



Here are some changes to your account you need to be aware of.

We're writing to let you know about some changes to our insurance and investment options.

In summary:

- **Insurance changes (super members only)** – On 1 April 2020, the government made changes to insurance designed to protect low account balances from being eroded by unwanted premiums. As a result, we've made some changes to our insurance.
- **Investment options changes** – On 1 July 2020, we'll introduce minor changes to the investment objectives and risk profiles of some of our investment options.

The following information provides you with an outline of the changes and I encourage you to read on to see if you're affected.

As always, if you have any questions please call us on 13 64 63 or email help@mine.com.au. We can also put you in touch with Mine Super Financial Advice who can support you with quality financial advice.

Thanks for being with Mine Super.

A handwritten signature in black ink, appearing to read 'Glenda'.

Glenda Abraham
Chief Engagement Officer
Mine Super

Insurance changes – effective from 1 April 2020

Super members only. Pension members aren't affected.

In late 2019 we wrote to members about new government rules that would be introduced on 1 April 2020. These new rules mean that people under age 25 and / or who have a balance below \$6,000 will no longer be able to have insurance automatically added to their account unless they choose to. If you were personally affected by these new rules, we wrote to you directly prior to the changes taking effect.

Because of these government changes, we've introduced the following changes to our insurance.

Death and Terminal Illness (DTI) insurance – Basic Insurance Cover

Who's eligible for Basic Insurance Cover?

To be eligible, a member must:

- be an Australian resident aged 15 to 64
- be employed with their employer making contributions to their Mine Super account
- be aged 25 or over and have an account balance of \$6,000 or more, unless the member has chosen to have Basic Insurance Cover.

Previously: the age and account balance limits did not apply.

What type of Basic Insurance Cover does a member receive?

When this insurance is first added to a member's account, they'll receive Limited Basic Insurance Cover¹. It will then convert to Standard Basic Insurance Cover¹ when:

- **Cover has been applied automatically:**
If the member's employer makes a contribution within 180 days of the date the member's cover commenced and the member is in Active Employment² for 30 consecutive days after their cover commences, the member's cover will convert to Standard Basic Insurance Cover.

If, however, the member's employer makes their first contribution for the member outside of 180 days, the member's cover will remain Limited Basic Insurance Cover for a minimum period of 24 months followed by 30 consecutive days in Active Employment. The member's cover will then convert to Standard Basic Insurance Cover.

- **A member asks us to add cover to their account:** If the member asks us to add cover within 180 days of commencing employment with their employer and the member is in Active Employment for 30 consecutive days after their cover commences, the member's cover will convert to Standard Basic Insurance Cover. If, however, the member asks us to add cover outside of 180 days of commencing employment with their employer, the member's cover will remain Limited Basic Insurance Cover for a minimum period of 24 months followed by 30 consecutive days in Active Employment. The member's cover will then convert to Standard Basic Insurance Cover.

Previously: a member would receive Standard Basic Insurance Cover when this insurance was added to their account but only if contributions were received within 180 days of the member commencing employment with their employer.

When is a member eligible for a refund of premiums when cancelling Basic Insurance Cover?

If cover has been applied automatically and a member cancels their Basic Insurance Cover within 90 days of their insurance starting, we'll refund premiums to the member's account.

Previously: a member had 90 days from the date of their new account welcome letter.

When can a member use the 'Introductory Cover Option' special offer?

Under this option, a member can apply to double their Basic Insurance Cover within 60 days of receiving their insurance welcome letter. A member can only take up this offer once and only when Basic Insurance Cover is first added to their account.

Previously: a member had to apply within 60 days of their new account welcome letter.

¹ Limited Cover means a member is only covered for an illness that first becomes apparent or an injury that first occurs on or after the date their insurance started, restarted or increased. Standard Cover means they're fully covered without these restrictions.

² For more information about Active Employment, read the PDS and Insurance Guide at mine.com.au/super-pds

Income Protection (IP) insurance

Who's eligible for Standard IP insurance?

To be eligible, a member must:

- be an Australian resident aged 15 to 64
- be employed with their employer making contributions to their Mine Super account
- be aged 25 or over and have an account balance of \$6,000 or more, unless the member has chosen to have Standard IP insurance.

Previously: the age and account balance limits did not apply.

What type of IP insurance does a member receive?

- If Standard IP insurance¹ has been applied automatically and the member's employer makes a contribution within 180 days of the date their cover commenced, the member will have Limited IP Cover¹ until they've been in Active Employment² for 30 consecutive days after their cover commenced. It will then convert to full Standard IP insurance.

