

nsf super news

Edition 2 2016

Welcome to the latest edition of NSF Super News

HIGHLIGHTS

- New look coming soon
- Salary sacrifice explained
- Understanding socially responsible investing
- Finding lost super



We're taking big steps in the right direction

In 2017, the team at NSF Super will be celebrating 30 years of service to you, our members and employers.

We've seen plenty of major changes in the super industry over that time, in terms of both legislation, and the needs of the people we're here to help.

At this time we're also looking towards the future, and are planning some major steps to ensure we continue to meet the needs of our members and grow for the next 30 years. We're redefining why we're in business, what we're delivering and how we're going to do it.

One way we'll harness all of this work and share it with you, will be to change our branding from NSF Super to Nationwide Super, along with a fresh new look.

There will be greater choice when it comes to communication, and you'll be able to receive letters, statements and other correspondence electronically (online or by email). Convenience, speed and security are just some of benefits our eCommunications will offer, as well as helping us take better care of the environment by reducing our paper footprint.

One thing that definitely won't be changing is our superstar team of dedicated super specialists who serve you. If you want to get in touch – the team are here to help!

Look out for more details in the coming months...



Turbo boost your super savings with salary sacrifice

Making additional contributions to super while you're still working can make a massive difference to your retirement savings, and it doesn't have to be a big financial burden along the way either. Just like any good savings approach - setting a goal and getting into the habit of regularly putting a little extra away is the key.

Could salary sacrifice be the right approach for you?

Salary sacrifice is when you choose to have your employer regularly pay some of your salary into super instead of taking the money as after-tax pay. The salary you 'sacrifice' is paid directly into your super **before** income tax is deducted, and that could mean you pay less tax overall.

The technical term for this is a 'concessional contribution', and salary sacrifice is popular because it can be a tax effective way to make extra contributions to super - these contributions are taxed at 15%, which could be lower than your personal marginal tax rate.

Just keep in mind that if you don't provide us with your Tax File Number, your concessional contributions will be taxed at the highest marginal tax rate plus Medicare Levy, rather than 15%.

You can ask your employer whether salary sacrificing is available to you, and how to start it.

There are also limits on the amount you can contribute each year before penalties apply.

Need help?

Getting advice about whether salary sacrifice is something you should consider makes sense, and the Money Coaches from Link Advice* can help you over the phone. Don't forget that NSF Super will pay for the first piece of advice you receive on a single super issue. Simply call the NSF Super team to get started.

Example:

If you earn \$85,000 a year, your Marginal tax rate is 39% and your total tax bill is \$21,097 (including Medicare levy). If you salary sacrifice \$5,000 to super, your salary is now \$80,000, your income tax has reduced to \$19,147 and your marginal tax rate is 34.5%. The \$5,000 is contributed straight to your super fund, where it is taxed at just 15%. So overall you have gone from paying \$21,097 in tax to \$19,897, a saving of \$1,200.

Still have multiple super accounts?

Apart from making it easier to manage your super savings, gathering up any multiple accounts you may have (called consolidating) and rolling them over into your NSF Super account means you could end up paying a **lot less** in fees.

OUR TIP: You should take into account any exit fees you may be charged by other funds and the loss of any insurance cover held in other accounts when looking at consolidating.

We can make it easy too!

The NSF Super team know how to take the hassle out of the consolidation process - just choose the option that suits you best!

1. Online with MemberAccess

After logging in to MemberAccess via our website, click on the 'Consolidate Super' tab, and follow the few simple steps - you'll need to know the name of your other fund/s and your member/account number there.

If you don't already have a MemberAccess account, it only takes a couple of minutes to register online - just visit the

website for more information.

2. Over the phone with the NSF Super team - call 1800 025 241

We can also help you consolidate your super accounts into NSF Super over the phone. You will just need to know the name of the other fund/s and your member/account number there.

3. Use your myGov account

Even the Australian Taxation Office (ATO) wants to help make it easier to combine your super - especially for people who lodge their tax returns online, using myTax. You will first need to register for a myGov account, then link it to the ATO.

