

## Important information about your Virgin Money Super account

12 November 2019

We are delighted to inform you that we are making some improvements to the Virgin Money Super product. The following changes will be made:

1. Effective 1 December 2019, we will be reducing insurance premiums.
2. Effective 1 January 2020, we will be:
  - Increasing the growth allocation by 5% for all LifeStage Tracker age paths;
  - Amending the investment objectives for a number of the LifeStage Tracker age paths; and
  - Increasing the growth allocation by 5% for the Enhanced Index Growth and Enhanced Index Conservative Growth investment options.

This Notice outlines the details of important changes to your insurance and investment arrangements as part of your membership in Virgin Money Super. Take some time to read the below to ensure you understand the details of these changes. And if you have any questions, please call the Customer Care Team on **1300 652 770**.

## What's changing?

### REDUCTION TO INSURANCE PREMIUMS – EFFECTIVE 1 DECEMBER 2019

If you hold insurance through your Virgin Money Super account, your insurance cover is currently insured with OnePath Life Limited ABN 33 009 657 176 AFSL 238341 (OnePath) under a retail standalone policy. The policy and premium rates come up for renegotiation regularly. As such, Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533 AFSL 235906 ('the Trustee' or 'we') has completed a comprehensive review of the insurance arrangements across the following criteria and considerations:

- Pricing (including claims experience and Virgin Money Super's risk profile);
- Virgin Money Super Membership;
- Policy Conditions;
- Customer Experience;
- Service Capability, and;
- Organisational Capability.

As a result of this review, effective from 1 December 2019, we are pleased to inform you of the following:

1. OnePath has been re-appointed as the insurer for Death, Total & Permanent Disablement (TPD) and Income Protection (IP) cover for a further three year period.
2. Premium rates for Default and Tailored insurance options will generally decrease as follows:
  - a. 21% for Death Only (including Terminal Illness) cover;
  - b. 22% for Death (including Terminal Illness) and TPD cover; and
  - c. 20% for IP cover.
3. If you hold insurance there is no change to:
  - a. the way your insurance cover is calculated; and
  - b. how the cost of your cover is calculated and paid at the end of each month.

In addition to any insurance premiums, the monthly amount of \$1.50 per policy will continue to be deducted from your account balance and paid to Mercer Outsourcing (Australia) Pty Ltd (MOAPL) (ABN 83 068 908 912 AFSL 411980) as a fee for administering your insurance arrangement including claims and underwriting. This is only applicable if you hold insurance through your account.

The premium rates are generally guaranteed until 30 November 2022. Full details of the new premiums for Death, TPD and IP cover together with current rates effective up to 30 November 2019 are shown in Schedule A at the end of this Notice.

## INVESTMENT CHANGES TO SOME OF THE INVESTMENT OPTIONS

We have an annual investment health check review of each investment option. This helps the Trustee assess whether we need to make any changes and to ensure we continue to drive the best outcome for your retirement. As a result of this review, effective 1 January 2020 we will:

- Increase the growth allocation by 5% for all LifeStage Tracker age paths;
- Update the investment objectives for a number of the LifeStage Tracker age paths; and
- Increase the growth allocation by 5% for the Enhanced Index Growth and Enhanced Index Conservative Growth investment options.

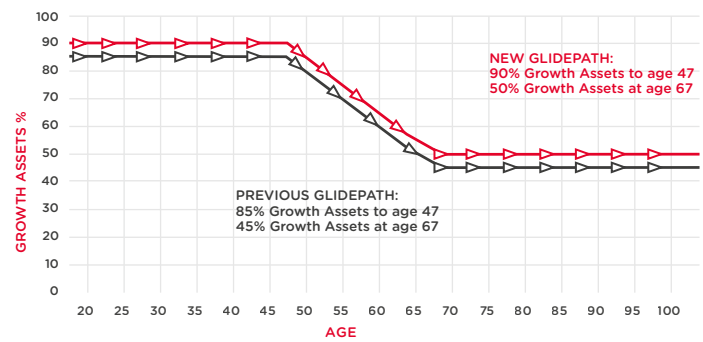
These changes are designed to improve investment outcomes for members. Full details of the asset allocation changes can be seen in SCHEDULE B at the end of this Notice.

### Increased growth allocation for LifeStage Tracker

To enhance the probability of the LifeStage Tracker age paths meeting their investment objectives in the future, from 1 January 2020 we will increase the percentage of growth assets by 5%.

The new and old glidepaths for LifeStage Tracker are shown on the right:

Full details of the asset allocation change for each age path are provided in SCHEDULE B at the end of this Notice.



