

Maximising your super contributions



Benefits of TelstraSuper



Security of Australia's largest corporate fund

- \$18 billion invested
- 100,000 members
- Not for profit
- Over 25 years' experience



All your super in one account

Locate and combine your other super accounts into your TelstraSuper account.



Your fund for life

You can stay a TelstraSuper member even if you change jobs and your eligible family members can join too!



Strong investment performance

Our consistently strong investment returns ensure your super continues to grow over the long term.



Multi award winning fund

2015 SuperRatings*
Fund of the year

2015, 2014 & 2012
SuperRatings*
Super of the year



Comprehensive insurance cover

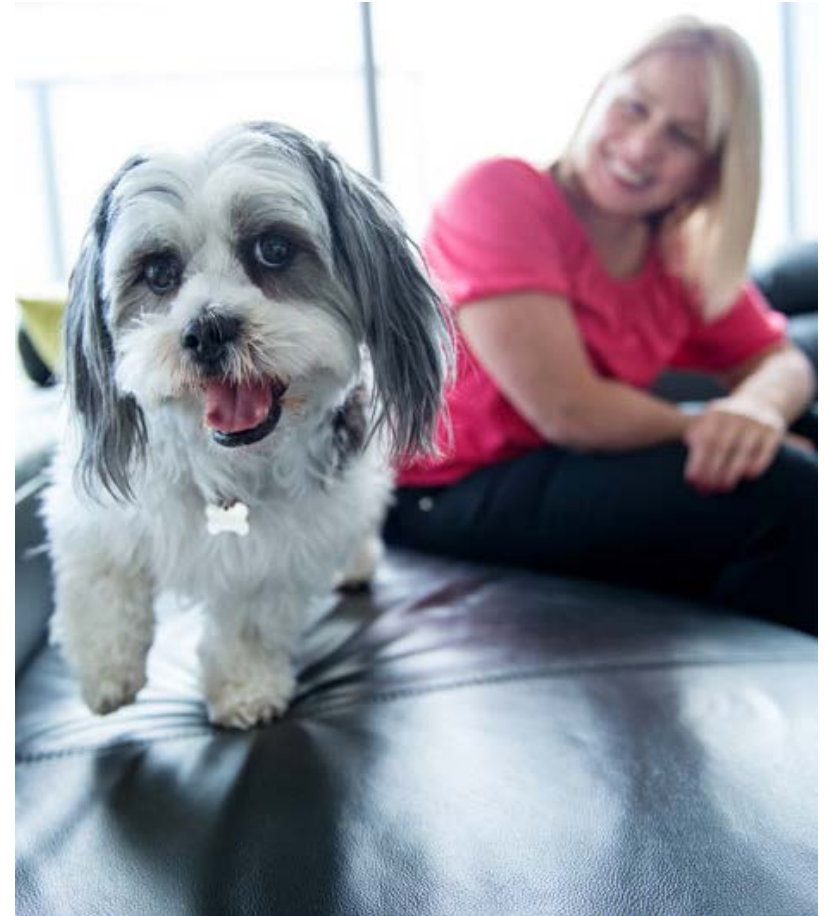
Enjoy the security of automatic income protection cover and employer-paid base death and disability insurance.

Important Notice

Any advice in this presentation has been prepared without taking into account your objectives, financial situation and needs. You should consider whether it is appropriate having regard to your personal circumstances before making any financial decisions.

If you are considering acquiring a financial product you should obtain the relevant product disclosure statement before making any decision.

Any information about taxation in this presentation is factual information or general advice only and does not consider the application or interpretation of any taxation laws to your personal circumstances. If you require taxation advice you should seek advice from a registered tax agent or a registered tax (financial) adviser.



Agenda



Why Super?



Contributing to super



What is the impact?



Investing with TelstraSuper



TelstraSuper assistance



Questions



Maximising your super contributions



Why Super?

