

# Your half-yearly statement

## Enjoy a super future

Super is the easiest way to save for your retirement and is often one of the biggest investments you'll have.

There's a range of ways to save tax, get free government help and ensure you're paying as little as possible in super fees. To get the most out of super you need to consider your options and what help is available to you.

Questions to consider include:

- Are you entitled to a \$1000 super co-contribution from the Government?
- Do you understand the benefits of splitting super contributions?
- Are you paying more in superannuation fees than you need to?

This is where a financial adviser can help. They can show you the best way to manage your super for your changing needs so that you can reach your long term goals.

For more information, and to take the free 'MLC 1 Minute Super Check', visit [mlc.com.au](http://mlc.com.au) and follow the links from the 'Superannuation' tab.

## What's the market got in store for 2011?

For the major developed economies, 2011 is likely to show only small growth prospects. Though it's looking unlikely that there'll be another recession, it's still an uncertain environment for the world economy and financial markets.

For Australia, 2011 is looking like a good year and we should continue to perform well against other developed markets. Our trade links to India, China and other faster growing markets in Asia means Australia's exports and investment in our key export industries is looking strong.

Higher prices for our key exports means a sharp rise in terms of trade, and this is likely to boost national income and spending over 2011 and beyond.

## What will happen to interest rates?

Australia is showing positive growth, but not as high as some expect. While consumers are still spending, they aren't spending as much or as fast as might be expected given how strong income growth has been. In fact, we're now a nation of savers with Australian households saving over 10% of their disposable income during the September quarter of 2010.

This all means that with more cautious consumers, it's unlikely we'll see a rise in interest rates for the next few months. However, the likely trend for 2011 is upwards.

## Where to invest

Medium term equities are looking like the best return for investors, particularly as traditional safe haven assets such as Government bonds don't currently offer much of a return, particularly in overseas markets.

If you'd like more information on how and where to invest, speak to a financial adviser who can help you work out the best strategy to reach your long-term goals.

## Who are you leaving your super to?

You've worked hard for your super so it should be there for you and your family when you decide to retire. But if something happens to you, your super doesn't automatically go to particular beneficiaries unless you've made a binding death benefit nomination.

Your beneficiaries under a current binding nomination are shown on the right-hand side of your half-yearly benefit statement overleaf.

If you haven't made a binding death benefit nomination and you would like to, you'll need to complete and return a 'Death benefit nomination' form. This form can be downloaded from [mlc.com.au](http://mlc.com.au) or requested by contacting Client Services on **1300 428 482**.

If you've already made a nomination, you'll find enclosed a 'Death benefit nomination' form for you to complete and return if you would like to make amendments to your 'Current death benefit nomination details'. **If you're happy with these details, simply retain this form for your records.**

Remember, we're on hand to help you. Just contact us or speak to your financial adviser so that you know your super's safe whatever happens.

## Contacting us

**Phone:** Client Services  
1300 428 482  
**Fax:** 03 9869 1595  
**Mail:** GPO Box 2567 Melbourne  
Victoria 3001  
**Email:** [nss@mlc.com.au](mailto:nss@mlc.com.au)  
**Web:** [mlc.com.au](http://mlc.com.au)

NULIS Nominees (Australia) Limited ABN 80 008 515 633 AFSL 236465 and MLC Limited ABN 90 000 000 402, AFSL 230694, form part of the National Australia Bank group.

**Disclaimer:** The information is believed to be current as at date of publication and while every attempt has been made to ensure the accuracy and reliability of the information, it is not guaranteed in any way. The information is general in nature and does not take into account any particular person's situation. The information is not, nor is it intended to be, comprehensive or a substitute for professional advice. Before making an investment decision on the basis of the information, a prospective investor needs to consider, with or without the assistance of a financial adviser, whether the product is appropriate for their particular needs, objectives and financial circumstances.

# Your half-yearly statement



With you

Your super figures for 1 July 2010 – 31 December 2010 are inside

## Welcome to Employer Super

Here you'll find important information about your super account and any changes that have happened for the six months ending 31 December 2010.

