

20 August 2021

Updating the information in the Spouse and Rollover Members *Guide to your Member Savings (Guide)*

This is a Product Disclosure Statement Update, dated 20 August 2021, which updates information contained in the Spouse and Rollover Members' **Guide**, which accompanies the Spouse and Rollover Members' **Your Member Savings PDS**, both dated 1 July 2021, and issued by PostSuper Pty Ltd (ABN 85 064 225 841).

This update only affects the Guide but should be read together with both the Guide and PDS.

If you need any clarification about this update, please contact APSS by calling *SuperPhone* on **1300 360 373** between 9am and 5.30pm (Sydney time) Monday to Friday or visit us online at apss.com.au. You can also send an email to sr@apss.com.au or write to APSS, Locked Bag A5005, Sydney South NSW 1235 or Fax (02) 9372 6288.

Updates to the 1 July 2021 *Guide to your Member Savings*

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Replace the third bullet point under heading 'If you are replacing insurance cover held elsewhere' with:

- Having your application for additional cover declined, or being denied a claim because you failed to comply with your Duty to take reasonable care not to make a misrepresentation when completing the *Application for Insurance* form (refer to page 40 of this guide for an explanation of the duty).

Updates to the 1 July 2021 *Guide to your Member Savings*

On 30 June 2021, Martin Fahy, Chief Executive Officer, ASFA announced that the Insurance in Superannuation Voluntary Code of Practice would not proceed. Therefore, the following amendment is required to the 1 July 2021 *Guide to your Member Savings* for Spouse and Rollover Members.

Page 34 -

Delete the following text:

Insurance in Superannuation Voluntary Code of Practice

The Insurance in Superannuation Voluntary Code of Practice (the Code) commenced on 1 July 2018, although a transition period means full compliance with the Code is not mandatory until 31 December 2021. The Code seeks to improve the insurance in superannuation offered to members, and the processes by which insurance benefits are provided to members. Super funds agreeing to adopt the Code must have a transition plan on their websites.

The APSS Trustee continues to progress its review of the Code's requirements to identify where it already complies, what gaps exist to achieve full compliance, and which requirements will be in Members' best interests. The Trustee adopted the Code on 30 November 2018 and has updated its transition plan for becoming compliant with the standards of the Code within the required timeframe. The published plan is available to download on apss.com.au in the *Fact sheets* section under the *Publications & Forms* tab.

Updates to the 1 July 2021 *Guide to your Member Savings*

After page 39 -

Insert new page 40 as follows:

The duty to take reasonable care not to make a misrepresentation

When you apply for life insurance, the Insurer's application form will ask you a number of questions. These questions will be clear and specific. They will be about things such as your health and medical history, occupation, income, lifestyle, pastimes, and other insurance.

The answers given in response to the Insurer's questions are very important. The Insurer will use them to decide if the Insurer can provide cover to you and, if it can, the terms of the cover and the premium the Insurer will charge.

The duty to take reasonable care

When applying for insurance, there is a duty to take reasonable care not to make a misrepresentation. A misrepresentation could be made if an answer is given that is false, only partially true, or that does not fairly reflect the truth. This means when answering the Insurer's questions, you should respond fully, honesty and accurately.

Warning

Care must be taken to answer all questions the Insurer asks as part of your insurance application honestly and accurately. Otherwise, you may not be able to rely on your insurance when it's needed the most.

The duty to take reasonable care not to make a misrepresentation applies any time you answer the Insurer's questions as part of an initial application for insurance, an application to extend or make changes to existing insurance, or an application to reinstate insurance.

You are responsible for all answers given, even if someone assists you with your application. The Insurer may later investigate the answers given in your application, including at the time of a claim.

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Consequences of not complying with the duty

If there is a failure to comply with the duty to take reasonable care not to make a misrepresentation, it can have serious consequences for your insurance, such as those explained in the table below.

If the Insurer believes there has been a breach of the duty to take reasonable care not to make a misrepresentation, the Insurer will let you know the reasons and the information the Insurer relied on and give you an opportunity to provide an explanation.

In determining if there has been a breach of the duty, the Insurer will consider all relevant circumstances.

The rights the Insurer has if there has been a failure to comply with the duty will depend on factors such as what the Insurer would have done had a misrepresentation not been made during your application process and whether or not the misrepresentation was fraudulently made.

If the Insurer decides to take some action on your cover, the Insurer will advise you of its decision and the process to have this reviewed, or make a complaint if you disagree with the Insurer's decision.

Potential consequences	Additional explanation	Impact on claims
<ul style="list-style-type: none">• Your cover being avoided.	This means your cover will be treated as if it never existed.	Any claim that has been made will not be payable.
<ul style="list-style-type: none">• The amount of your cover being changed.	Your cover level could be reduced.	If a claim has been made, a lower benefit may be payable.
<ul style="list-style-type: none">• The terms of your cover being changed.	The Insurer could, for example, add an exclusion to your cover meaning claims for certain events will not be payable.	If a claim has been made for an event that is now excluded, it will not be payable.

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Guidance for answering the Insurer's questions

When answering the Insurer's questions, please:

- Think carefully about each question before you answer. If you are unsure of the meaning of any question, please ask before you respond.
- Answer every question that the Insurer asks you.
- Do not assume that the Insurer will contact your doctor for any medical information.
- Answer truthfully, accurately and completely. If you are unsure about whether you should include information, please include it or check with the Insurer.
- Review your application carefully. If someone else helped prepare your application (for example, your adviser), please check every answer (and make corrections if needed) before the application is submitted.

Before your cover starts, the Insurer may ask about any changes that mean you would now answer the Insurer's questions differently. As any changes might require further assessment or investigation, it could save time if you let the Insurer know about any changes when they happen.

If, after the cover starts, you think you may not have met your duty, please contact the Insurer immediately and the Insurer will let you know whether it has any impact on the cover.

It's important that you understand this information and the questions the Insurer asks, so if you have any queries please, in the first instance, contact the APSS by sending an email to sr@apss.com.au or calling 1300 360 373.



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