

ACHIEVE

WINTER 2019

It's time to feel good about your super

A BETTER RETIREMENT STARTS NOW

Meet Retirement Consultant Adam Krull who can help you prepare for your retirement with confidence and peace of mind.

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NEW RULES FOR STRONGER SUPER

Find out how your super is being further protected and strengthened by new insurance legislation coming into effect on 1 July 2019.

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CHANGING JOBS?

Take Nationwide Super with you.

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Think Super
Think Growth

We share some questions we received recently from members like you, together with some helpful tips and tools to get you thinking.

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How can we help?

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Welcome to your first-ever Achieve magazine... one of the 'new-look' publications you'll be receiving twice a year from Nationwide Super.

Look forward to content to help with your super savings, lifestyle articles, member profiles, regulatory updates and great competitions. It's our way of giving you the information you need today to take control of your super to live a great life after work.

If you're planning to retire soon, we know just the place for you to start. A one-on-one Retire Ready meeting with our retirement consultant. It's a great opportunity to ask those questions that may have been at the back of your mind. Why put it off anymore? Find out what's on offer and how to book your own meeting.

Already combined your super but want to keep it growing? Consider super contributions and see our breakdown to work out which contribution method suits you the best.

Every year, we reach out to members like you to see how we can better serve your super needs. Find out three key issues members have raised and how we have responded.

We encourage you to take a closer look at the new insurance rules that come into effect on 1 July 2019, as a part of the government's Protecting Your Super Package.

And finally, did you know that changing jobs doesn't mean you have to change your super fund? See the back page for more details.

Happy reading!

Emma Barrett

Director
Member Services
Nationwide Super



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FOR MULTI-ASSET SOLUTIONS

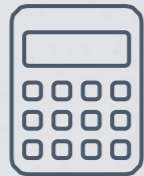


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Super contributions 101

There are a number of ways to make or receive contributions to your super account. Let us count the ways and help you work out the best fit for you.

Grow your super... you hear it often enough, but it can be hard to work out just why it's so important and how to go about it. Here's why.



Super is your money and will basically help to pay you an income once you leave the work force. It's all about being able to live a great life after work.

Super is taxed at 15% instead of your marginal tax rate. Why not make the most of it?

Thanks to the power of compound interest, every extra dollar that goes into super will be reinvested again and again—growing your savings faster.

One of the easiest ways to grow your super is via contributions—money coming in to your super account. Especially, if you have a super gap, between how much money you'll need

to achieve your desired lifestyle after work and how your super is tracking to reach that goal, super contributions can make a real difference and the sooner you start, the better the outcome.

The question is what's the most suitable contribution option for your personal circumstances.

Here are your options

Super Guarantee contributions	This is the super money your employer puts into your super account, on top of your salary and wages. Currently, this is 9.5% p.a. of your salary and wages, but it's legislated to increase to 10% from 1 July 2021 and then progressively increase to 12% p.a. from 1 July 2025.
Salary sacrifice contributions	Contributions to super from your before-tax pay are deducted from your total salary before income tax has been calculated, and forwarded to your super account. This means your taxable income is reduced, and your salary sacrifice contribution gets taxed at only 15%. Two things to note: Check with your employer to make sure they offer salary sacrificing and watch out for the \$25,000 contribution cap per year.
Low Income Superannuation Tax Offset (LISTO)	If you earn \$37,000 or less a year, you may be eligible to receive a LISTO payment directly into your super account. The amount, up to \$500 annually, will be 15% of the before-tax contributions you or your employer made to your super account during the financial year.
After-tax contributions	A simple way to deposit your money into super is from your salary or wages after your income tax has been deducted. You can also make one-off after-tax contributions to your account with any savings you have. Just use BPAY®: Biller code: 200089 and Reference number: Your Customer Reference Number (Not sure what it is? Log in to your online account and go to the 'Contributions' page.) It's simple really and while there's a \$100,000 contribution cap per year, in order to accommodate larger contributions, people under age 65 are allowed to bring forward two years of contributions, up to a total of \$300,000 in contributions in a single year. This is reduced if your total superannuation balance is more than \$1.4 million. Alternatively, you can claim after-tax super contributions (made since 1 July 2017) as a tax deduction when you're doing your tax return, lowering your taxable income.
Government co-contributions	If you earn less than \$52,697 a year before tax (for the 2018/19 year, indexed each year) and make after-tax super contributions, you may be eligible for a co-contribution from the government. The co-contribution is 50c for every \$1 you contribute, up to a maximum co-contribution for the year of \$500 if you earn less than \$37,697 (for the 2018/19 year, indexed each year). The maximum of \$500 is reduced by 3.33c for each \$1 you earn over \$37,697.
Spouse contributions	You can help boost your spouse's retirement savings by making a contribution to their super account. This can be a good idea if your spouse is a stay at home parent or has had time out of the workforce. If your spouse earns low or no income, you may be able to claim a tax offset of up to \$540 (18% on up to \$3,000 of contributions) on after-tax contributions you make to your spouse's account. You can also transfer some of the contributions made to your super into an account for your spouse (including de facto of the same or different sex)—known as contribution splitting.