You may have noticed that we've had a name change from Aviva Business Super to Employer Super and are excited to bring you the new MLC look. You'll still get the same excellent features and benefits you've always had and remember, we're only a call away if you need any help.

## What your statement shows

With Employer Super you can see exactly how your super is doing, so you can plan for your long-term goals.

Inside you'll find:

- what contributions and withdrawals have been made
- how your investment options are performing
- your investment value changes

- details of your insurance, and
- your final balance for 2010.

We've also included a handy glossary of terms used in your statement.

## Do we have your contact details right?

Please check inside to see if we have your current address, contact and employer details so that you get all the information you need about your super, including this year's annual statement.

And, to make sure you're only paying the tax you need to, it's a good idea to make sure we have your Tax File Number.

Call us on **1300 428 482** or email [nss@mlc.com.au](mailto:nss@mlc.com.au) if you need to update any of these details.

## Did you know?

### There's over \$13 billion of lost super in Australia

A startling one in three Australians has misplaced some of their super savings, meaning there's over \$13 billion in missing super.<sup>1</sup>

What's more, one in two Aussies hold at least two super funds, costing nearly \$1 billion in wasted fees.<sup>2</sup>

When a member of a super fund can't be contacted by their fund, their details are sent to the Australian Taxation Office's (ATO) Lost Members Register. Some of that \$13 billion of lost super listed today could be yours!

To check, use the ATO's free SuperSeeker online tool at [ato.gov.au](http://ato.gov.au). And when you've found it, pull all your funds together so that you can:

- save money by avoiding paying multiple management charges, insurance premiums and other fees, and
- build a bigger nest egg for the future.

Call us today and we'll help you consolidate your super into one easy to track and manage place.

<sup>1</sup> 'Exposure draft – Lost Members' Superannuation Accounts' Australian Institute of Superannuation Trustees (AIST), September 2009.

<sup>2</sup> The Super Secret Report, CHOICE, November 2006.



This should be read in conjunction with your Annual Statement.

## Glossary

### Account balance

This is the total amount built up for your retirement, including all contributions and investment earnings, and net of all provisions for charges, fees and taxes. While every care is taken in the preparation of your statements the Trustee reserves the right to correct any errors.

### Annual salary

Is equal to your total employment cost less any packaged salary component such as a car or superannuation.

### Adviser review fee (previously - service fee)

A fee that may be charged by your adviser for additional advice in relation to review of investment strategies, nomination of beneficiaries, insurance benefits under the plan and regulatory impacts on features of the plan.

### Contributions

Your statement shows the contributions received for you during the period of the statement. You should check your contribution details carefully, as the Trustee is unable to determine whether there are arrears outstanding at the closing date of the statement.

### Early withdrawal fee

A fee of 1% applies for withdrawals or switches out of the MIF Capital Guaranteed Fund within 12 months of the investment date.

### Insurance cover

These amounts are payable where an insurance claim is paid, in the event indicated, as described in the documents you received when you joined the fund. The amount is paid in addition to your account balance on the occurrence of death or total & permanent disability.

### Management expenses

The fees as described in the Trustee Annual Booklet are charged under the investment policy for the fund, before your account balance is determined.

### Management fee rebate

Rebate amounts are credited to your account when the gross annual management fee of 1.90% is charged from unit prices for your investments and the fee applicable to your superannuation is less than the gross 1.90% pa. (Refer to your welcome certificate for details of your fees).

### Member contributions

Your contributions paid from your after-tax salary. These include personal deductible contributions.

### No-TFN contributions tax

If you or your employer have not supplied your TFN to your superannuation fund, any concessional contributions made by your employer will be taxed an additional 31.5% on top of the 15% fund tax on contributions. This no-TFN contributions tax can be re-credited to your account if you supply your TFN within 3 years and have not left the fund.

### Other management costs

An approximation of your share of relevant fees and costs deducted from the fund or from an investment option before unit prices are set ('indirect costs') or interest rates declared. These costs are only displayed on the annual statement at financial year end.

