

# 2012 update

## IMPORTANT INFORMATION FOR MEMBERS



## The evolution of MTAA Super

This new year edition brings you exciting news about the evolution of your super fund. MTAA Super has restructured its Trustee Board and appointed a new CEO. Our new Board members bring a wealth of experience in the financial services industry and motor trades.

We've also negotiated a new and improved insurance agreement for members which includes an automatic change to more appropriate cover as your age increases. Plus we have made it easier for you to apply for higher levels of cover as your situation changes – for example when you have a baby, or take out a mortgage. See page 4 for that story.

There is a new development in the investment choice area as well – you already have the option of choosing where your super is invested, from MTAA Super's seven investment options. We have now introduced weekly switching which means that if you decide to make a change, we can process your switch within a week. You'll find more details on page 2.

Many people don't think about what happens to their super once they reach retirement. But considering that people born before 1960 can access their super from the age of 55, isn't it time you thought "what happens next?"

MTAA Super offers a choice of 'retirement' accounts. If you are still working, the Transition to Retirement Pension allows you to keep depositing to super, even while you draw an income from your super savings. And once you retire the MTAA Super Pension is designed to provide you with a flexible income stream. See page 3 for more.

# MTAA Super's new CEO

Following a comprehensive internal and external search, we are delighted to announce the appointment of Ms Leeanne Turner as MTAA Super's new CEO. Ms Turner was Deputy CEO of MTAA Super for four years and prior to that was CEO of AvSuper. She is relishing the opportunities of the new role:

"Having experienced along with all of our members the difficulties of the last few years, I believe I have an understanding and appreciation of what members require from their super fund. I look forward to leading the MTAA Super team that is passionate about serving our members and helping them to achieve their retirement goals. That's solely what the Fund exists for and both the Board and management team are committed to ensuring that MTAA Super delivers the best in products and services to our members"

Mr John Brumby, the Fund's Chairman, said of the new CEO: "With 25 years' experience across a broad spectrum of funds, Leeanne is a highly skilled administrator who has won the deep respect of her colleagues and industry peers. I look forward to working with Leeanne as we continue the Fund's renewal with the benefit of her experience and industry insight."



## MTAA Super's restructured Board

We would like to take this opportunity to report on significant changes to the structure of the MTAA Super Trustee Board.

The Trustee is now comprised of:

- **3 Member Representatives** - Mark Georgiou  
Ian Jones  
Alix Sachinidis
- **3 Employer Representatives** - Philip Perdikaris  
Don Rowland  
Vacant\*
- **3 Independent Representatives** - John Brumby (Chair)  
Vicki Allen  
Susanne Dahn

You'll find more details about our highly experienced Directors on our website: [mtaasuper.com.au/aboutus/our-board](http://mtaasuper.com.au/aboutus/our-board)

\*To be announced early in 2012.

## Switching investments made easy

With seven MTAA Super investment options to choose from, you may find there comes a time when you want to change where your money is invested. Now you can switch where your existing balance is invested up to once a week.

Once you have decided how you want to switch your existing balance, it couldn't be easier to make the change. You can let us know online through Member Supersite or by filling in a *Member Investment Choice* form.

Requests to switch need to be received by 5pm on a Tuesday evening to be effective the next day.

For more details and examples of how this works, see our *Switching Investments* fact sheet and for more information on the investment options available to you as a member of MTAA Super, see the *MTAA Super Investment Options Document*. These are both available on the website: [mtaasuper.com.au/investments](http://mtaasuper.com.au/investments).

## Looking after you for life

MTAA Super can help you with a whole-of-life service. That includes things like affordable insurance with the premiums paid from your super account (see our story on page 3), and low fees. But it also includes the ability to leave your money invested when you reach the age where you can access your savings (your 'preservation age') and beyond – in fact, for your whole life. Years ago, when you stopped working and reached retirement age, you had to take your savings out of super. Nowadays you can transfer your super savings directly into one of MTAA Super's pensions.

