

The duty to take reasonable care not to make a misrepresentation will come into effect from 1 September 2021.

Issued 1 September 2021

Living Super recognises the importance of financially protecting you and your family by providing a range of different ways to be insured.

This notice sets out changes to the insurance arrangements currently described in the Living Super Product Disclosure Statement and the associated Product Guide (PDS). This notice should be read together with the current version of the PDS which is available here: <https://www.ing.com.au/help-and-support/documents-and-forms/superannuation.html>. These changes will be incorporated into future versions of the PDS.

Background to the changes

The Insurance Contracts Act 1984 (Act) has been amended following the Hayne Royal Commission. One of the changes to the Act included replacing the “duty of disclosure” with a “duty to take reasonable care not to make a misrepresentation” for certain ‘consumer insurance contracts’ (this term is defined in the Act) from 5 October 2021, however insurers may opt-in to this change early. MetLife Insurance Limited (the insurer for Living Super) has elected to opt-in to the change on 1 September 2021 for Tailored Cover and Income Protection Cover provided through Living Super. Please read these changes carefully as they may impact you.

What has changed?

Prior to 1 September 2021, a different duty applied when you were answering the insurer’s questions in an application for Tailored Cover or Income Protection Cover within Living Super. If you completed an application for Tailored Cover and/or Income Protection Cover prior to 1 September 2021 the “duty of disclosure” applied to you. Under the “duty of disclosure”, you were required, before entering into the contract, to tell the insurer anything that you know, or could reasonably be expected to know, that may affect the insurer’s decision to provide the insurance and on what terms.

Effective 1 September 2021, the “duty of disclosure” will be replaced with the “duty to take reasonable care not to make a misrepresentation”. For insurance applications completed on or after 1 September 2021, there is a “duty to take reasonable care not to make a misrepresentation” which is explained in more detail below.

NOTE: the information in the boxed section below applies from 1 September 2021 and the terms: ‘we’, ‘our’ and ‘us’ in this section refer to MetLife Insurance Limited as the insurer responsible for providing Tailored Cover and Income Protection Cover within Living Super.

The duty to take reasonable care not to make a misrepresentation

When you apply for life insurance, we will ask you a number of questions.

Our 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 our questions are very important. We use them to decide if we can provide cover to you and, if we can, the terms of the cover and the premium we 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 our questions, you should respond fully, honestly and accurately.

The duty to take reasonable care not to make a misrepresentation applies any time you answer our 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.
We may later investigate the answers given in your application, including at the time of a claim.

Important:

Care must be taken to answer all questions we ask 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.

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 below:

Potential consequences	Additional explanation	Impact on claims
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
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
The terms of your cover being changed	We 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

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

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

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

If we decide to take some action on your cover, we will advise you of our decision and the process to have this reviewed or make a complaint if you disagree with our decision.

Guidance for answering our questions

When answering our questions, please:

- Think carefully about each question before you answer. If you are unsure of the meaning of any question, please ask us before you respond.
- Answer every question that we ask you.
- Do not assume that we 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 us.
- 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.

Other important information : Your application for cover will be treated as if you are applying for an individual 'consumer insurance contract'. For this reason, the duty to take reasonable care not to make a misrepresentation applies.

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

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

It's important that you understand this information and the questions we ask, so if you have any queries please contact ING on 133 464 between 8am-8pm Monday to Friday (AEST/AEDT).



When could the duty to take reasonable care not to make a misrepresentation apply to me?

The duty to take reasonable care not to make a misrepresentation will apply to you if, on or after 1 September 2021, you:

- start a new application for either Tailored Cover or Income Protection Cover;
- apply to extend or make changes to existing cover (where the changes involve an increase in the sum insured or an application for an additional type of cover); or
- you apply to reinstate insurance.

Transfer of insurance cover

If you already have insurance cover that was previously underwritten with another superannuation fund and wish to transfer it over to Living Super, the transfer will be based on the assumption that the information you provided to your previous insurer was accurate and complete and that you complied with the duty to take reasonable care not to make a misrepresentation under the Insurance Contracts Act 1984 (Cth). It is important to note that the duty to take reasonable care not to make a misrepresentation has replaced the duty of disclosure. The duty of disclosure may have applied depending on the date you made your application for cover, to vary your cover, or to reinstate your cover, with the previous insurer. If so, we may treat a breach of the duty of disclosure the same way we would treat a breach of the duty to take reasonable care not to make a misrepresentation. The transferred cover will be treated as not having started if you have breached the duty or misrepresented information to your previous insurer.

Ongoing applications as at 1 September 2021

For any members that have made an application for cover prior to 1 September 2021 to which the duty of disclosure would apply, but have not had their application finalised by the insurer by 1 September 2021 (when an application is finalised, the Fund will contact you to confirm whether your application was successful or unsuccessful), the “duty of disclosure” will apply to your application and not the “duty to take reasonable care not to make a misrepresentation”. The relevant “duty of disclosure” wording was set out on your application at the time.

It's important that you understand your obligations when applying for cover, so if you have any queries please read the relevant Product Disclosure Statement and Product Guide or contact us on 133 464 between 8am-8pm Monday to Friday (AEST/AEDT).

For the curious: Diversa Trustees Limited ABN 49 006 421 638, AFSL 235153, RSE L0000635 is the Trustee of the ING Superannuation Fund ABN 13 355 603 448 (Fund) and the issuer of interests in the Fund. Living Super is a product issued out of the Fund. ING, a business name of ING Bank (Australia) Limited ABN 24 000 893 292, AFSL 229823, is the Promoter of the Fund and issuer of this document. Insurance cover is issued by MetLife Insurance Limited ABN 75 004 274 882 AFSL 238096 to the Trustee. For further details about insurance cover, please refer to the Product Disclosure Statement and the associated Product Guide.

Any advice on this notice does not take into account your objectives, financial situation or needs and you should consider whether it is appropriate for you.

You should consider the relevant Product Disclosure Statement, Product Guide and the Financial Services Guide available at ing.com.au and the product's appropriateness when deciding whether to acquire, or to continue to hold, a product.

Living Super is not available for U.S. Persons (i.e. persons with U.S. residential, postal or fiscal address, phone number, citizenship, Green Card or any U.S. related proxy).

