



# Product Update



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## COVID-19 Update for your customers

[Click here](#) to find out how ING is helping to keep you and your customers in the loop if they have been impacted by COVID-19.

## Important changes to Living Super

### 1. Minimum pension payment withdrawal amount

In response to COVID-19, the Federal Government has reduced the minimum pension amount that retirees must withdraw from their superannuation accounts for the financial years 2019-2020 and 2020-2021.

Retirees with a Pension or Transition to Retirement account can now elect to withdraw the new lower minimum pension payment amount. The minimum pension payment withdrawal amount is calculated based on the individual's age and their account balance at the commencement of their Living Super pension account, and thereafter on 1 July each year.

### Old vs Temporary New Pension withdrawal minimums

Age at commencement of Pension or 1 July	Previous minimum Pension Withdrawal	New minimum Pension Withdrawal
Under 65	4.0%	2.0%
65-74	5.0%	2.5%
75-79	6.0%	3.0%

80-84	7.0%	3.5%
85-89	9.0%	4.5%
90-94	11.0%	5.5%
95 or more	14.0%	7.0%

#### **What does this mean for your client?**

**If your client has Pension payments being made prior to 1 July 2020;** their current pension payment amounts will not automatically change. The trustee has made this decision as it is the least disruptive approach for pension members collectively. However, if you or your clients would like to reduce their pension payment(s) to the new minimums for the period up to 30 June 2020 or cease payments, they can do so by logging in to the Living Super account at [ing.com.au](http://ing.com.au).

**For any Pension payments being made from 1 July 2020;** if the minimum pension amount allowable has been selected, the new minimum will automatically apply for any payments made after 1 July 2020. Pension payment amounts can be adjusted at any time by logging in to the Living Super account at [ing.com.au](http://ing.com.au). We will also write to your client in July 2020 to confirm what their new minimum pension payment withdrawal amount will be.

## **2. Reminder: Putting Members' Interests First (PMIF)**

A reminder of the key changes introduced to Living Super under PMIF on 1 April 2020.

#### **No Automatic Cover if your clients are under 25**

Under the PMIF legislation, trustees of superannuation funds can no longer provide default insurance cover on an 'opt out' basis to new members who are under the age of 25 and joined a superannuation fund after 1 April 2020. The Federal Government introduced this reform with the intent to protect younger members' account balances from being eroded from insurance premiums for cover they may not need or want.

What does this mean for my client?

If your clients are under 25 and joined after 1 April 2020, while the Trustee will not provide them with default insurance, being Automatic Cover (Death and Total and Permanent Disablement (TPD) insurance), they can still have the option to apply for Tailored Cover (Death and/or TPD) and/or Income Protection via the online insurance application.

#### **New criteria for clients aged 25 and over and under 70 for Automatic Cover**

The Trustee of the ING Superannuation Fund cannot provide insurance on an opt out basis to members aged 25 and over and under 70, unless:

1. they have a balance of \$6,000 or more; OR
2. they have made an Election (where they have an account balance of greater than nil, and less than \$6,000 and want Automatic Cover insurance).

Automatic Cover insurance will commence provided 1) or 2) is met within 120 days of your client opening a Living Super account. NB - From age 65 to 69 Automatic Cover for Death only is available and TPD will cease from age 65. Automatic Cover is not available once a member reaches the age of 70.

What does this mean for my client?

If your client joined Living Super after 1 April 2020, is aged 25 and over and under 70, and has not opted out of Automatic Cover (being Death and TPD), Automatic Cover insurance (subject to the above limits) will commence at the earlier date of:

1. your client's account balance reaching \$6,000; OR
2. your client making an Election to receive Automatic Cover (where they have an account balance of greater than nil and less than \$6,000) by logging into their superannuation account at [ing.com.au](http://ing.com.au), going to 'My Accounts' > 'Superannuation' > 'Insurance' and clicking on the 'Make an Election' button and completing the outlined steps. To maintain your client's insurance, please ensure they have a sufficient account balance to cover the cost of their insurance premiums;

provided either occur within 120 days of your client opening a Living Super account.

***Please take note your client will not be insured until they have received confirmation that they have satisfied the above criteria. Please read Living Super's Product Guide - Section 9 - 'Insurance through ING Living Super' to see if the terms of insurance cover are right for your client's needs and circumstances.***

If your client decides that the amounts provided under Automatic Cover are not suitable for them but still want insurance, they can apply for Tailored Cover (Death and TPD insurance) and/or Income Protection by logging into their superannuation account at [ing.com.au](http://ing.com.au) and going to 'My Accounts' > 'Superannuation' > 'Insurance' and selecting 'Review Insurance' and completing the online application process. The insurer for Living Super will then make an assessment as to whether and on what terms your client will be insured for. Under the legislation, the client must make an Election for insurance and the online insurance application contains this Election. This means that an adviser will not be able to make this Election on behalf of a client online.

Your clients can also review, amend or cancel their insurance(s) at any time by logging into their superannuation account at [ing.com.au](http://ing.com.au), clicking on the 'Insurance' tab and selecting 'Review Insurance'.

