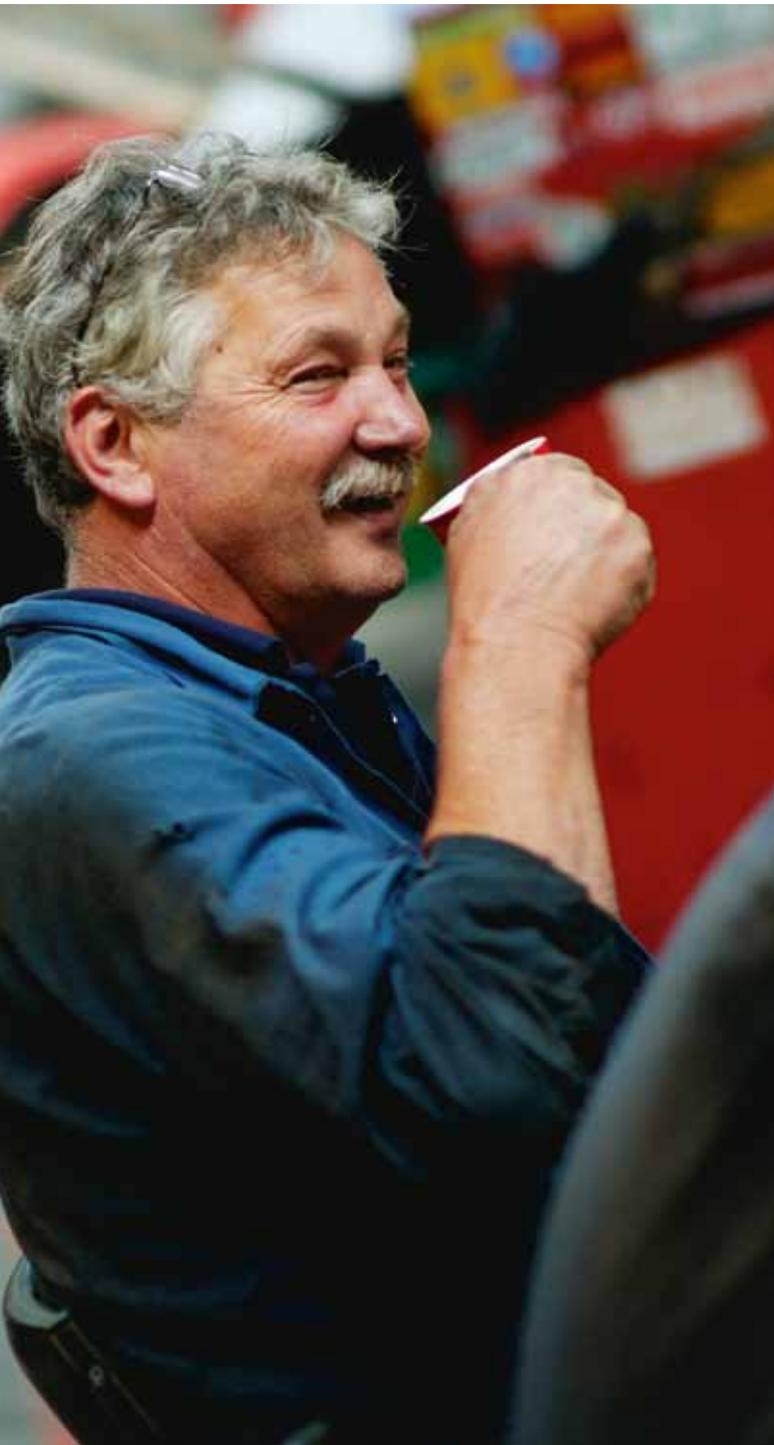




MTAA
SUPER
FUND

Pension Update

September 2012



Pension News

Temporary relief to pension payment amounts

The government sets an annual 'minimum amount' that must be paid from an account-based pension. For the 2012-13 financial year the minimum payment amounts are reduced by 25% below the normal requirement. This reduction means you can choose to keep more money in your pension account and may assist to minimise further reductions in the account balance.

Making a change to your payment

To make a change to your pension payment amount simply fill in the Pension Variation Form available on our website or contact us on **1300 362 415**.

Will a change impact my Age Pension?

The amount you receive as an Age Pension is determined by the Centrelink Income and Asset tests. Any change in your MTAA Super pension payments may impact your Age Pension so we recommend you seek professional financial advice before taking any action.