### Updated investment objectives

Each LifeStage Tracker age path aims to outperform the Consumer Price Index (CPI) by a certain percentage each year for certain time periods (i.e. over four, five, six or seven years) based on the year of your birth. The investment objective of each path is linked to the investment mix of underlying assets and the returns we expect from those assets.

Looking ahead, we believe economic growth will continue to be slow and investment returns will be lower than in recent years, particularly with respect to defensive investments such as fixed interest investments - that are sensitive to the low interest rate environment. Therefore, we have amended the investment objectives (as below) for a number of the LifeStage Tracker age paths to align them to the expected economic growth and returns of the mix of investments in those options.

Investment option	Objective prior to 1 January 2020	Objective from 1 January 2020
<b>LifeStage Tracker - Born prior to 1954</b>	Exceed CPI by 1.50%* per annum over rolling four year periods.	Exceed CPI by 1.00%* per annum over rolling four year periods.
<b>LifeStage Tracker - Born 1954-1958</b>	Exceed CPI by 1.75%* per annum over rolling four year periods.	Exceed CPI by 1.50%* per annum over rolling five year periods.
<b>LifeStage Tracker - Born 1959-1963</b>	Exceed CPI by 2.25%* per annum over rolling five year periods.	Exceed CPI by 2.25%* per annum over rolling six year periods.
<b>LifeStage Tracker - Born 1964-1968</b>	Exceed CPI by 2.75%* per annum over rolling six year periods.	Exceed CPI by 2.75%* per annum over rolling seven year periods.
<b>LifeStage Tracker - Born 1969-1973</b>	Exceed CPI by 3.25%* per annum over rolling seven year periods.	No change
<b>LifeStage Tracker - Born after 1973<sup>#</sup></b>	Exceed CPI by 3.5%* per annum over rolling seven year periods.	No change

It is important to note that the value of an investment in Virgin Money Super may rise and fall from time to time. MSAL does not guarantee the investment performance, earnings or return of capital invested in Virgin Money Super.

\* After tax and investment fees

<sup>#</sup> Includes paths Born 1974 to 1978, Born 1979 to 1983, Born 1984 to 1988, Born 1989 to 1993, Born 1994 to 1998, Born 1999 to 2003, Born 2004 to 2008, Born 2009 to 2013 and Born 2014 to 2018.

## What do you need to do?

You don't need to do anything! The changes outlined in this Notice will take effect automatically on 1 December 2019 for the Insurance premiums and 1 January 2020 for the investment options.

With upcoming changes, now might be a great time to consider if your current insurance cover or investment arrangements within Virgin Money Super continue to meet your current needs.

Refer to the current Product Disclosure Statement, Product Guide and Insurance Guide available on our website [virginmoney.com.au/super](http://virginmoney.com.au/super) for information about the type of insurance cover available to you, the amount of insurance cover you are eligible, or can apply, for and the range of investment options available to you.

It is important to note this Notice contains general information only. Before acting on any of this information, you should consider whether it is appropriate to your objectives, financial situation and needs. We recommend you seek advice from a licensed or appropriately authorised financial adviser before you choose or change your insurance arrangements.

## We're here to help

If you have any questions about these changes, please contact our Customer Care Team on **1300 652 770**.

Remember, you always have access to limited financial advice about your super over the phone at no additional cost to you by calling the Customer Care Team.

### Important Information

This Notice has been prepared by Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533, AFSL 235906 as the trustee of the Mercer Super Trust ABN 19 905 422 981. Virgin Money Super is a plan in the Mercer Super Trust. This information is of a general nature only and does not take into account your personal financial situation, needs or objectives. Please consider your own personal financial circumstances and consider the Product Disclosure Statement, Product Guide, Insurance Guide and Financial Services Guide available at [www.virginmoney.com.au/super](http://www.virginmoney.com.au/super) before taking any action in relation to your superannuation. The value of an investment in Virgin Money Super may rise and fall from time to time. MSAL does not guarantee the investment performance, earnings or return of capital invested in Virgin Money Super. The Virgin Money logo is an Australian registered trademark of Virgin Enterprises Limited, a company registered in England and used by Virgin Money (Australia) Pty Limited ABN 75 103 478 897 under licence. MERCER' is a registered trademark of Mercer (Australia) Pty Ltd (Mercer) ABN 32 005 315 917.

## SCHEDULE A – CHANGES TO INSURANCE COST OF COVER

The tables below provide details of the changes in the cost of insurance cover (premium rates).

Stamp duty on insurance policies is levied by certain State and Territory Governments based on the premium amount only. All Death and TPD premium amounts are inclusive of Stamp Duty. However, on Income Protection cover, the Stamp Duty payable if it applies, represents an additional payment. For more information, please contact your local State Revenue Office (or equivalent).