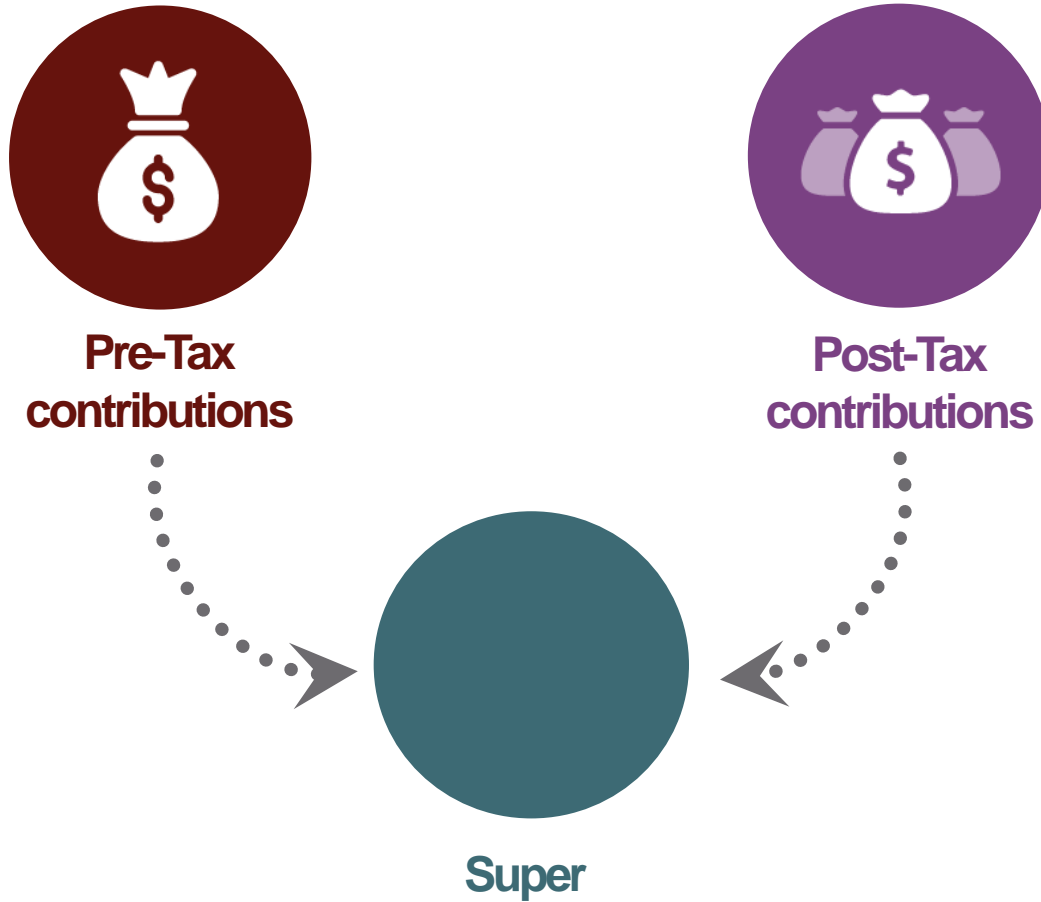


Investment
earnings

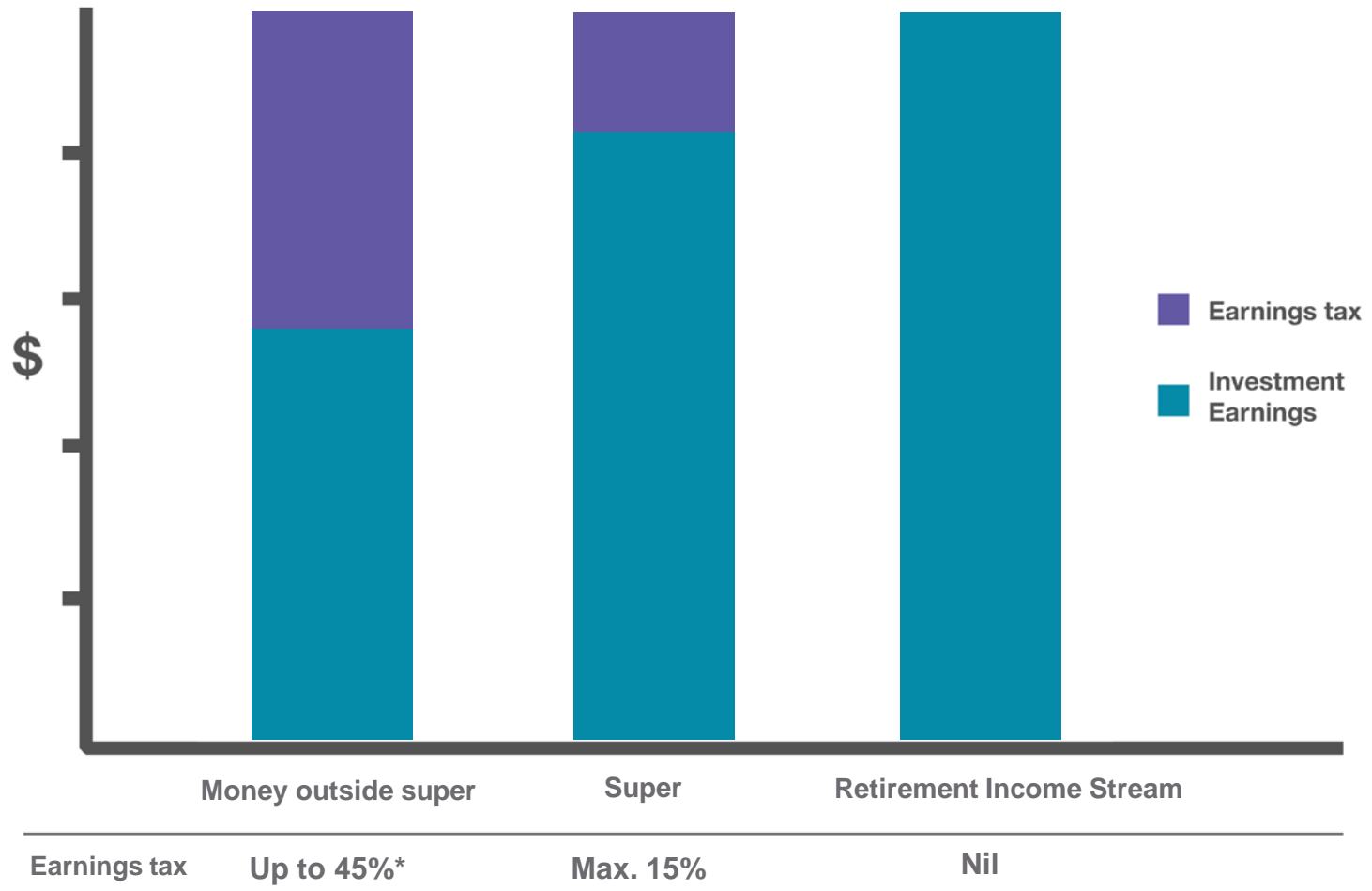


Concessional
contributions

Why Super?