When lodging your return, or at any other time, you can choose to 'manage your super', which includes searching for any super accounts the ATO can identify with your details, then request a rollover to the fund of your choice.

Visit www.ato.gov.au/individuals for more information on myGov accounts and how to use them.



Understanding Socially Responsible Investing (SRI)

Choosing where your super savings are invested is an important decision, and can be based on many factors including your attitudes and tolerance to risk, your investment timeframe, and your stage of life.

Socially responsible investment takes environmental, social, governance (ESG) or ethical considerations into account for the investment selection and management process, which can be important factors for some investors. SRI investing may involve avoiding investment in companies that have material exposure to the production of alcohol, tobacco, armaments, gambling and nuclear power.

While there isn't sufficient evidence to prove that ethical investing delivers better investment returns over the long term, supporters of SRI investing raise a number of points to explain how ethical investments can potentially perform just as well or even better than traditional investments, including:

- Companies that focus on minimising social and environmental risks or work to provide solutions to issues like climate change and commodity scarcity may be more competitive and well-placed in the future.
- The SRI screening process eliminates companies that engage in unsustainable business practices or contribute to environmental and social problems. This could lead

to reduced profitability as they face risks of government regulation or consumer boycotts.

The NSF SRI/Ethical investment option was our strongest performing option in the 2015/16 financial year, and in 7 of the last 10 years, has achieved a higher investment return than the NSF MySuper / Diversified option. These two investment options have an identical target asset allocation, with the key difference being that the SRI/Ethical option includes investments in share funds which are designated as Socially Responsible Investments (SRI).

Do your homework

For detailed information on NSF Super's investment options, you can read the Product Disclosure Statement and Investment Guide, available at nsfsuper.com.au/forms or call the NSF Super team. We can put you in touch with a Money Coach* who can help you with making decisions about your super, over the phone.

If you wish to change how your current NSF Super balance and your future contributions will be invested, simply log into your MemberAccess account or complete a Member Investment Choice form (downloaded from our website) and return it to us.

Taking the paperwork out of insurance

We're always looking for ways to reduce the need for forms to be filled out manually, and the insurance portal in MemberAccess now lets you manage a whole range of insurance transactions online.

After logging in to MemberAccess, you can:

- Obtain a quote and apply for insurance cover
- Reduce or cancel your cover

- Apply to change your Occupation Rating
- Apply to transfer insurance cover from another fund
- Apply for Life Events (coming soon)

Simply log in to MemberAccess to see how easy it is, or contact the NSF Super team for any help you need.

Get reunited with your 'lost' super in one simple step



We've also got the solution if there's a chance some of the \$12 billion in lost super waiting to be claimed at the Australian Taxation Office (ATO), could be yours.

In order to help you out and search for this lost super on your behalf, we just need your permission to supply the ATO with your Tax File Number (TFN) and other personal information. From November 2016, we will also be able to organise to transfer any amounts which may belong to you, straight from the ATO into your NSF Super account.

Give us the 'green light' to go fetch

Simply contact the NSF Super team to give your consent, and leave the rest to us – you'll be contacted anytime there are super savings found.

Even if you've given us permission to search for your lost super in the past, you'll need to give us the green light again to make the rollover process automatic in future.

Download your Member Card from NSF Super

Easy access to your NSF Super account details is now at your fingertips.

The NSF Super Member Card is downloaded to your smartphone through the Wallet (or Passbook) app for iPhone, or PassWallet app for Android, and keeps a range of handy information about your membership in one place.

Handy details stored on the card include:

- Your Member ID
- NSF Super's USI (Unique Superannuation Identifier) and ABN details
- Links to our website and MemberAccess
- BPAY® Biller Codes and Reference Numbers for personal contributions

Get your card today

Simply visit the Member Card page on our website (nfsuper.com.au/membcard), and enter either the email address or mobile number we have recorded for your account. We'll then send you a download code via email or SMS.

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