### AUTOMATIC INSURANCE COVER

Premium rates prior to 1 December 2019		Premium rates from 1 December 2019	
Premium per week per 1 Unit of Death Only cover \$	Premium per week per 1 Unit of Death & TPD cover \$	Premium per week per 1 Unit of Death Only cover \$	Premium per week per 1 Unit of Death & TPD cover \$
0.52	0.86	0.41	0.67

The number and value of each unit of cover that automatically applies to you (which is set by an age group) is not changing. The tables below show these amounts and the new premiums based on these cover amounts from 1 December 2019 and you will find an example of the calculation at the end of this section.

### DEATH ONLY COVER

How premiums are calculated		One unit equates to a premium of \$0.41 per week from 1 December 2019		
Age next birthday	How much is each unit worth?	Number of Units of cover automatically provided	How much cover is automatically provided	Weekly premium from 1 December 2019
16-20	\$90,400	1	\$90,400	\$0.41
21-25	\$81,300	2	\$162,600	\$0.82
26-30	\$81,000	3	\$243,000	\$1.23
31-40	\$67,600	4	\$270,400	\$1.64
41-45	\$35,200	5	\$176,000	\$2.05
46-50	\$16,900	4	\$67,600	\$1.64
51-55	\$11,400	3	\$34,200	\$1.23
56-60	\$5,200	3	\$15,600	\$1.23
61-65	\$4,700	3	\$14,100	\$1.23

## DEATH AND TOTAL TPD COVER

How premiums are calculated		One unit equates to a premium of \$0.67 per week from 1 December 2019		
Age next birthday	How much is each unit worth?	Number of Units of cover automatically provided	How much cover is automatically provided	Weekly premium from 1 December 2019
16-20	\$90,400	1	\$90,400	\$0.67
21-25	\$81,300	2	\$162,600	\$1.34
26-30	\$81,000	3	\$243,000	\$2.01
31-40	\$67,600	4	\$270,400	\$2.68
41-45	\$35,200	5	\$176,000	\$3.35
46-50	\$16,900	4	\$67,600	\$2.68
51-55	\$11,400	3	\$34,200	\$2.01
56-60	\$5,200	3	\$15,600	\$2.01
61-65	\$4,700	3	\$14,100	\$2.01

An example of the cost of Automatic cover from 1 December 2019

Age next birthday	Type of Automatic Insurance Cover	Annual Premium	Annual Cost Recovery Fee	Annual Insurance Fee
		A	B	C = A + B
30	Death and TPD	$(\$2.01/\text{week} \times 52) = \$104.52$	$\$1.50 \times 12 = \$18.00$	\$122.52
30	Death Only	$(\$1.23/\text{week} \times 52) = \$63.96$	$\$1.50 \times 12 = \$18.00$	\$81.96
40	Death and TPD	$(\$2.68/\text{week} \times 52) = \$139.36$	$\$1.50 \times 12 = \$18.00$	\$157.36
40	Death Only	$(\$1.64/\text{week} \times 52) = \$85.28$	$\$1.50 \times 12 = \$18.00$	\$103.28

## TAILORED INSURANCE

The way your cost of cover is calculated is not changing, you will find an example of the calculation at the end of this section. You can estimate the cost of Tailored Insurance by referencing the following premium tables multiplied by an occupational loading. The occupational loadings will remain the same from 1 December 2019.

Type of cover	Prior to 1 December 2019		From 1 December 2019	
	Premium table	Occupational loading	Premium table	Occupational loading
Death Only	Table 1	Table 4	Table 2	Table 4
Death & TPD	Table 1	Table 4	Table 2	Table 4
Income Protection	Table 3	Table 4	Table 3	Table 4

**TABLE 1: TAILORED DEATH & TPD COVER - ANNUAL PREMIUM PAYABLE PER \$1,000 BENEFIT AMOUNT PRIOR TO 1 DECEMBER 2019 (CONT)**