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
After 30 June 1964	60

## Transition to Retirement Pension

This option is perfect for people who are still working, but have reached the age when they can access their super (this is called the preservation age - see the chart on page 2 for your preservation age).

A Transition to Retirement Pension set up from the money accumulated in your super account allows you to receive a regular income from this pension while you are still working.

You may want to set up a Transition to Retirement Pension because:

- You want to slow down a bit and only work part-time; and/or
- You want to take better advantage of tax incentives.

We recommend you speak to an independent financial adviser before you make a decision. You can also read our fact sheet on *Transition to Retirement*, available at [mtaasuper.com.au/factsheets](http://mtaasuper.com.au/factsheets).

## MTAA Super Pension: tax-free flexibility

Once you reach 65 (whether you are working or not), or reach your preservation age and stop working altogether, you can switch into the MTAA Super Pension, which offers a very flexible way to access your super.

You have a choice of investment options and any investment income on your MTAA Super Pension account is tax-free. You can decide whether you want to receive regular payments, make lump sum withdrawals, or both. Once you have reached the age of 60 any lump sum or pension payments you receive are also tax-free. You can cancel the Pension and take the remaining balance as a lump sum at any time.

For more information, read our *Pension* fact sheet, available at [mtaasuper.com.au/factsheets](http://mtaasuper.com.au/factsheets).

## You have more insurance cover

After a major review of the insurance cover available for MTAA Super members, we're delighted to let you know about the changes coming in 2012.

The first good news is that your insurance cover will increase without an increase in premiums. We've also made the type of cover you receive more age-appropriate. So the more financial responsibility you are likely to have, the higher your cover will be. Of course you will still be able to take extra cover if you need it, and that will be easy to arrange.

The letter accompanying this update explains the changes to the default insurance cover. There are also some great enhancements to our insurance offering in this update.

## A new Professional scale

If you work entirely in a non-manual environment, and you're a qualified professional or in senior management and earning more than \$120,000 per year, you can apply for MTAA Super's new 'Professional' scale. This adds to our current 'General' and 'Non-Manual' scales and caters for those in office jobs with higher incomes.

# Preparing for retirement

2042 sounds like a lifetime away but so did 2012 in 1982. Are you still going to be working in 30 years' time?

If you are 35 now: you'll be 65 in 2042, and able to access the money in your superannuation account without being taxed for any payments you receive. By putting an additional \$20 per week into your super account you could add another \$31,200 to your account balance (without even taking into account the benefit of 30 years of investment returns).

Isn't it time to think about super? Go to the MTAA Super website and read our fact sheets: *Thinking about super*. There's one for those just starting out, one for people in their 30's, and one for people approaching the age at which they can start accessing their super. Visit [mtaasuper.com/factsheets](http://mtaasuper.com/factsheets).



## Increased cover

Members can now apply for up to:

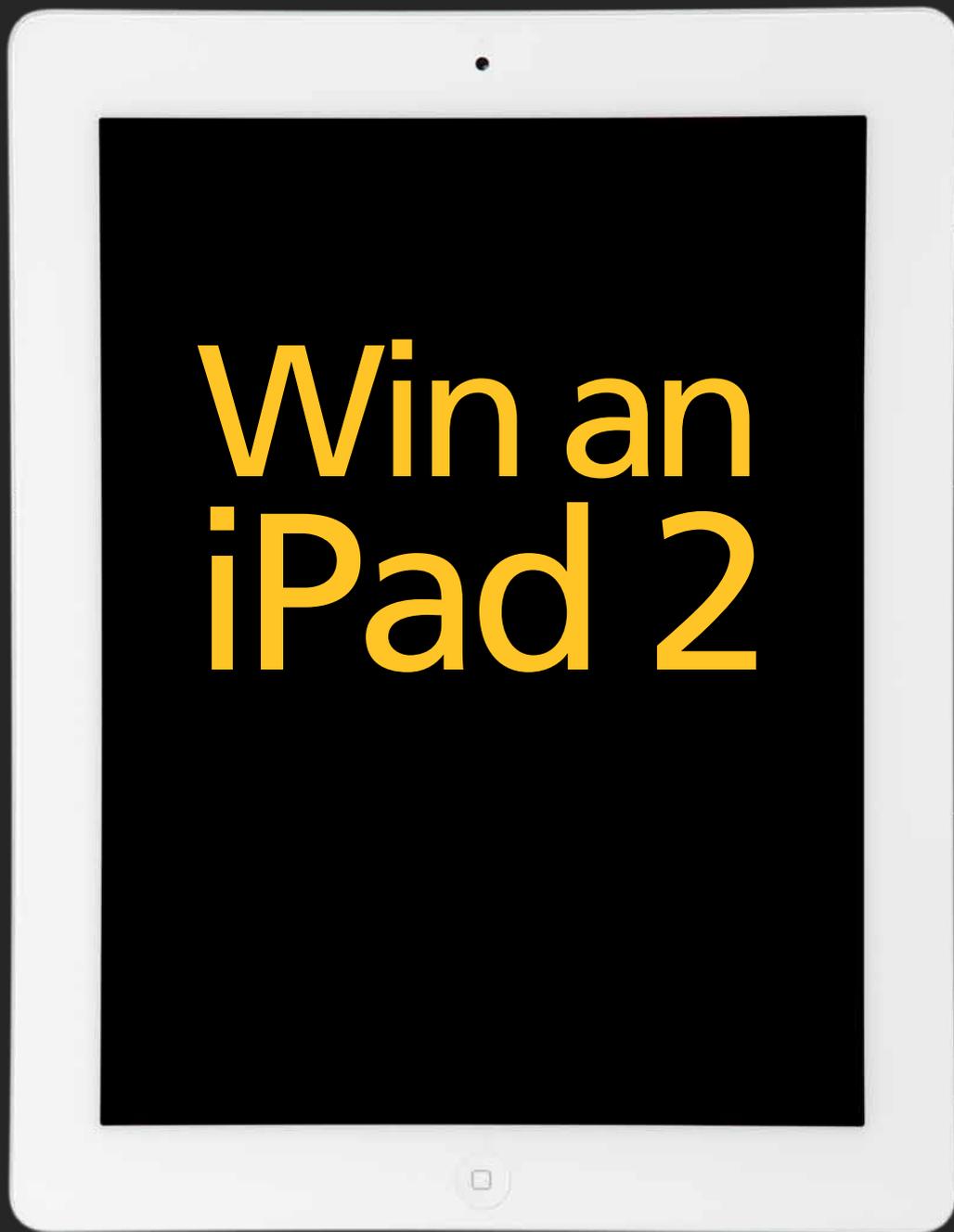
- \$5,000,000 of Death cover (a lump sum paid in the event of your death).
- \$3,000,000 of Total and Permanent Disability (TPD) (a lump sum paid should you become permanently injured or disabled, and unable to work).
- \$25,000 of monthly Income Protection.

## Taking more cover

If you have children, a mortgage, or just need your income to pay the bills, then you need insurance cover. Only a few of us could say that we don't need any cover at all – and most of us need more cover than we think. Because of this, we are making it easier for members to apply for extra cover with online processing and we are introducing Life Events cover.

If your personal or financial situation changes, then you may need to change your insurance. With MTAA Super's Life Events cover, you can apply to increase your Death or TPD cover up to certain limits without having to provide health information or have your application assessed by the Insurer.

You'll find more information about the new arrangements, including the new insurance scales for members at [mtaasuper.com.au/insurance](https://mtaasuper.com.au/insurance)



**Let us know your email address for your chance to win an iPad 2.**

Many of our members have told us that receiving information by email is convenient. We would like to keep you up to date with MTAA Super news via email. Simply tell us your email address for your chance to win an iPad 2.

To enter, all you need to do is go online to Member SuperSite at [mtaasuper.com.au](http://mtaasuper.com.au) and enter or update your email address in the Member Details section.

While you are there you may also want to make sure all your other details are correct.