#### **Existing customers who had cover cancelled 1 April 2020**

ING recently wrote to customers if their cover was cancelled on 1 April as a result of the PMIF changes. They were customers with Living Super accounts at 1 November 2019 who had Automatic Cover (Death and TPD insurance) with a balance less than \$6,000, and

1. their balance did not exceed \$6,000 before 1 April 2020; and
2. they had not submitted the online Election for their insurance cover to continue even though their balance is less than \$6,000.

What do I do if my client wants to reinstate their insurance cover(s)?

If your client's cover was cancelled at 1 April 2020 due to PMIF, your client can apply for reinstatement of their cover within 6 months (i.e. by 30 September 2020). To do this, your client can:

- Login to [ing.com.au](http://ing.com.au) - Go to 'My Accounts' > 'Superannuation' > 'Insurance' , Select 'Downloads & Links' at the bottom of the page
- Complete and return the 'Application for Reinstatement form'

The Insurer will then confirm whether, and on what terms, your client's cover has been reinstated.

### **3. Reminder: New Living Super application form for Advisers**

As a result of the PMIF legislation introduced on 1 April 2020, there have been some changes made to the Living Super application form for advisers. A copy of the new form can be found [here](#) and is available on the [ING Adviser website](#) . We will continue to accept applications on the old form for the month of April 2020 only. After this time, only new forms will be accepted.

## Need more information?

- Contact your ING representative
- Contact Adviser Services on 1300 656 226 Monday - Friday: 9:00am - 5:30pm AEST/AEDT or email [direct.adviser@ing.com.au](mailto:direct.adviser@ing.com.au)
- New applications can be emailed to [adviser.applications@ing.com.au](mailto:adviser.applications@ing.com.au)
- Account maintenance requests (including Adviser Authorisation Forms) can be emailed to [adviser.admin@ing.com.au](mailto:adviser.admin@ing.com.au)
- Living Super enquiries can be emailed to [livingsuper.adviser@ing.com.au](mailto:livingsuper.adviser@ing.com.au)

To learn more



Visit [adviser.ing.com.au](http://adviser.ing.com.au)



Call 1300 656 226



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### Important Information:

Information and interest rates are current as at the date of this email and are subject to change. You received this email as you provided ING with your email address. However, if you do not wish to receive further email communications from ING please send an email to [reply@eccoms.ing.com.au](mailto:reply@eccoms.ing.com.au) with "Unsubscribe" in the subject line or call 1300 656 226.

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### Issuer Details

Products (other than Living Super) are issued by ING, a business name of ING Bank (Australia) Limited ABN 24 000 893 292, AFSL and Australian Credit Licence 229823.

### ^Business Optimiser:

Variable welcome rate applies for 6 months from the date the Business Optimiser is opened on balances up to \$1 million and is subject to change. At the end of the 6 month period, the rate that applies to your client's balance will be the Business Optimiser standard variable rate applicable at the time. The offer is applicable on the first Business Optimiser opened per entity and is for a limited time only.

### ^^Business & Personal Term Deposits:

Applications for Business and Personal Term Deposits are subject to eligibility criteria for approved applicants only.

Minimum opening deposit of \$10,000 for any Term Deposit Account.

Maximum combined limits on Term Deposits - We may refuse an application for a term deposit where it would result in you exceeding the following limits:

- Personal Terms Deposits: The total combined balance of all Personal Term Deposit Accounts held by a person (individually or in joint names) cannot exceed \$5million.
- Business Term Deposits: The total combined balance of all Business Term Deposits as held by the Australian-resident business or trust cannot exceed \$10million.

The interest rates that apply to Business and Personal Term Deposits are the interest rates that are current on the date the term deposit is opened. Interest rate reduction will apply where you break the Term Deposit prior to the maturity date.

**~Savings Maximiser**

The additional variable rate can only apply when your client also has an Orange Everyday. The additional variable rate currently 1.70% p.a. (that is added to the Savings Maximiser standard variable rate) applies on one Savings Maximiser per customer for the next calendar month when your client satisfies the eligibility criteria#.

**# Eligibility criteria** - your client must perform the following during the current calendar month:

Card purchases includes in store credit or EFTPOS purchases, online purchases, regular card payments, payWave, Apple Pay and Google Pay transactions made with an Orange Everyday Visa card, Orange One or Orange One Platinum Visa card or Nil Interest Visa card provided with an eligible ING home loan. When using the phrase 'settled' card purchases in a calendar month, we mean that the purchases made on your card must be fully processed by the end of the last day of that month. Card purchases made in store or online this current calendar month which are at a 'pending status' and do not settle until the next calendar month do not count towards the 5 card purchases needed this current calendar month.

When determining if your client is eligible under the offer, we also take into account the behaviour of any of your client's joint account holders or additional cardholders. The offer applies to a maximum of one nominated Savings Maximiser account held in your client's name (either single or joint account).

Any amounts above \$100,000 are subject to the Savings Maximiser standard variable rate applicable at the time. If your client does not satisfy the conditions to receive the additional variable rate, the standard variable rate applies. If your client has multiple Savings Maximiser accounts, visit online banking or call us on 133 464 to check or change which Savings Maximiser account receives the additional variable rate (if eligible). ING can change or withdraw the additional variable rate at any time. The additional variable rate is not payable in conjunction with any other promotional rate.

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