Age next birthday	Male Death Smoker (\$)	Male Death Non Smoker (\$)	Male TPD Smoker (\$)	Male TPD Non Smoker (\$)	Female Death Smoker (\$)	Female Death Non Smoker (\$)	Female TPD Smoker (\$)	Female TPD Non Smoker (\$)
16	0.7777	0.5383	0.1395	0.0966	0.2823	0.2207	0.0578	0.0452
17	0.7794	0.5341	0.1398	0.0959	0.2835	0.2198	0.0581	0.0451
18	0.7829	0.5296	0.1404	0.0950	0.2846	0.2190	0.0583	0.0449
19	0.7860	0.5249	0.1410	0.0942	0.2856	0.2182	0.0585	0.0447
20	0.7903	0.5194	0.1418	0.0932	0.2866	0.2173	0.0587	0.0445
21	0.7530	0.4857	0.1597	0.1030	0.2731	0.2055	0.0661	0.0498
22	0.7132	0.4517	0.1745	0.1105	0.2625	0.1954	0.0716	0.0533
23	0.6722	0.4180	0.1864	0.1160	0.2460	0.1805	0.0762	0.0559
24	0.6321	0.3862	0.1960	0.1198	0.2330	0.1685	0.0806	0.0583
25	0.5941	0.3567	0.2036	0.1223	0.2196	0.1566	0.0839	0.0599
26	0.5599	0.3302	0.2117	0.1249	0.2090	0.1469	0.0864	0.0608
27	0.5356	0.3092	0.2234	0.1290	0.2000	0.1380	0.0919	0.0635
28	0.5253	0.2957	0.2402	0.1352	0.1976	0.1336	0.1050	0.0710
29	0.5258	0.2875	0.2621	0.1434	0.1986	0.1312	0.1211	0.0800
30	0.5309	0.2810	0.2872	0.1520	0.2036	0.1312	0.1391	0.0895
31	0.5363	0.2746	0.3135	0.1605	0.2114	0.1328	0.1610	0.1011
32	0.5458	0.2712	0.3437	0.1707	0.2267	0.1392	0.1874	0.1152
33	0.5637	0.2731	0.3812	0.1846	0.2477	0.1493	0.2216	0.1336
34	0.5854	0.2776	0.4238	0.2010	0.2710	0.1606	0.2616	0.1551
35	0.6071	0.2831	0.4696	0.2190	0.2962	0.1732	0.3081	0.1802
36	0.6249	0.2872	0.5153	0.2368	0.3237	0.1868	0.3621	0.2090
37	0.6483	0.2938	0.5688	0.2578	0.3560	0.2027	0.4277	0.2435
38	0.6837	0.3056	0.6374	0.2849	0.3922	0.2204	0.5053	0.2840
39	0.7311	0.3223	0.7229	0.3187	0.4321	0.2398	0.5962	0.3308
40	0.7848	0.3414	0.8219	0.3576	0.4750	0.2603	0.7012	0.3843
41	0.8607	0.3696	0.9535	0.4094	0.5287	0.2863	0.8345	0.4518
42	0.9455	0.4016	1.1067	0.4701	0.5803	0.3112	0.9788	0.5249
43	1.0440	0.4395	1.2901	0.5430	0.6240	0.3323	1.1238	0.5984

**TABLE 1: TAILORED DEATH & TPD COVER - ANNUAL PREMIUM PAYABLE PER \$1,000 BENEFIT AMOUNT PRIOR TO 1 DECEMBER 2019 (CONT.)**

Age next birthday	Male Death Smoker (\$)	Male Death Non Smoker (\$)	Male TPD Smoker (\$)	Male TPD Non Smoker (\$)	Female Death Smoker (\$)	Female Death Non Smoker (\$)	Female TPD Smoker (\$)	Female TPD Non Smoker (\$)
44	1.1577	0.4830	1.5088	0.6294	0.6603	0.3492	1.2699	0.6715
45	1.2815	0.5310	1.7598	0.7291	0.6950	0.3651	1.4269	0.7495
46	1.3950	0.5770	2.0174	0.8343	0.7236	0.3785	1.5868	0.8299
47	1.5129	0.6268	2.3026	0.9539	0.7587	0.3969	1.7773	0.9297
48	1.6408	0.6810	2.6266	1.0901	0.8055	0.4223	2.0162	1.0572
49	1.7791	0.7399	2.9942	1.2453	0.8634	0.4539	2.3097	1.2143
50	1.9286	0.8039	3.4109	1.4218	0.9280	0.4893	2.6551	1.4000
51	2.0848	0.8726	3.8736	1.6214	1.0133	0.5371	3.0366	1.6096
52	2.2436	0.9464	4.3780	1.8468	1.1152	0.5956	3.4332	1.8339
53	2.4036	1.0256	4.9250	2.1014	1.2158	0.6546	3.8427	2.0691
54	2.5640	1.1109	5.5156	2.3896	1.3173	0.7152	4.2714	2.3191
55	2.7240	1.2031	6.0717	2.6817	1.4212	0.7800	4.6642	2.5600
56	2.8851	1.3047	6.5883	2.9793	1.5310	0.8516	5.0246	2.7949
57	3.0596	1.4204	7.1621	3.3248	1.6411	0.9277	5.3859	3.0445
58	3.2542	1.5555	7.8137	3.7348	1.7461	1.0059	5.7308	3.3011
59	3.4678	1.7086	8.5463	4.2108	1.8529	1.0882	6.0811	3.5718
60	3.7021	1.8751	9.3712	4.7463	1.9629	1.1762	6.4420	3.8604
61	3.9569	2.0539	10.2951	5.3439	2.0879	1.2742	6.8527	4.1818
62	4.2208	2.2428	11.2959	6.0024	2.2443	1.3920	7.3657	4.5687
63	4.4858	2.4372	12.3590	6.7148	2.4402	1.5390	8.0086	5.0510
64	4.7556	2.6384	13.5005	7.4900	2.6736	1.7153	8.7746	5.6296
65	5.0293	2.8518	14.7249	8.3495	2.9329	1.9150	9.6258	6.2850