If, however, the member's employer makes their first contribution outside of 180 days, the member's cover will remain Limited IP Cover for a minimum period of 24 months followed by 30 consecutive days in Active Employment.

- If a member is eligible and asks us to add Standard IP insurance to their account within 180 days of commencing employment with their employer, the member will have Limited IP Cover until they've been in Active Employment for 30 consecutive days after their cover commenced. It will then convert to full Standard IP insurance.

If a member asks to add Standard IP insurance to their account more than 180 days after commencing employment, the member's cover will remain Limited IP Cover for a minimum period of 24 months followed by 30 consecutive days in Active Employment.

Previously: a member would receive full Standard IP insurance when this insurance was added to their account but only if contributions were received within 180 days of the member commencing employment with their employer.

When does a member receive full Standard IP insurance when they improve their cover?

If a member improves their cover within 60 days of their insurance welcome letter, the member will be covered for existing illnesses and sicknesses on the improved part of their cover.

Previously: this change had to be made within 60 days of the member's new account welcome letter.

For more information about improving cover, read the PDS and Insurance Guide at mine.com.au/super-pds

When does a member need to take up the Policy Extension Option?

This must be taken up within 90 days of the date on the member's insurance welcome letter or within the member's current waiting period after they become sick or injured.

Previously: a member had to take up this option within 90 days of their new account welcome letter.



Investment option changes – from 1 July 2020

Each year we review our investment options to check that we have the right mix of assets given current market conditions and our outlook.

Following our 2020 review, we're not making any changes to the options' target and allowable ranges, but we'll make some minor adjustments to some of the investment options' objectives and risk profiles. These reflect our view of higher expected returns from shares and lower expected returns from bonds.

Investment objectives

The investment objective for the Aggressive Account-based Pension investment option has increased to CPI +4.50% from CPI +4.25%.

Standard Risk Measure (SRM) and Risk Bands

The **SRM** measures risk by showing the estimated number of annual negative returns for an investment option over any 20-year period. These negative returns can be experienced several years apart or several years in a row within the 20-year period.

The **Risk Band** is a relative measure of the risk of different investment options. The bands range between 1 and 7, with 1 being lowest risk and 7 the highest.

Pre-mixed options – SRMs and Risk Bands

	Option	2020		2019	
		SRM	Risk Band	SRM	Risk Band
Super / Pre-retirement Pension	Aggressive	4.8	6 (High)	5.0	6 (High)
	Growth	4.6	6 (High)	4.6	6 (High)
	Balanced	3.8	5 (Med-High)	3.4	5 (Med-High)
	Stable	2.4	4 (Med)	1.9	3 (Low-Med)
Account-based Pension	Aggressive	4.7	6 (High)	5.0	6 (High)
	Growth	4.5	6 (High)	4.6	6 (High)
	Balanced	3.7	5 (Med-High)	3.4	5 (Med-High)
	Stable / Capital Guarded	2.4	4 (Med)	2.1	4 (Med)

Single asset class options – SRMs and Risk Bands

	Option	2020		2019	
		SRM	Risk Band	SRM	Risk Band
Super / Pre-retirement Pension	Australian Shares	5.7	6 (High)	5.6	6 (High)
	International Shares	5.2	6 (High)	6.4	7 (Very High)
	Property	6.6	7 (Very High)	6.9	7 (Very High)
	Bonds	4.2	6 (High)	5.4	6 (High)
	Cash	0	1 (Very Low)	0	1 (Very Low)
	Term Deposit ³	0	1 (Very Low)	0	1 (Very Low)
Account-based Pension	Australian Shares	5.7	6 (High)	5.6	6 (High)
	International Shares	5.2	6 (High)	6.4	7 (Very High)
	Property	6.6	7 (Very High)	6.9	7 (Very High)
	Bonds	4.2	6 (High)	5.4	6 (High)
	Cash	0	1 (Very Low)	0	1 (Very Low)
	Term Deposit	0	1 (Very Low)	0	1 (Very Low)

³ Not available for Pre-retirement Pensions

Any advice in this document is general advice only and does not take into account your financial situation, needs or objectives. Before acting, consider if the information is right for your needs and circumstances and read the relevant Product Disclosure Statement (PDS). This information is based on our understanding of current Australian laws and assumes they will remain unchanged. Issued by AUSCOAL Superannuation Pty Ltd ABN 70 003 566 989 AFS licence 246864 Trustee for the Mine Superannuation Fund ABN 16 457 520 308. Advice is provided by Mine Super Services Pty Ltd ABN 49 051 315 014 AFS licence 502700.