If you are not registered, simply register for

Member SuperSite by following the prompts on the registration page; and you will also go into the draw!

Through Member SuperSite you can check your account balance and:

- Update your personal details
- Add your tax file number
- Nominate your beneficiaries
- Change investment options
- Review your insurance cover

Competition closes 5pm AEDST on 12/03/12. Terms and conditions apply. Visit [mtaasuper.com.au/ipad](http://mtaasuper.com.au/ipad) for full terms and conditions.

*Apple is not a participant in or sponsor of this promotion.*

Open to Australian residents 18+ who are MTAA Superannuation Fund accumulation members. MTAA Superannuation Fund pension members not eligible to enter. Limit 1 entry/person. Starts 16/01/12 and ends at 5pm AEDST on 12/03/12. Draw at Level 5, 477 Pitt Street, Sydney NSW 2000 on 19/03/12 at 3pm AEDST. Winner published in The Australian on 27/03/12. Prize: iPad 2 (32GB) + WiFi valued at \$689 and a \$100 iTunes gift card. 'iPad' is a trademark of Apple Inc. Apple Inc. is not a participant in or sponsor of this promotion. Promoter is Motor Trades Association of Australia Superannuation Fund Pty. Limited (ABN 14 008 650 628) of MTA House, 39 Brisbane Avenue, Barton, ACT 2600. See [www.mtaasuper.com.au/ipad](http://www.mtaasuper.com.au/ipad) for full Term and Conditions. NSW LTPS/11/11987. ACT TP11/5253.

# Trust Deed changes

The Fund's Trust Deed was amended by a Deed of Amendment dated 31 August 2011. The amendments were approved by the Board of Directors following a review of the Trust Deed by the Trustee's legal advisers. The review focused in particular on updating the Trust Deed to reflect current legislative requirements and amending or removing any possibly inconsistent or unworkable provisions. The amendments made by the Deed of Amendment include the following:

- **Continuity of trusteeship:** Amendments have been made to the Trust Deed to ensure the continuity of trusteeship of the Fund by requiring a new trustee to be appointed prior to the outgoing trustee vacating the office of trustee of the Fund; the former provisions dealing with the replacement of an incumbent trustee were more appropriate for individual trustees rather than a corporate trustee.
- **Remuneration of Directors:** Amendments have been made to the Trust Deed to clarify the right of the Trustee to recover from the Fund amounts payable as remuneration to Trustee Directors. The former provisions were potentially inconsistent with the Trustee's Constitution. In accordance with the amended provisions the Trustee may only recover from the Fund amounts payable as remuneration to Directors to the extent that the remuneration is determined by the Trustee to be reasonable after having had regard to the advice of an independent remuneration consultant. This is considered to be an appropriate safeguard of members' benefits and ensures that the Trustee will not be able to use members' funds to pay remuneration which exceeds a 'reasonable' level.
- **Crediting Rates:** The provisions dealing with crediting rates have been updated to provide the Trustee with the flexibility it requires to set appropriate crediting rates and to better reflect the Trustee's existing policies with regard to the declaration of crediting rates.
- **Minor Amendments:** A number of other amendments have been made to address minor typographical and drafting errors and/or ambiguities.

As a member of MTAA Super you are entitled to request a copy of the Fund's Trust Deed. If you would like a copy please send your written request to:

**MTAA Super**  
**Locked Bag 15**  
**Haymarket NSW 1236.**

## New MTAA Super Website

We are renovating and redesigning the MTAA Super website, and we're aiming to make it easier to navigate, more engaging, and more interesting for you. The brand new design will be online by March 2012, so keep your eye out for it!

## Want more information?

If you would like more detail on anything in this newsletter, or about your super in general, start by checking out the website: [mtaasuper.com.au](http://mtaasuper.com.au) - there's a range of fact sheets and other information for you. If you want to talk to someone in person you can call us on **1300 362 415** and don't forget MTAA Super runs regular seminars on super at no charge, open to members as well as their friends and family. Details are on the website.

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