**TABLE 2: TAILORED DEATH & TPD COVER - ANNUAL PREMIUM PAYABLE PER \$1,000 BENEFIT AMOUNT**  
FROM 1 DECEMBER 2019

Age next birthday	Male Death Smoker (\$)	Male Death Non Smoker (\$)	Male TPD Smoker (\$)	Male TPD Non Smoker (\$)	Female Death Smoker (\$)	Female Death Non Smoker (\$)	Female TPD Smoker (\$)	Female TPD Non Smoker (\$)
16	0.6066	0.4199	0.1088	0.0753	0.2202	0.1721	0.0451	0.0352
17	0.6079	0.4166	0.1091	0.0748	0.2211	0.1715	0.0453	0.0351
18	0.6106	0.4131	0.1095	0.0741	0.2220	0.1709	0.0455	0.0350
19	0.6130	0.4094	0.1100	0.0735	0.2228	0.1702	0.0456	0.0349
20	0.6165	0.4052	0.1106	0.0727	0.2235	0.1695	0.0457	0.0347
21	0.5874	0.3789	0.1246	0.0804	0.2130	0.1603	0.0516	0.0388
22	0.5563	0.3523	0.1361	0.0862	0.2047	0.1524	0.0559	0.0416
23	0.5243	0.3261	0.1454	0.0905	0.1919	0.1408	0.0594	0.0436
24	0.4930	0.3013	0.1529	0.0934	0.1817	0.1314	0.0629	0.0455
25	0.4634	0.2782	0.1588	0.0954	0.1713	0.1222	0.0655	0.0467
26	0.4368	0.2575	0.1652	0.0974	0.1630	0.1146	0.0674	0.0474
27	0.4178	0.2412	0.1743	0.1006	0.1560	0.1077	0.0717	0.0495
28	0.4097	0.2306	0.1874	0.1054	0.1541	0.1042	0.0819	0.0553
29	0.4101	0.2242	0.2045	0.1118	0.1549	0.1023	0.0944	0.0624
30	0.4141	0.2192	0.2240	0.1186	0.1588	0.1023	0.1085	0.0698
31	0.4183	0.2142	0.2445	0.1252	0.1649	0.1036	0.1256	0.0789
32	0.4257	0.2115	0.2681	0.1332	0.1768	0.1086	0.1462	0.0898
33	0.4397	0.2130	0.2974	0.1440	0.1932	0.1165	0.1729	0.1042
34	0.4566	0.2165	0.3306	0.1568	0.2114	0.1253	0.2041	0.1210
35	0.4735	0.2208	0.3663	0.1709	0.2310	0.1351	0.2403	0.1405
36	0.4874	0.2240	0.4019	0.1847	0.2525	0.1457	0.2825	0.1630
37	0.5056	0.2291	0.4437	0.2011	0.2776	0.1581	0.3336	0.1899
38	0.5333	0.2383	0.4972	0.2222	0.3060	0.1719	0.3941	0.2215
39	0.5702	0.2514	0.5639	0.2486	0.3370	0.1870	0.4650	0.2580
40	0.6121	0.2663	0.6411	0.2789	0.3705	0.2031	0.5469	0.2998
41	0.6713	0.2883	0.7437	0.3194	0.4124	0.2233	0.6509	0.3524
42	0.7375	0.3133	0.8633	0.3667	0.4527	0.2428	0.7634	0.4095
43	0.8144	0.3428	1.0063	0.4235	0.4867	0.2592	0.8765	0.4667