If you make a change to your pension payment and require an updated Centrelink Schedule please call MTAA Super on **1300 362 415**.

MTAA Super wrote to all members in July regarding minimum and maximum amounts and current payment schedules for the 2012-13 financial year.

Have your pension details at your fingertips.

It couldn't be easier to keep track of your pension online. Why not register and add MTAA Super's ePension to your online favourites? You'll be able to manage your pension account and keep up to date with investment news and other Fund information online.

CEO Update

Helping members maximise their retirement income is what we're about at MTAA Super. We manage \$5.9 billion of funds for over 290,000 members. If you joined the Fund in 2012, I welcome you aboard.

Throughout 2012 the Australian Government has been introducing reforms to make our superannuation system stronger and more efficient. Over the next 7 years you'll see the compulsory super rate increase from 9% to 12% and with more Australians working longer, the government has also removed any age limits to compulsory employer super contributions. The MTAA Super Board and staff have been working together to ensure that the Fund is fully prepared for the changes. You'll find information on the Super Reforms on this page.



Behind the scenes we have been working with our administrator, Superpartners, to develop a new member feedback programme. We want to ensure the services we provide are relevant to you and meet your needs, so we'll be asking you to let us know how we answered or processed your request. Watch out for a 'text message' follow-up from us when you next contact the Fund. We're calling it 'On Track' and it's all about driving service excellence.

It's been another turbulent year for investment markets. Within this environment, the Trustee continues to monitor and review the Fund's investment strategy. We've recently introduced greater transparency in the disclosure of our unlisted assets. You'll find information regarding this and our investment strategy on page 3.

We continue to work for our members, aiming to provide you with investment products and services to support you in retirement. You can read more about Fund initiatives over the past twelve months in the MTAA Super Annual Report available at mtaasuper.com.au/annualreport2012

Thank you for your continued trust and support.

Leeanne Turner

Super Reform NEWS

Throughout 2012 we've witnessed major legislative changes in super. Some of the more significant changes that we believe may impact you are noted below.

More super for your future

- If you earn \$37,000 or less per year, you may be eligible to receive a boost to your super of up to \$500 annually effective from 2012-13.
- From 1 July 2013 till 1 July 2019 the compulsory super rate is increasing progressively to 12 per cent to help grow your savings for the future.
- From 1 July 2013 the upper age limit for compulsory super is being removed – this means no matter how old you are, if you are working, you can still grow your super.

New limits to concessional contributions

As part of the new super rules people close to retirement are no longer allowed to deposit larger amounts into their super.

From 1 July 2012 the maximum amount of concessional contributions that can be made is \$25,000 each financial year.

This limit applies per member, not per fund. This means that contributions made to your other funds are included in the limit and additional tax will apply to contributions in excess of this limit.

If you are 50 years of age or older and may be affected by this change we encourage you to call us on **1300 362 415** for assistance.

Proposed changes to super

You should also be aware the government has announced other changes that will take effect from 1 July 2012 but are not yet law as they have not been passed by parliament or received royal assent:

- Changes to the rate of tax on concessional contributions if you earn in excess of \$300,000 pa.
- A reduction to the super co-contribution scheme.

More information on these changes is available at mtaasuper.com.au

Investment News

It's been another turbulent year for investment markets, particularly for those drawing an income from their super. Thankfully, volatility over the last 12 months hasn't been on the same scale as experienced in 2008/09. However, it does highlight the importance of being engaged and informed about how your savings are invested.

Our Investment Strategy

MTAA Super's investment strategy is reviewed annually and throughout the year as required.

Throughout 2012 we have reduced our allocation to the Target Return Portfolio. We did this in a number of ways including selling our stake in the Loy Yang Power Plant in Victoria to AGL in exchange for a long term payment stream from AGL.

You can read more on the Fund's investment strategy in our Annual Report, available at mtaasuper.com.au/annualreport2012

New strategic asset allocations

On 1 July 2012 new strategic asset allocation and ranges were introduced across the pre-mixed options (Balanced, Conservative and Growth).

The strategic asset allocation to the Target Return Portfolio has been reduced from 40% to 35% for the Balanced Option, and from 22.5% to 17.5% for the Conservative Option.