### Preservation restrictions

From 1 July 1999 all new contributions made to a superannuation fund by or on behalf of members and all investment earnings must be preserved. Benefits showing on your statement as restricted non-preserved and unrestricted non-preserved have retained their status.

### Terminal medical condition

The condition of release, Terminal Medical Condition, allows terminally ill people to access their superannuation tax free. To meet this condition of release, members must satisfy the following:

- two registered medical practitioners have certified that the person suffers from an illness or has incurred an injury that is likely to result in death within a period (the certification period) no greater than 12 months;
- at least one of the registered medical practitioners must be a specialist practising in the area related to the illness or injury suffered by the person; and
- for each of these certifications, the certification period has not ended.

Once these conditions are met, the member's entire superannuation benefit becomes unrestricted non-preserved and can be withdrawn tax-free at any time. This also applies to any contributions received for the member during the certification period.

These doctors' certificates are also the requirement for no PAYG withholding amount to be deducted from benefit payments to members under age 60.

If a member has not satisfied these requirements at the time of payment, normal superannuation lump sum tax will apply. However, if the member subsequently satisfies the definition within 90 days of the payment, the fund will pay the amount withheld for tax to the member.

If you would like further information please call our Client Services team, or alternatively go to the ATO's website [www.ato.gov.au](http://www.ato.gov.au)

### Total fees you paid

These do not include transactional and operational costs (for example, brokerage and buy/sell spreads). All fees and charges that are deducted either directly or indirectly from your account are detailed in your statement. These are costs of the Plan, so you are not able to claim these amounts as deductions in your personal tax returns. All fees except the investment manager charges are paid from the Investment Policy. The Administrator benefits from tax deductions arising from these fees, and has set the levels of fees for the plan taking this into account. These fees are only displayed on the annual statement at financial year end.

### Transfers

Amounts rolled over or otherwise transferred into the fund during the period covered by this statement.

### Unrestricted non-preserved benefits

These amounts include benefits that have met a condition of release or any unrestricted non-preserved benefits rolled over or transferred into Employer Super. You may withdraw either in part or in full any unrestricted non-preserved benefits at any time.

### Voluntary employer contributions

Contributions by your employer made in addition to superannuation guarantee and award contributions, which may be subject to "vesting provisions". If your account is not fully vested, the vesting provisions are shown on the front of your statement and are the method of calculating your entitlement to voluntary employer contributions. Where the vesting provision is nil vesting this means that the amount of voluntary employer contributions payable will be determined by either the Trustee or your employer if you leave the fund prior to retirement age.

### Withdrawal benefit

The withdrawal benefit is the amount that belongs to you should you leave the fund prior to your nominated retirement age. Any difference between your withdrawal benefit and your account balance is subject to "vesting provisions", established by your employer.

### Preserved benefits

Preserved benefits can only be paid to you under certain conditions such as retirement, reaching age 65, permanent incapacity, severe financial hardship or compassionate grounds approved by APRA.

### Prior year adjustments

This value relates to adjustments made in the current statement period for transactions processed in a previous statement period.

### Restricted non-preserved benefits

Restricted non-preserved benefits can be paid to you after you cease to be employed by your current employer. Restricted non-preserved benefits are generally voluntary member and voluntary employer contributions made prior to 1 July 1999.

### Salary sacrifice contributions

Contributions your employer makes with your agreement, as part of your total remuneration package before income tax is deducted.

### Spouse contributions

These are contributions made on behalf of a member by their spouse. These contributions can only be made where the member and the spouse are living together on a permanent domestic basis and the spouse is not already entitled to a tax deduction for the contribution.



### **Superannuation co-contribution**

Payments to your superannuation account by the Federal Government, to eligible persons who make post tax (non concessional) superannuation contributions.

### **Superannuation guarantee contributions**

Employers are required to make minimum superannuation contributions for all employees, if they are not to be subject to the levy provisions of the superannuation guarantee legislation. For the 2009/2010 financial year the level of contributions was 9%. These contributions include any award contribution requirements.

