

Insurance update: Changes to the cost of your insurance

On 1 July 2020 the cost of insurance is increasing for members of the following IOOF SMSF policies:

- GR965-GL administered by TAL
- GR961-GL administered by TAL
- GR964-GL administered by IOOF

Why the cost of insurance is increasing

We understand the impact that price changes have on households, which is why we have been able to keep the cost of your insurance cover unchanged since 2016.

However, following the annual review for IOOF SMSF insurance, it was concluded that the cost of providing insurance had gone up due to a substantial increase in the value of claims that had been paid to members.

How much the cost of insurance is increasing by

On 1 July 2020, the underlying rates for insurance cover will be increasing and will apply to Death and Total and Permanent Disablement (TPD).

The new rates will be reviewed again prior to the next period commencing 1 July 2021.

More broadly, the cost of insurance has increased across the Australian market due to an increase in the amount of claims being paid. Also keep in mind that premiums generally rise each year as you get older.

Distribution fee to be removed

Also from 1 July 2020, the current 4% distribution fee will be removed from premium rates for GR961-GL and GR965-GL policies. The GR964-GL policy does not have a distribution fee so there will be no change.

If you would like further information

If you have any questions about this change, or would like printed information made available to you, please contact:

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