

2015/16 Annual Statement Frequently Asked Question Guide

Account Details Section

My personal details are incorrect or have changed?

Please contact the Fund Administrator to update your details. If it is a change to your name or Date of Birth, you will be asked to supply some form of supporting evidence, such as a driver's licence, Birth Certificate, or Marriage Certificate.

What is the No TFN Tax?

Where you have not provided us with your Tax File Number (TFN), we must withhold 49% from any contribution you make, when all of the following apply:

- you have not quoted your TFN
- you have not advised us that you have applied for a TFN or have made an enquiry with us.

Preservation Status - What difference does the Preservation classification make:

Preserved benefits can generally only be cashed in the following circumstances:

- upon permanent retirement from the workforce after reaching the Preservation Age as per the following table:

<u>Date of Birth Preservation</u>	<u>Age</u>
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 1 July 1964	60

- reaching age 65
- reaching age 60 and leaving the employer who contributed to the Fund
- permanent incapacity, as defined in superannuation law at the relevant time. Currently, the definition is, in relation to a member who is gainfully employed, ill-health where the Trustee is reasonably satisfied that the member is unlikely, because of the ill-health, ever again to engage in gainful employment for which the member is reasonably qualified by way of education, training or experience
- temporary incapacity, as defined in superannuation law at the relevant time. Currently, the definition is, in relation to a member who has ceased to be gainfully employed, ill-health that caused the member to cease to be gainfully employed but does not constitute permanent incapacity
- in other circumstances approved by government regulations
- if your Account balance is under \$200 and you ceased employment with the relevant employer after 30 June 1997

Restricted Non-Preserved Benefits cannot be cashed until you leave service with your current employer. These benefits become unrestricted non-preserved benefits when you leave the service of your current employer.

Unrestricted Non-Preserved Benefits can be paid out at any time.

Investment Details Section

What is the Estimated rate of Net Earnings?

This is an indication of the investment performance of your account, after allowing for taxes and other management costs. The figure is based on the overall return of your account, after all transactions and adjustments, compared to the average balance throughout the entire period.

Why do I have an amount held in Cash when I have never selected a Cash option?

Any contributions or rollovers credited to your account are held in Cash until the regular investment cycle is run, at which stage your net contributions will be invested according to your Investment Profile.

Expenses, such as administration fees and insurance premiums are deducted from your Cash holdings, then units are redeemed as part of the regular investment cycle in order to cover these expenses and bring your cash balance back to zero.

The investment cycle involves setting the unit price for each investment option, and then investing any net cash, or redeeming money to pay benefits, taxes, etc. The investment cycle is generally run once per week, but the Trustee reserves the right to vary the frequency of the investment cycle.

Why do I have a negative amount of cash in my account?

As mentioned above, expenses such as administration fees and insurance premiums are deducted from your Cash holdings on the last day of the month. Then, as part of the regular investment cycle each week units are redeemed from your holdings in order to cover these expenses and bring your cash balance back to zero. You may see a negative balance displayed when fees have been deducted from your account but the investment run has not yet occurred to bring your cash balance back to zero.

What is my Investment Profile?

This is how we allocate any contributions or rollovers that we receive, and how we apportion any expenses. If you have not told us what investment profile you want, then the Investment Profile shown will be the default option for the Fund.

How do I change my investment options?

Complete an Investment Switch Form, available from the website or from the Fund Administrator, and send it to the Fund Administrator.

Decisions regarding your investment options are important and should not be made without first obtaining advice from a suitably qualified financial adviser. If you have an adviser on your account, their contact details are at the end of your statement.

Why doesn't my asset allocation chart add up to 100%?

There can be slight variances due to rounding.

Insurance Benefits Section

I never asked for any insurance cover, so why does my Statement say that I have insurance?

Some members have insurance cover provided to them automatically when they join the fund. One of the reasons for this is that there is a requirement for insurance benefits to be provided by an employer's default superannuation fund under the Federal Government's MySuper legislation.

How can I change my insurance cover?

If you want to cancel or reduce your insurance cover, write to us and tell us what you want to change. You should consider carefully any decision to reduce or cancel your insurance cover as it may not be available to you again in the future on the same terms should your circumstances change.

If you want to increase your insurance cover, please contact the Fund Administrator and they will explain the process to you. Any increase does not take effect until the insurer has confirmed the cover.

Beneficiaries Section

No beneficiary is listed on my Statement, so who would you pay my superannuation to if I died?

If you have not nominated any beneficiaries for your superannuation, the Trustee would either pay your superannuation benefit to your dependants, or to your Estate.

A dependant is usually your spouse or any child (regardless of age), or any other person who is substantially financially dependent on you at the time of your death. The superannuation and tax law definitions of dependant have been amended to include any person with whom the member has an "interdependency relationship". Two people have an interdependency relationship if:

- they have a close personal relationship;
- they live together;
- one or each of them provides the other with financial support; and
- one or each of them provides the other with domestic support and personal care.

In addition, if a close personal relationship exists but the other requirements above are not satisfied because of a physical, intellectual or psychiatric disability (eg. one person lives in a psychiatric institution suffering from a psychiatric disability), then an interdependency relationship may still exist.

How do I change my Beneficiaries?

You need to complete a new form and send it to the Fund Administrator. Forms are available on the website at emplus.com.au, or by contacting the Fund Administrator.

What is the difference between a Binding and a Non-Binding Nomination of Beneficiary?

If you use the Nomination of Beneficiary option, you can indicate who you would like your benefit to be paid to, however your nomination is not binding on the Trustee and your death benefit will be paid to persons determined by the Trustee. That is, in making its decision, the Trustee may take into account your nomination but will not be bound by it. You can change your nomination at any time by informing the Trustee in writing.

If you use the Binding Nomination of Beneficiary option, you override the Trustee's discretion and the Trustee must pay the benefits to the beneficiaries specified by you, in the proportions that you specify, provided your nomination is valid when the benefit is paid. To be valid, a Binding Nomination must not be more than 3 years' old and you can only nominate a spouse or dependant or have it paid to your estate. If you nominate a person who is not a dependant, your nomination will be invalid and the Trustee will be required to decide to whom the benefit is paid.

Transaction Details

My Pay Slips show a different amount of contributions to what is shown on the Statement

Your superannuation statement is based on when the money is actually received, not on the period the payment relates to. For example, if an employer did not pay their June 2016 contributions until July 2016, or later, then they will not appear on this Statement.

When an amount is shown on a pay slip, it does not necessarily mean that it has been paid to the superannuation fund at the same time. The amount shown on your pay slip is generally just confirming your superannuation entitlement for that pay period. Under the current legislation, employers are only required to pay their contributions on a quarterly basis. They can pay more frequently if they choose to, but they are not required to pay more often than quarterly.

What are the Administration Fees?

These are the costs that have been deducted from your account, and include member fees. These fees do not include Indirect Costs which are not deducted directly from your account.

What are the Advice Fees?

These fees are adviser remuneration that have been deducted from your account and paid to the servicing adviser nominated on your account.

Please note that the basis for the adviser remuneration fees and charges have not changed. The costs for the fund were bundled under one all-encompassing management fee, covering all aspects of fund membership. However, there have recently been a number of reforms in relation to disclosure and reporting, all aimed at providing greater transparency and control for consumers. These reforms have resulted in fees being broken down into their different components, with any adviser remuneration separately identified from the other costs of the fund. If you want to stop these advice fees, please send your request in writing to the Fund Administrator – see contact details below.