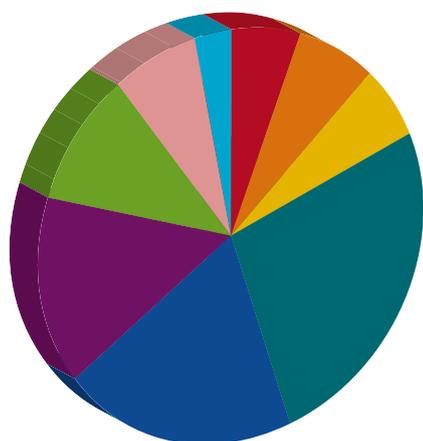
The strategic asset allocations and the actual weekly allocations can be viewed at mtaasuper.com.au/investments **Greater transparency-Target Return Portfolio**

We've improved the way we disclose the Target Return Portfolio by reporting the strategic allocation and ranges for each unlisted asset class. There are five in total:

1. Infrastructure
2. Property
3. Private equity
4. High yield debt
5. Other

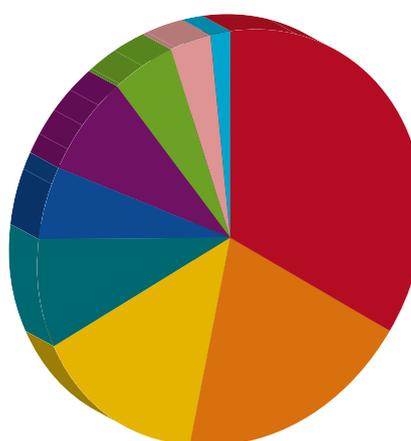
This increased level of transparency should provide our members with a better understanding of the Fund's investment approach with these unlisted assets.

Balanced option strategic asset allocation



■ Cash	6%
■ Domestic Fixed Interest	7%
■ Overseas Fixed interest	6%
■ Australian Equities	26%
■ International Equities	20%
■ Infrastructure	15%
■ Property	10%
■ High yield Debt	7%
■ Private Equity	3%

Conservative option strategic asset allocation



■ Cash	34.5%
■ Domestic Fixed Interest	19.0%
■ Overseas Fixed interest	15.0%
■ Australian Equities	8.5%
■ International Equities	5.5%
■ Infrastructure	7.5%
■ Property	5.0%
■ High Yield Debt	3.5%
■ Private Equity	1.5%

Trustee News

In our January update we reported on the restructure of the Trustee Board. The MTAA Super Trustee Board is now made up of three member representative directors, three employer representative directors and three independent directors.

MTAA Super welcomes Bruce Hatcher, who was appointed Employer Representative Director on 1 February 2012.

You can find biographies of all directors, including the date of appointments and organisations they represent on our website. You'll also find a range of information available about the Trustee including announcements regarding member director vacancies, nominations and the application process.

Trust Deed changes

The Trustee made one amendment to the Trust Deed on 23 January 2012 to align it with the exemption and RSE Licence variation issued by APRA in relation to the restructure of the Trustee Board.

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 contact the Fund.

You can read more Trustee News in our Annual Report, available at mtaasuper.com.au/annualreport2012

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 - 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.



▲ Phone: **1300 362 415** ▲ Fax: **1300 365 142** ▲ Email: mtaasuper@mtaasuper.com.au
▲ Web: www.mtaasuper.com.au ▲ Postal: **Locked Bag 15, Haymarket NSW 1236**

Trustee: Motor Trades Association of Australia Superannuation Fund Pty Ltd
ABN 14 008 650 628 AFSL 238 718 MTAA Superannuation Fund ABN 74 559 365 913



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This document is issued by Motor Trades Association of Australia Superannuation Fund Pty Limited (ABN 14 008 650 628, AFSL 238 718) of Level 3, 39 Brisbane Avenue Barton ACT 2600, Trustee of the MTAA Superannuation Fund (ABN 74 559 365 913, SPIN MTA0100AU). Motor Trades Association of Australia Superannuation Fund Pty Limited has ownership interests in Industry Super Holdings Pty Ltd, ME Bank Pty Ltd and Superpartners Pty Ltd. The information provided is of a general nature and does not take into account your specific needs or personal situation. You should assess your financial position and personal objectives before making any decision based on this information. We also recommend that you seek advice from a licensed financial adviser. The MTAA Super Product Disclosure statement (PDS), an important document containing all the information you need to make a decision about MTAA Super, can be obtained by calling MTAA Super on **1300 362 415**. You should consider the PDS in making a decision. 5497-09/12