### **Surcharge contributions tax**

Contributions tax (referred to as Surcharge) is imposed on surchargeable contributions, which include employer contributions, personal deductible contributions, some roll over amounts and foregone benefits made before 30 June 2005. The amount on your statement may include an allowance for any refunds from the ATO (advance instalments or over paid tax) and interest on some overpayments or underpayments, which have been credited or debited by the ATO.

### **Tax deduction for fees**

All fees (except the Investment manager charges) are paid from the investment-only life policy for the Plan. The Administrator benefits from tax deductions arising from these fees, and has set the levels of fees disclosed taking this benefit into account. There is no further benefit to members for the deductions.

Further information about these deductions, or other charges, can be obtained by contacting Client Services.

### **Tax on contributions**

The fund pays 15% tax on all concessional contributions to superannuation. This amount is deducted from all employer contributions and from any personal contributions that you advise us by a Section 290-170 notice that you will be claiming as a tax deduction. If you roll over an employer termination payment or a benefit from an untaxed fund that has an untaxed element amount, 15% of the untaxed element value will be deducted for fund tax. Deductions for this tax may be made and/or be reported to members in subsequent periods to the receipt of the untaxed element amount.

### **Trustee arrangement with related Parties**

#### **Fund**

Employer Super ('the Plan') incorporating Super Solutions Employer Service and the Employer Super Personal Option are part of the MLCS Superannuation Trust ABN 31 919 182 354 ('MLCS').

#### **Trustee and Issuer**

NULIS Nominees (Australia) Limited (ABN 80 008 515 633) Australian Financial Services Licence number ('AFSL No.'): 236465 ('NULIS'). We or the 'Trustee' is the Trustee of the Plan and issuer of interests in the Plan.

The Trustee currently invests wholly in, and all investment options are held through, an insurance policy ('the Investment Policy') issued by MLC.

#### **Administrator**

MLC Limited ABN 90 000 000 402 AFSL No. 230694 ('MLC', the 'Insurer' or the 'Administrator'). MLC is:

- the administrator of the Plan
- the issuer of insurance policies held by the Trustee and not issuer of interests in the Plan, and
- the guarantor of the MIF Capital Guaranteed Fund and the MIF Cash Fund.

#### **National Australia Bank Group**

The Trustee and the Administrator are part of the National Australia Bank Group ('NAB Group').

With the exception of the Trustee, no other member of the NAB Group is an issuer of interests in the Plan.

### **Making enquiries or complaints**

We have formal internal procedures for dealing with complaints within 90 days. We may be able to solve the problem over the phone, but if not, we will ask you to put it in writing and send to the address below. Employer Super Client Services phone number is 1300 428 482.

Complaints Officer  
Employer Super  
GPO Box 2567  
MELBOURNE VIC 3001

### **Superannuation Complaints Tribunal**

If you are not satisfied with the handling of a complaint or its resolution by the Trustee or its delegate has not dealt with your complaint within 90 days, then the Superannuation Complaints Tribunal ('the Tribunal') may be able to deal with your complaint. The Tribunal is an independent dispute resolution body set up by the Government to assist investors to resolve certain types of superannuation complaints that have not been resolved by the Trustee.

The Tribunal may be able to assist you to resolve a complaint, but only after you have made use of the Trustee's own enquiries and complaints procedures. Once the Tribunal accepts a complaint it tries to conciliate the dispute by helping an investor and the superannuation trustee reach agreement. Where this is unsuccessful the Tribunal will formally review the matter and make a binding decision.

It is located in Melbourne and the contact details are:

Postal address: Locked Bag 3060  
Melbourne VIC 3001  
Telephone: 1300 884 114  
Fax: 03 8635 5588  
Website: [www.sct.gov.au](http://www.sct.gov.au)

### **Alternate investment strategies available**

Further details in relation to the above can be made available upon request from Client Services on 1300 428 482

### **Other contribution levels available**

Further details in relation to the above can be made available upon request from Client Services on 1300 428 482

### **Other insurance coverage available**

Further details in relation to the above can be made available upon request from Client Services on 1300 428 482