**TABLE 2: TAILORED DEATH & TPD COVER - ANNUAL PREMIUM PAYABLE PER \$1,000 BENEFIT AMOUNT  
FROM 1 DECEMBER 2019**

Age next birthday	Male Death Smoker (\$)	Male Death Non Smoker (\$)	Male TPD Smoker (\$)	Male TPD Non Smoker (\$)	Female Death Smoker (\$)	Female Death Non Smoker (\$)	Female TPD Smoker (\$)	Female TPD Non Smoker (\$)
44	0.9030	0.3767	1.1769	0.4910	0.5150	0.2724	0.9905	0.5238
45	0.9996	0.4142	1.3727	0.5687	0.5421	0.2848	1.1130	0.5846
46	1.0881	0.4500	1.5736	0.6507	0.5644	0.2952	1.2377	0.6473
47	1.1801	0.4889	1.7960	0.7441	0.5918	0.3096	1.3863	0.7251
48	1.2798	0.5312	2.0488	0.8503	0.6283	0.3294	1.5726	0.8246
49	1.3877	0.5772	2.3355	0.9713	0.6734	0.3540	1.8016	0.9472
50	1.5043	0.6271	2.6605	1.1090	0.7239	0.3817	2.0710	1.0920
51	1.6262	0.6807	3.0214	1.2647	0.7903	0.4189	2.3685	1.2555
52	1.7500	0.7382	3.4148	1.4405	0.8698	0.4646	2.6779	1.4304
53	1.8748	0.7999	3.8415	1.6391	0.9483	0.5106	2.9973	1.6139
54	1.9999	0.8665	4.3022	1.8639	1.0275	0.5578	3.3317	1.8089
55	2.1247	0.9384	4.7359	2.0918	1.1085	0.6084	3.6381	1.9968
56	2.2504	1.0177	5.1389	2.3239	1.1942	0.6642	3.9191	2.1800
57	2.3865	1.1079	5.5864	2.5934	1.2800	0.7236	4.2010	2.3747
58	2.5383	1.2133	6.0947	2.9132	1.3620	0.7846	4.4700	2.5749
59	2.7049	1.3327	6.6661	3.2844	1.4452	0.8488	4.7432	2.7860
60	2.8877	1.4625	7.3095	3.7021	1.5310	0.9175	5.0248	3.0111
61	3.0864	1.6021	8.0302	4.1682	1.6286	0.9939	5.3451	3.2618
62	3.2922	1.7494	8.8108	4.6818	1.7505	1.0858	5.7453	3.5636
63	3.4989	1.9010	9.6400	5.2375	1.9033	1.2004	6.2467	3.9397
64	3.7094	2.0579	10.5304	5.8422	2.0854	1.3379	6.8442	4.3911
65	3.9228	2.2244	11.4854	6.5126	2.2877	1.4937	7.5081	4.9023

**TABLE 3: TAILORED INCOME PROTECTION COVER - ANNUAL PREMIUM PAYABLE PER \$100 MONTHLY BENEFIT AMOUNT**

Age next birthday	Prior to 1 December 2019		From 1 December 2019	
	Male (\$)	Female (\$)	Male (\$)	Female (\$)
16	0.89	0.98	0.71	0.78
17	0.89	0.98	0.71	0.78
18	0.89	0.98	0.71	0.78
19	0.89	0.98	0.71	0.78
20	0.89	0.98	0.71	0.78
21	0.90	0.98	0.72	0.79
22	0.90	0.99	0.72	0.79
23	0.91	1.00	0.73	0.80
24	0.92	1.00	0.73	0.80
25	0.92	1.01	0.74	0.81
26	0.90	1.06	0.72	0.85
27	0.88	1.10	0.70	0.88
28	0.87	1.13	0.70	0.90
29	0.88	1.16	0.70	0.92
30	0.89	1.18	0.71	0.95
31	0.91	1.21	0.73	0.97
32	0.94	1.25	0.75	1.00
33	0.97	1.30	0.78	1.04
34	1.02	1.36	0.81	1.08
35	1.07	1.43	0.86	1.14
36	1.14	1.52	0.91	1.21
37	1.22	1.62	0.97	1.30
38	1.31	1.75	1.05	1.40
39	1.42	1.91	1.13	1.53
40	1.54	2.09	1.23	1.67
41	1.68	2.29	1.34	1.83
42	1.84	2.52	1.47	2.02
43	2.03	2.79	1.62	2.23

**TABLE 3: TAILORED INCOME PROTECTION COVER - ANNUAL PREMIUM PAYABLE PER \$100 MONTHLY BENEFIT AMOUNT**

Age next birthday	Prior to 1 December 2019		From 1 December 2019	
	Male (\$)	Female (\$)	Male (\$)	Female (\$)
44	2.24	3.08	1.79	2.47
45	2.49	3.41	1.99	2.73
46	2.76	3.77	2.21	3.02
47	3.08	4.17	2.47	3.33
48	3.44	4.59	2.75	3.68
49	3.85	5.06	3.08	4.05
50	4.32	5.56	3.45	4.44
51	4.84	6.09	3.87	4.87
52	5.43	6.65	4.34	5.32
53	6.09	7.25	4.87	5.80
54	6.83	7.88	5.47	6.30
55	7.67	8.54	6.13	6.83
56	8.60	9.22	6.88	7.38
57	9.64	9.93	7.71	7.95
58	10.79	10.67	8.64	8.53
59	12.08	11.42	9.67	9.14
60	13.51	12.20	10.81	9.76
61	15.09	12.97	12.07	10.38
62	16.80	13.73	13.44	10.98
63	17.13	13.35	13.70	10.68
64	9.70	7.35	7.76	5.88
65	3.20	2.42	2.56	1.94