Now that you have an idea of your options, it's important to work out what suits you best. We're happy to have a chat—call us on **1800 025 241**. Or you can get targeted, personalised and phone-based advice on contributions, often offered at no cost to you. Let's get this sorted!



Whichever option you choose, one thing is certain—making a contribution is super easy.

- Log in to your online account at nationwidesuper.com.au/login
- Call us on **1800 025 241** and we'll talk you through what needs to be done
- Complete the Contributions Form available at nationwidesuper.com.au/forms

A better retirement starts now



Are you counting down to retirement? Got a million questions, but not sure who to ask? Then this could be a good time to look into a Retire Ready meeting. It's our way of helping you prepare for retirement with confidence and peace of mind.

A one-on-one meeting with a retirement expert at no cost to you—it's as good as it sounds. Our Retire Ready meetings are designed to give you the information and expert guidance you need to make informed decisions about the way you want to live in retirement.

But what is it exactly? What do you have to do? And, most importantly, what's in it for you? We sat down with Retirement Consultant Adam Krull to talk all things 'Retire Ready.'

Q: First of all, what is a Retire Ready meeting?

If a member is looking to retire in the next five years or has already retired, then a Retire Ready meeting

is a great option.

It's a one-on-one, face-to-face discussion with a member, where a retirement consultant listens to their questions and concerns about retirement, and offers general advice and information to help them prepare for a great life after work. Think of it like an information download! And partners are welcome to join.

Q: What is your role in a Retire Ready meeting?

To educate and support members as they plan their retirement journey, to show that the more information they have, the more confident they can be when it's time to make those super decisions.

Super can be complex, we completely understand that. And we're here to help make sense of the rules around super. And we're happy to spend time helping members get a deeper understanding of specific subjects, like Transition to Retirement (TtR) or super-related tax rules.

Q: Does a member have to be 'super savvy' to make the most out of it?

Not at all. We meet members from all walks of life, with different levels of knowledge about super.

It's a one-on-one meeting, so there's plenty of time to cater for everyone's knowledge base and expand on it. And some members can be pleasantly surprised—in fact, I recently had a

member remark, "I thought I knew a lot about super, but I have learnt so much more."

Q: What topics do you cover at a Retire Ready meeting?

Generally, we engage with members to explore different topics such as:

- any recent super changes and what these could mean
- age-based tax and super strategies that could boost savings before retirement
- contribution strategies, including transition to retirement rules
- retirement income options, including the Age Pension
- goals and next steps, and what we can do to help you make the ideal retirement lifestyle a reality.

Q: How do you help members arrive at decisions?

We always encourage members to ask as many questions as they like. This is their time. And often members come with notes about their future plans and questions about what concerns them.

While we can only offer general advice—which means giving information about different super strategies or legislation, and not about telling members what they should do—these notes and questions can steer the discussion in the direction(s) that members are most interested in.

Q: What are the three most important things a member can take away from a Retire Ready meeting?

