Police Blue Ribbon Insurance (Part 2).

The changes described in this document apply to **Part 1** only, both automatic and additional unitised cover. This notice does not apply to insurance provided under the Police Blue Ribbon Insurance policy.

If you don't currently have insurance through Aware Super, you should also understand what the changes mean in case you get insurance in the future.



You can find out more in the section 'Part 1: Death and TPD cover' of your *Member Booklet Supplement: Insurance (Police Blue Ribbon Super)*.

Please read this in conjunction with the *Member Booklet (Product Disclosure Statement)* available at aware.com.au/pds to understand all the terms and conditions that may apply to you.

The cost of your insurance is changing

We regularly undertake a review of our insurance arrangements and recently, this included the insurance cover provided to eligible sworn New South Wales (NSW) Police Officers.

As a result of our review with the insurer, your insurance premiums will be changing from 1 May 2022.

- Premiums for Death only cover will **reduce**
- Premiums for Death and Total and Permanent Disablement (TPD) cover will **increase**.

These changes apply to all members who have unitised Death Only, and Death and TPD, cover under the Police category for Part 1 of Police Blue Ribbon Super.

The *New cost of cover* section included on page 3 shows the new insurance premium rate tables and instructions on how to calculate the cost of your cover.

There are no changes to the level of cover and benefits provided by your insurance. This notification is about changes to the cost of premiums only.

Why the cost of insurance is changing

Aware Super regularly reviews the insurance cover terms and cost with our insurer to ensure the best value insurance arrangements are provided to you. Recently we undertook a review of the cost of insurance benefits provided for Death and TPD.

The review showed that TPD claims have been significantly increasing. As a result, the insurer has advised the cost of insurance will increase in order to cover the increase in these claims.

Your health and wellbeing are important to us. We know that remaining in good health gives you the best chance for financial security in retirement. That's why we're working with our insurer and NSW Police on a number of initiatives to provide health and wellbeing support. You can also visit our dedicated health and wellbeing webpage aware.com.au/health to access a range of support tools that could assist you and your family.

If you have up to 3 units of Death and TPD cover, there's a subsidy from NSW Police that will help to reduce how much of the new premiums you will pay. Please refer to the section *New cost of cover*.



If you have additional unitised cover, you should take some time to review the information in the section *New cost of cover* and consider whether the insurance is still appropriate for you.

To find out more

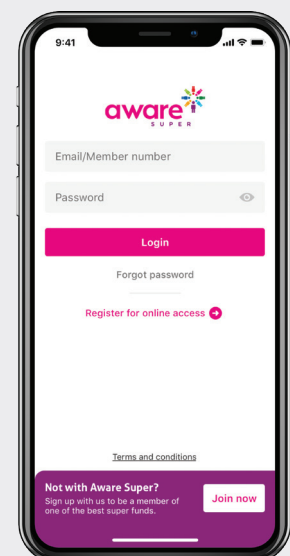
You can find out more about your existing cover by logging in to your online account or via the Aware Super mobile app.

If you don't have an online account, you can register for one by visiting aware.com.au/register, or give us a call on **1300 650 873** and we can help you set it up.

If you'd like to change your insurance cover, please visit our website aware.com.au/forms, click on 'Change insurance cover' (the fifth tab under the heading Superannuation forms) and select the form that applies to you. Fill in the form and follow the instructions on where to send the completed form.

Alternatively, we have created a temporary webpage to take your request to reduce or cancel your insurance cover, which can be accessed here: tal.com.au/group/policereduceorcancecover.html

For more information about insurance, please read your relevant *Member Booklet Supplement: Insurance (Police Blue Ribbon Super)* at aware.com.au/pds. These booklets will be updated to include the changes explained in this Notice from 1 May 2022.



New cost of cover

From 1 May 2022 the cost for both Death Only, and Death and TPD insurance cover, is changing.



Unit based insurance

Where you have unit-based cover, the cost per unit is changing from 1 May 2022 as set out below. Most members have 3 units of Death and TPD cover, which is the automatic amount of cover provided to new eligible officers.

Table 1: Change in costs for Death Only and Death and TPD cover

	Cost per unit per month ¹ (deducted from your account)			
	Death only		Death and TPD	
	Current	New	Current	New
1 unit of cover	\$16.11	\$2.33	\$33.88	\$162.15
3 units of cover	\$48.33	\$6.99	\$101.64	\$486.45

¹ The cost of cover includes the insurance administration fee of \$0.05 per unit per month for Death only cover and \$0.10 per unit per month for Death and TPD cover. This fee will not change.

Example

Total Cost for 3 units of Death and TPD Cover

Table 2: Change in net costs to you after NSW Police subsidy

3 units of Death and TPD cover	Total cost (per month)	NSW Police pays	You pay
Cost up to 30 April 2022	\$101.64	\$58.05	\$43.59
Cost from 1 May 2022	\$486.45	\$315.87	\$170.58
Percentage increase	379.7% ²	444.1%	291.3%

² The percentage increase excludes the insurance administration fee of \$0.10 per unit per month for Death and TPD cover.

Important notes:

1. NSW Police makes additional contributions to your account to significantly reduce the amount you pay for up to 3 units of Death and TPD cover. The example in Table 2 shows the amount you pay and the amount NSW Police pays, currently and from 1 May 2022.
2. The Table 2 example shows that if you have 3 units of Death and TPD cover, the increase to you is 291.3% (and not 379.7%) after the subsidy from NSW Police.
3. The amount paid by NSW Police is included in your annual concessional (before-tax) contributions cap, which is \$27,500 for the 2021-22 financial year. If you exceed this cap for the financial year, additional tax may apply.
4. NSW Police has committed to making additional contributions to your account to reduce the amount you pay for up to 3 units of Death and TPD cover. If the additional contributions from NSW Police change in the future, we will write to you to inform you of the change.
5. If you have cover other than 3 units of Death and TPD, you can contact us on 1300 650 873 for the subsidy that applies to you.
6. If you cancel your insurance, NSW Police will no longer make additional contributions to your account to subsidise your insurance cover.



Contact us



Phone 1300 650 873

Web aware.com.au

Post PO Box 1229, Wollongong NSW 2500

Important information

This information is of a general nature which means it doesn't take into account your specific objectives, financial situation or needs. We recommend you contact us for up-to-date information before you access your benefit, or if you need confirmation of your insurance cover. You should read the Member Booklet (Product Disclosure Statement) and Target Market Determination for the product before making any decisions. Just call Customer Service on 1300 650 873 for a free copy, or visit aware.com.au/pds.

Personal advice requires the provider to act in the client's best interests and take into account the client's circumstances. These rules do not apply to general advice. This communication contains general advice only and no personal advice. We have not taken into consideration any of your objectives, financial situation or needs or any information we hold about you when providing this general advice. Further this communication does not contain, and should not be read as containing, any recommendations to you in relation to your product. Before taking any action, you should consider whether the general advice contained in this communication is appropriate to you having regard to your circumstances and needs, and seek appropriate professional advice if you think you need it. Contact us to make an appointment to see one of our representatives. You should also read our product disclosure statement before making a decision about Aware Super. Call us or visit our website for a copy. Issued by Aware Super Pty Ltd ABN 11 118 202 672, AFSL 293340, the trustee of Aware Super ABN 53 226 460 365. Financial planning services are provided by our wholly owned financial planning business Aware Financial Services Australia Limited, ABN 86 003 742 756, AFSL No. 238430. You should read their Financial Services Guide before making a decision.