
BT Insurance

Term Life as Super (TLAS), Income Protection as Super and Income Protection Assured as Super (IPAS) are transferring to the Mercer Superannuation (Australia) Limited

December 2023



Important changes to Trustee and Fund

What's happening?

On 1 April 2023, your client's insurance cover transferred from the Retirement Wrap superannuation fund to the Asgard Independence Plan Division Two fund (**Division Two fund**). The Retirement Wrap fund and the Division Two fund are managed by the same trustee, BT Funds Management Limited (**BTFM**).

On or around 1 April 2024, the trustee for Term Life as Super (**TLAS**), Income Protection as Super and Income Protection Assured as Super (**IPAS**) products, will change from BT Funds Management Limited (**BTFM**) to Mercer Superannuation (Australia) Limited (**MSAL**), as part of a Successor Fund Transfer (**SFT**).

This means your clients' Protection Plans insurance cover will transfer from the Division Two fund to the Mercer Super Trust (**MST fund**). The MST fund is managed by MSAL, and will provide your clients with equivalent rights to the benefits they currently have in their TLAS and IPAS insurance cover.

What is a SFT?

A Successor Fund Transfer (**SFT**) is a transfer of members' benefits from one superannuation fund to another superannuation fund that, under law, can only happen where the trustee is satisfied that members have equivalent rights in respect of their benefits in the new fund to the rights they had in the previous fund, and where the trustee determines the transfer is in the best financial interests of members as a whole.

Why are products being transferred to MSAL?

The transfer to MSAL is a continuation of the focus BTFM has on simplifying our superannuation offers. Following the 1 April 2023 transfer of TLAS and IPAS products to the Division Two fund, we have reviewed the current arrangements for the TLAS and IPAS products and identified that an alternative trustee would provide members access to a superannuation fund with greater scale and expertise in the management of insurance-only superannuation products.

What does this mean for my clients?

The SFT won't impact your clients' insurance cover or the terms and conditions that apply, and premium payment arrangements that are currently in place will continue after the SFT, unless you or your clients advise us otherwise.

What will change for my clients?

As a result of the SFT, the following details will change for you and your clients.

- Your clients' TLAS and IPAS policy/policies will be transferred to MSAL and the MST fund.
- Forms relating to TLAS and IPAS insurance cover will be updated with the new trustee and fund details. If your client needs to access forms after the SFT date, they can call the Customer Service team.

Please note: From 1 April 2024, there will be a 90-day grace period in which MSAL will still accept forms referencing the Division Two fund for all TLAS and IPAS forms apart from the Notice of Intent to Claim personal tax deduction for super contributions. You can find out more information on the Notice of Intent to Claim personal tax deduction for super contributions below. From 1 July 2024, any Division Two fund forms received may be rejected and the client will need to complete a new form with the Mercer Super Trust details.

How will you communicate with my clients?

As part of the SFT, we'll send your clients a Significant Event Notice (**SEN**) by mail from 18 January 2024 and let them know what this will mean for their accounts.

How can I see an impacted client listing?

You can download a policy listing from the Business Insights Dashboard on the TAL Adviser Centre (**TAC**).

Does the transfer impact clients with an existing claim?

Any customers who have an existing insurance claim won't be impacted. Customers can continue to contact their Claims Consultant directly.

Do my clients need to complete a new ongoing rollover authority as a result of the SFT?

If your client has an ongoing rollover arrangement in place, MSAL has confirmed this will continue after the transfer from their nominated superannuation account to the MST fund. If your client wishes to make changes or cancel their ongoing rollover, they can call the Customer Service team on 1300 553 764.

Does the SFT impact premiums paid via rollovers?

Premiums paid via ongoing rollover due between 26 March to 1 April 2024 will be processed after the transfer from 2 April 2024. Following the transfer, all premium deductions will resume their usual schedule.

Can my client still submit a Notice of Intent to Claim personal tax deduction for super contributions?

Your clients can still claim a personal tax deduction after the SFT for super contributions made prior to the SFT, if all requirements are met.

BTFM will only accept *intent to claim a personal tax deduction* notices until **19 March 2024**. After 1 April 2024, notices for pre and post SFT contributions must be provided to MSAL with a MST fund form, available by calling the Customer Service Team on 1300 553 764.

What stays the same after the SFT to MSAL?

The following details won't change as a result of the transfer:

- Your clients' **insurance cover** and **the terms and conditions that apply to the policy/policies**.
- Insurance **premiums** and **the terms and conditions that apply to premiums, including the insurer's right to change premiums**.
- Eligibility to **lodge an insurance claim**.
- Any **current** or **future insurance claims entitlements**.
- Any **premium payment arrangements** including **ongoing rollover arrangements**.
- Clients' ability to **claim a tax deduction for any personal contributions** made to their account prior to or after the SFT date.
- Any existing **Beneficiary Nominations, Powers of Attorney (POA), and Third-Party Authorities (TPA)**.
- Customer Service Team **contact details**.

What actions may be required?

Depending on your client's circumstances, there may be an action to take if the following scenarios apply:

- If your client has an ongoing rollover arrangement in place, MSAL has confirmed this will continue after the transfer, from their nominated superannuation account to the MST fund. If your client wishes to cancel their ongoing rollover, you or your client can call the Customer Service Team on 1300 553 764.
- BTFM will only accept *intent to claim a personal tax deduction* notices until **19 March 2024**. After this date, notices must be provided to MSAL following the SFT with a MST fund form, available by calling the Customer Service Team on 1300 553 764.

What does this SFT mean for your practice?

- There is no change for your practice as a result of this SFT.
- Your adviser details will stay linked to your clients after the transfer to MSAL.
- If your clients have a personal advice arrangement with you, it will continue after the transfer to MSAL.
- Disclosure documents and forms will be updated effective from 1 April 2024.

Will my clients be contacted after the SFT?

After your client's policy/policies are transferred to MSAL, they can expect to receive the following:

- an exit statement issued by BTFM within 30 days after the SFT, detailing the transactions in your client's account in the Division Two fund from 1 July 2023 and up to the SFT date
- a welcome letter from MSAL.

Clients receiving Income Protection payments or TPD payments for the financial year 2023-2024 may receive two PAYG payment summaries as follows:

- for the period 1 July 2023 to 31 March 2024, a PAYG payment summary will be issued under the Division Two fund
- for the period 1 April 2024 to 30 June 2024, a PAYG payment summary will be issued under the MST fund.

For more information

Call 1300 553 764

Monday to Friday 8.00am – 6.30pm (Sydney time).



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BT Funds Management Limited ABN 63 002 916 458, AFSL 233724, RSE License No. L0001090 (BTFM), is the trustee of Asgard Independence Plan Division Two ABN 90 194 410 365.

The current issuer of Term Life as Superannuation, Income Protection as Superannuation and Income Protection Assured as Superannuation is BTFM. The Insurer of Term Life as Superannuation, Income Protection as Superannuation and Income Protection Assured as Superannuation is TAL Life Insurance Services Limited ABN 31 003 149 157, AFSL 233728 (TLISL).

A BT Protection Plans product disclosure statement (PDS) is available and can be obtained by calling 1300 553 764. You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of interests in Term Life as Superannuation, Income Protection as Superannuation and/or Income Protection Assured as Superannuation. Read the disclosure documents (available at bt.com.au/personal/help/pds.html) for your selected product before deciding. Target Market Determinations for our products can be found at btlifeinsurance.tal.com.au/documents-and-forms.

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