- Understanding how tax works in super contributions vs. super benefits
- Understanding how TtR works, because it's a great way to grow your super while working, or reduce working hours without reducing income
- Understanding how investment options work, because our investment menu has 23 options from which to choose.

Q: What happens after the meeting?

We like to look at the big picture and see our members through the whole retirement planning journey—it's a key part of our award-winning member service offer.

While a Retirement Consultant provides a summary of the discussion and answers additional queries, a Member Solutions Consultant will get in touch with the member to check on progress—to action any decisions they

want to make or to help access personal financial advice which can provide recommendations on what to do next. Whatever they decide to do, we're here to help.

Q: Tell us about a time when you helped a member to...

1. Work out if there's enough super for their retirement

Many members want the answer to two questions: 'Do I have enough to retire?' or 'How long will my super last?' This means talking about investment returns, eligibility for the Age Pension and if there's a partner, how their super should be considered. Understandably, knowing if they have enough super to live a great life after work often leaves members feeling much more confident and comfortable with their financial position.

2. Set retirement goals

I recently met a member whose retirement goal was to grow his super without reducing his take-home pay, because he was focussed on repaying some debt. We discussed how a TtR strategy could be the most suitable approach.

3. Review their investment strategy

Another member, who was close to retirement, was focussed on de-risking her investment strategy "to help reduce 'losses' if we go through a global financial crisis again." We talked about diversification to help navigate

the ups and downs of financial markets by investing her super across different asset classes.

4. Transition to Retirement

I remember a member who was looking to reduce his working hours but not his pay, so he and his partner could ease into retirement while staying in the workforce. We talked about a TtR strategy, and in the end, they felt confident that changing over to a four-day week was not going to have as big an impact on their overall finances as they first thought.

5. Feel confident about their financial position

A member was worried that her super may not last long, so we discussed accessing super, investment selection and returns, and the possibility of qualifying for the Age Pension which could be used alongside her super. She hadn't thought about being able to use both sources to fund her retirement, together with money still being invested and generating returns.

Want to meet a retirement consultant for your own Retire Ready meeting?

Simply call us on **1800 025 241**. We'll help you to arrange a meeting.

More than super

Personal financial planning looks at more than just your super. It looks at your full financial picture, including investments outside super, insurance, budgeting and estate planning.

We've partnered with financial advisers who are committed to helping you meet your goals. No surprises, no jargon—just advice you can trust. Plus, your first meeting is complimentary.

 Simply call us on **1800 025 241**. We'll arrange a referral.

Think super, think growth

We thought we'd share some questions we received recently from members like you, asking about retirement income planning, redundancy and taking time out of the workforce, together with some helpful tips and tools to get you thinking.



“I want to be more involved. I know that’s on me too, but I don’t know... how to be more involved.”

Getting involved with your super starts with knowing where you’re at, setting a goal on how you want your life after work to be and working out a plan to get there. And your online account is just the place to start this journey of discovery.

It can help you:

- find out your account balance, transaction history and

investment returns

- update your personal details and beneficiary details
- give you a personalised To Do List of quick and easy tasks that make it easy for you to take action
- find and combine your other super into your Nationwide Super account
- see how much you and your employer can still contribute before

tax this financial year

- find out your insurance arrangement within your super.

Never been online? It's super easy. To get set up in a few simple steps, go to nationwidesuper.com.au/ login and follow the prompts. You'll need your member number, and if you can't remember it, simply give us a call. We're happy to help.

“Give advice on what to do when we are made redundant from the workplace.”

Redundancy can happen to anyone, at any time.

As a member of Nationwide Super, there will be no change to your super account. You can:

- take Nationwide Super with you to your new job and get your new employer to make super guarantee contributions to your Nationwide Super account (it's a great way to make sure you don't end up with multiple super accounts with multiple sets of fees)
- access the same investment options
- continue your existing insurance cover.

You can't roll any Employment Termination Payments (ETPs) you receive into your super. But if you take your ETP in cash, you can put some or all of it into your super as a personal after-tax contribution—but keep an eye on contribution limits for tax purposes.

“I would like to know how women can do more to maximise their super during their child-rearing years—while on maternity leave and while transitioning back to fulltime work.”