**TABLE 4: OCCUPATIONAL LOADINGS**

Occupational loadings	Death cover	TPD cover	Income protection
White Collar	1.00	1.00	1.00
Light Blue Collar	1.30	1.75	2.10
Heavy Blue Collar	1.70	3.40	3.20

EXAMPLE OF TAILOR COVER COST CALCULATION

Sam is female, aged 29 (age next birthday 30) and a non-smoker, working in an advertising agency as a digital strategist. She's estimated that she needs \$500,000 Death and TPD cover and a \$15,000 monthly Income Protection benefit and wants to apply for Tailored cover.

	Benefit sought (A)	Unit of Tailored cover (B)	Cost per unit of Tailored cover (C) from 1 December 2019	Occupational loading (D)	Insurance premium (per annum) (E)=[(A)/(B)]*(C)*(D) from 1 December 2019
Death	\$500,000	Per \$1,000 benefit	\$0.1023	1.00	\$51.15
TPD	\$500,000	Per \$1,000 benefit	\$0.0698	1.00	\$34.90
Income Protection	\$15,000	Per \$100 monthly benefit	\$0.95	1.00	\$142.50

Sam's estimated insurance fee for Death and TPD cover from 1 December 2019 is \$104.05 per annum (insurance premium \$51.15 + \$34.90 plus a cost recovery fee of \$18.00), or \$8.67 per month, inclusive of stamp duty. The estimated insurance fee for Income Protection cover from 1 December 2019 is \$160.50 per annum (insurance premium of \$142.50 plus a cost recovery fee of \$18.00), or \$13.38 per month, before any stamp duty that may be payable.

## SCHEDULE B: ASSET ALLOCATION TABLES

Current asset allocations for the LifeStage Tracker and impacted Choice investment options and the asset allocations effective from 1 January 2020 are outlined in the table below.

### LIFESTAGE TRACKER CHANGES

Investment option	Asset allocation prior to 1 January 2020			Asset allocation from 1 January 2020		
<b>LifeStage Tracker - Born prior to 1954</b>	<b>Growth/Defensive target</b>			<b>Growth/Defensive target</b>		
	Growth Investments 45% (30%-60%)	Defensive Investments 55% (40%-70%)		Growth Investments 50% (30%-70%)	Defensive Investments 50% (30%-70%)	
	Asset Class	Range %	Target %	Asset Class	Range %	Target %
	Australian Shares	5-35	20	Australian Shares	5-35	18
	International shares	5-35	20	International shares	5-35	22
	Real Assets	0-15	5	Real Assets	0-25	5
	Alternative Assets	0-10	0	Alternative Assets	0-20	10
	Growth Fixed Interest	0-10	0	Growth Fixed Interest	0-10	0
	Defensive Fixed Interest & Cash	40-70	55	Defensive Fixed Interest & Cash	30-60	45

<b>LifeStage Tracker - Born 1954-1958</b>	<b>Growth/Defensive target</b>			<b>Growth/Defensive target</b>		
	Growth Investments 55% (40%-70%)	Defensive Investments 45% (30%-60%)		Growth Investments 58% (40%-80%)	Defensive Investments 42% (20%-60%)	
	Asset Class	Range %	Target %	Asset Class	Range %	Target %
	Australian Shares	10-40	25	Australian Shares	10-40	22
	International shares	10-40	25	International shares	10-40	26
	Real Assets	0-15	5	Real Assets	0-25	5
	Alternative Assets	0-10	0	Alternative Assets	0-20	10
	Growth Fixed Interest	0-10	0	Growth Fixed Interest	0-10	0
	Defensive Fixed Interest & Cash	30-60	45	Defensive Fixed Interest & Cash	20-50	37

Investment option	Asset allocation prior to 1 January 2020			Asset allocation from 1 January 2020		
<b>LifeStage Tracker - Born 1959-1963</b>	<b>Growth/Defensive target</b>			<b>Growth/Defensive target</b>		
	Growth Investments 65% (50%-80%)		Defensive Investments 35% (20%-50%)	Growth Investments 68% (50%-90%)		Defensive Investments 32% (10%-50%)
	Asset Class	Range %	Target %	Asset Class	Range %	Target %
	Australian Shares	15-45	30	Australian Shares	10-40	26
	International shares	15-45	30	International shares	20-50	32
	Real Assets	0-15	5	Real Assets	0-25	5
	Alternative Assets	0-10	0	Alternative Assets	0-20	10
	Growth Fixed Interest	0-10	0	Growth Fixed Interest	0-10	0
	Defensive Fixed Interest & Cash	20-50	35	Defensive Fixed Interest & Cash	10-40	27