Men hold around 61.2% of total super account balances, compared to 38.7% for women.¹ That's a big wealth gap, wouldn't you agree? So, if you've taken time out of the workforce, here are a few things you can do to grow your super:

- If you have super in more than one account, you're paying more fees than you need to, but we can show you any lost super you may have, and help you combine it in minutes—via your online account or by calling us.
- From employer super contributions, before-tax, after-tax and spouse contributions to tax-deductible contributions, Government co-contributions and the Low-Income Super Tax Offset, there's plenty of ways to grow your super. See page 4 for more details.

Have your own question?

Call us on **1800 025 241**—we're here to help.

We offer general advice, face-to-face Retire Ready consultations and phone-based advice often at no cost to you, as well as comprehensive advice tailored to your personal circumstances, where your first meeting is complimentary.

Call us today to find out more.

Quotes are sourced verbatim from member feedback.
¹ Superannuation account balances by age and gender (October 2017) on superannuation.asn.au

New rules for stronger super

Protecting your super is what we do and now the government has introduced a few more rules to further protect and strengthen your super. Take a moment to find out what's changing.

One of the key announcements from the 2018/19 Federal Budget was the Protecting Your Super Package (PYSP). It is a comprehensive package of regulatory reforms designed to protect your super savings from undue erosion by fees and insurance premiums.



New rules come into effect on 1 July 2019.

Here are the highlights:

1 New rule: If you have a super account balance of \$6,000 or less at 30 June each year or at the date you leave your super fund, your administration and investment fees will be capped at 3% p.a. of your account balance.

What we will do: We will update relevant communications such as Annual Statements, Exit Statements and Product Disclosure Statements to reflect this fee cap.

What you need to do: You don't need to take any action.

2 New rule: You will not be charged an exit fee on leaving your super fund.

What we will do: We will update relevant documents like the Product Disclosure Statements to reflect the removal of an exit fee.

What you need to do: You don't need to take any action.

3 New rule: If your super account has been 'inactive' for 16 months or more, we will have to cancel your insurance cover—unless you elect to maintain insurance cover.

What we will do: We will write to impacted members to alert them to the cancellation of insurance cover, and about the need to opt in if they want to maintain this cover.

What you need to do: If you receive a notification from us and you want to maintain your cover, make sure to opt in via the Insurance Election Form we provide or via your online account.

4 New rule: If your super account has been 'inactive' for 16 months or more and you have a super balance of \$6,000 or less, your super will automatically be transferred to the Australian Taxation Office (ATO).

What we will do: If you have such an account and it is transferred, we will send you an exit statement.

What you need to do: You don't need to take any action, but you may want to take steps to 'activate' your account if you don't want your super to be transferred to the ATO.



More security for your online account

Have you logged into your online account lately? When you do, you'll be encouraged to add a further layer of security to your super account. Called 'multi-factor authentication', this is the result of a mandatory request by the ATO to prevent unauthorised access to your super.

Here's what will happen. When you click 'Register now', check that we have the correct mobile phone number for you, and hit 'Send text message'. We will send a six-digit, single-use passcode to your mobile, which you need to enter on the screen presented. You can always opt-out, but this means you won't be able to search for your other super or combine your super—until you do register.

Once you've registered, things get even easier and more secure: each time you log in, all you have to do is enter the passcode we send you and away you go.

And if we don't hold a valid mobile number for you, you can always update it via the 'Personal details' page on your online account or by calling us on **1800 025 241**.

Have your own question?

If you have any questions about these new rules and whether you're impacted, please call us on **1800 025 241**.



Changing jobs?

Take Nationwide Super with you!

Changing jobs doesn't mean you have to change your super fund—especially because there's an easy way to take Nationwide Super with you.

What's more, having all your super in one place means it's easier to monitor and manage, and you won't be paying hundreds of dollars in duplicate fees and insurance premiums every year to maintain multiple super accounts.

How easy is it? Simply complete the Choosing Nationwide Super Form available at nationwidesuper.com.au/forms and hand it to your new employer.

 Any questions? Call us on 1800 025 241. We're here to help.