<b>LifeStage Tracker - Born 1964-1968</b>	<b>Growth/Defensive target</b>			<b>Growth/Defensive target</b>		
	Growth Investments 75% (60%-90%)		Defensive Investments 25% (10%-40%)	Growth Investments 78% (60%-100%)		Defensive Investments 22% (0%-40%)
	Asset Class	Range %	Target %	Asset Class	Range %	Target %
	Australian Shares	20-50	35	Australian Shares	15-45	30.5
	International shares	20-50	35	International shares	25-55	37.5
	Real Assets	0-15	5	Real Assets	0-25	5
	Alternative Assets	0-10	0	Alternative Assets	0-20	10
	Growth Fixed Interest	0-10	0	Growth Fixed Interest	0-10	0
	Defensive Fixed Interest & Cash	10-40	25	Defensive Fixed Interest & Cash	0-30	17

Investment option	Asset allocation prior to 1 January 2020			Asset allocation from 1 January 2020		
<b>LifeStage Tracker - Born 1969-1973</b>	<b>Growth/Defensive target</b>			<b>Growth/Defensive target</b>		
	Growth Investments 85% (70%-100%)	Defensive Investments 15% (0%-30%)		Growth Investments 88% (70%-100%)	Defensive Investments 12% (0%-30%)	
	Asset Class	Range %	Target %	Asset Class	Range %	Target %
	Australian Shares	25-55	40	Australian Shares	20-50	35
	International shares	25-55	40	International shares	30-60	43
	Real Assets	0-15	5	Real Assets	0-25	5
	Alternative Assets	0-10	0	Alternative Assets	0-20	10
	Growth Fixed Interest	0-10	0	Growth Fixed Interest	0-10	0
	Defensive Fixed Interest & Cash	5-35	15	Defensive Fixed Interest & Cash	0-20	7

<b>LifeStage Tracker - Born after 1973</b>	<b>Growth/Defensive target</b>			<b>Growth/Defensive target</b>		
	Growth Investments 85% (70%-100%)	Defensive Investments 15% (0%-30%)		Growth Investments 90% (70%-100%)	Defensive Investments 10% (0%-30%)	
	Asset Class	Range %	Target %	Asset Class	Range %	Target %
	Australian Shares	25-55	40	Australian Shares	20-50	36
	International shares	25-55	40	International shares	30-60	44
	Real Assets	0-15	5	Real Assets	0-25	5
	Alternative Assets	0-10	0	Alternative Assets	0-20	10
	Growth Fixed Interest	0-10	0	Growth Fixed Interest	0-10	0
	Defensive Fixed Interest & Cash	0-30	15	Defensive Fixed Interest & Cash	0-20	5

CHOICE INVESTMENT OPTION CHANGES

Investment option	Asset allocation prior to 1 January 2020			Asset allocation from 1 January 2020		
<b>Enhanced Indexed Growth</b>	<b>Growth/Defensive target</b>			<b>Growth/Defensive target</b>		
	Growth Investments 70% (60%-90%)	Defensive Investments 30% (10%-40%)		Growth Investments 75% (55%-95%)	Defensive Investments 25% (5%-45%)	
	Asset Class	Range %	Target %	Asset Class	Range %	Target %
	Australian Shares	20-45	30	Australian Shares	15-45	31
	International shares	20-45	34	International shares	20-50	36
	Real Assets	0-15	6	Real Assets	0-30	8
	Alternative Assets	0-15	0	Alternative Assets	0-20	0
	Growth Fixed Interest	0-15	0	Growth Fixed Interest	0-10	0
	Defensive Fixed Interest & Cash	10-40	30	Defensive Fixed Interest & Cash	10-40	25

<b>Enhanced Indexed Conservative Growth</b>	<b>Growth/Defensive target</b>			<b>Growth/Defensive target</b>		
	Growth Investments 30% (20%-50%)	Defensive Investments 70% (50%-80%)		Growth Investments 35% (15%-55%)	Defensive Investments 65% (45%-85%)	
	Asset Class	Range %	Target %	Asset Class	Range %	Target %
	Australian Shares	5-25	12	Australian Shares	0-30	13
	International shares	5-25	14	International shares	0-30	17
	Real Assets	0-15	4	Real Assets	0-25	5
	Alternative Assets	0-10	0	Alternative Assets	0-20	0
	Growth Fixed Interest	0-10	0	Growth Fixed Interest	0-10	0
	Defensive Fixed Interest & Cash	50-80	70	Defensive Fixed Interest & Cash	50-80	65