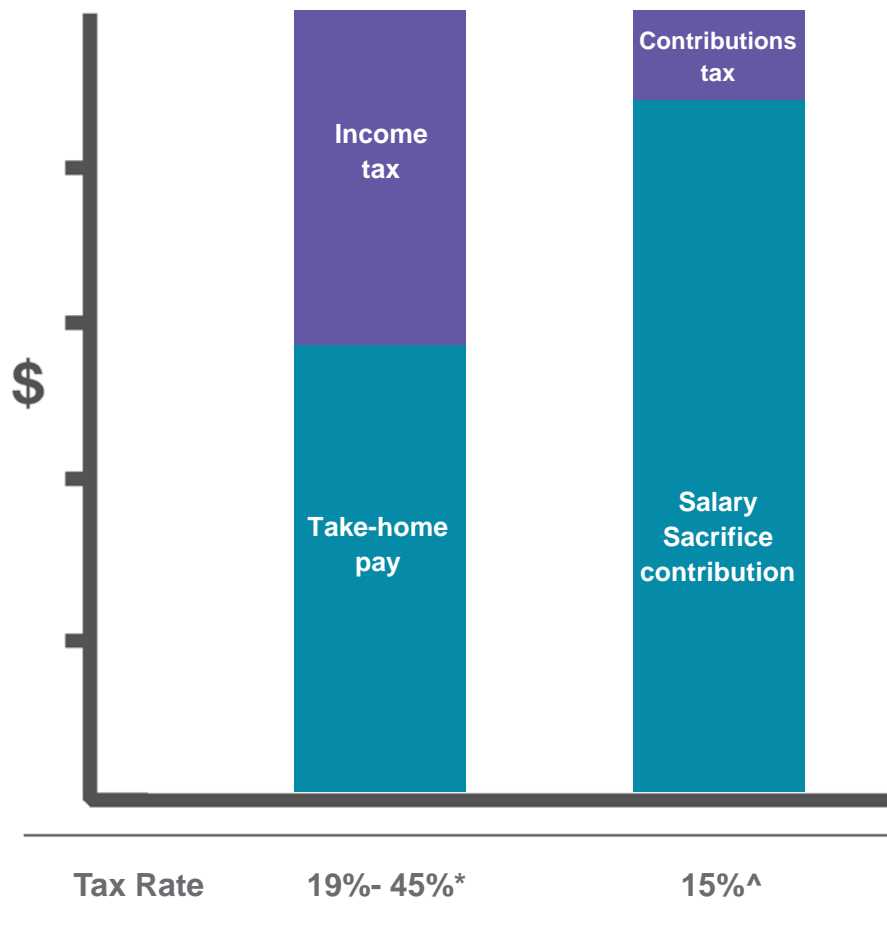


Investment earnings



* Plus Medicare Levy & Temporary Budget repair levy

Concessional contributions



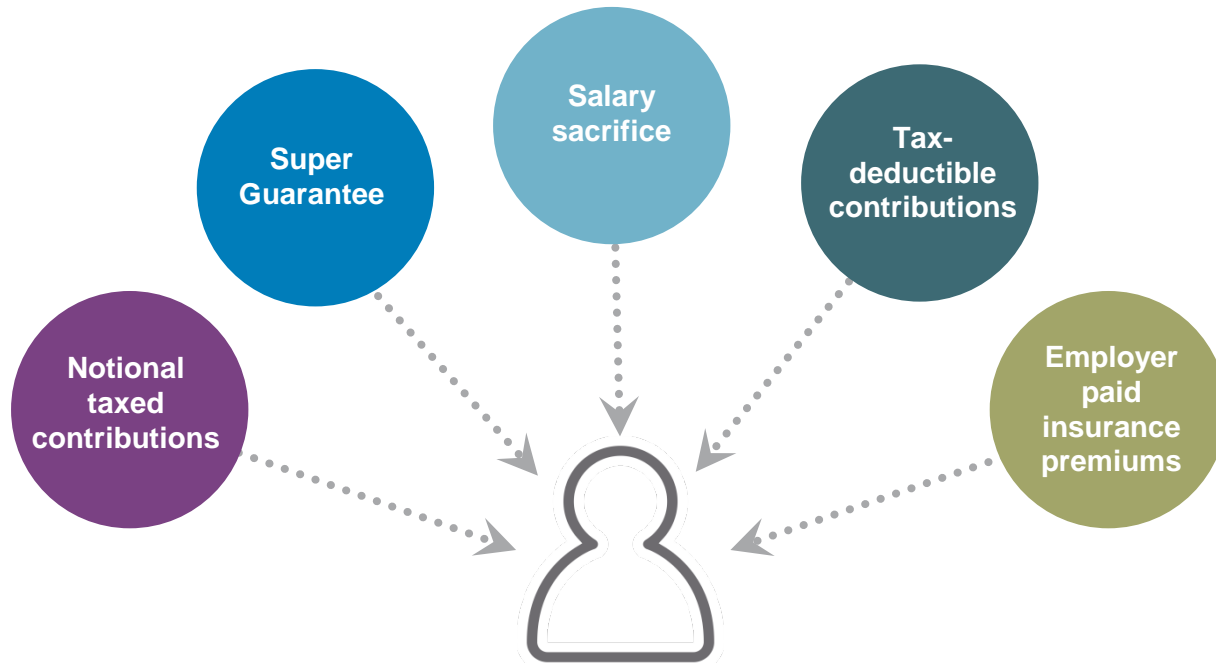
* Plus Medicare Levy & Temporary Budget repair levy

^30% for members with eligible incomes over \$300,000p.a. (\$250,000p.a. from 1/7/17)

Contributing to super



Pre-tax contributions (concessional)



Current	
49 years or over at 30 June 2016	All others
\$35,000 cap	\$30,000 cap
Effective from 1 July 2017	
All	
\$25,000 p.a.	
Rolling 5 year catch-up provision <\$500k balance from 1 July 2018	

Super Guarantee (SG) rate



Year	SG Rate
1 July 2015 – 30 June 2021	9.50%
1 July 2021 – 30 June 2022	10.00%
1 July 2022 – 30 June 2023	10.50%
1 July 2023 – 30 June 2024	11.00%
1 July 2024 – 30 June 2025	11.50%
1 July 2025 & onwards	12.00%

Impact of pre-tax contribution changes

Opportunity

- Consider utilising the post-tax contribution cap
- Potential to contribute up to \$25k and claim a tax deduction
- Rolling 5 year catch up provision for members <\$500k in super
 - Individual cumulative cap
 - Ability to contribute up to \$125k concessional or claim a tax deduction
 - Potential ability to reduce CGT liabilities on the sale of assets outside of super
- Contribution splitting to maintain balance below \$500k

Consideration

- Reduce pre-tax contributions to below \$25k per annum
- Start early
- Employer paid insurance premiums (which count towards the cap)
- Telstra generally pays 10% SGC
- Aged 65-74 can only make pre-tax contributions if working
- Maximum SG contribution (\$19,615 for 2016/17 FY)
- Defined Benefit *Notional Taxed Contributions* grandfathering **may** apply

Transition to retirement strategy



Transition to
Retirement for



**Building
wealth**



Transition to
Retirement for

**Lifestyle
balance**

Using TTR for building wealth

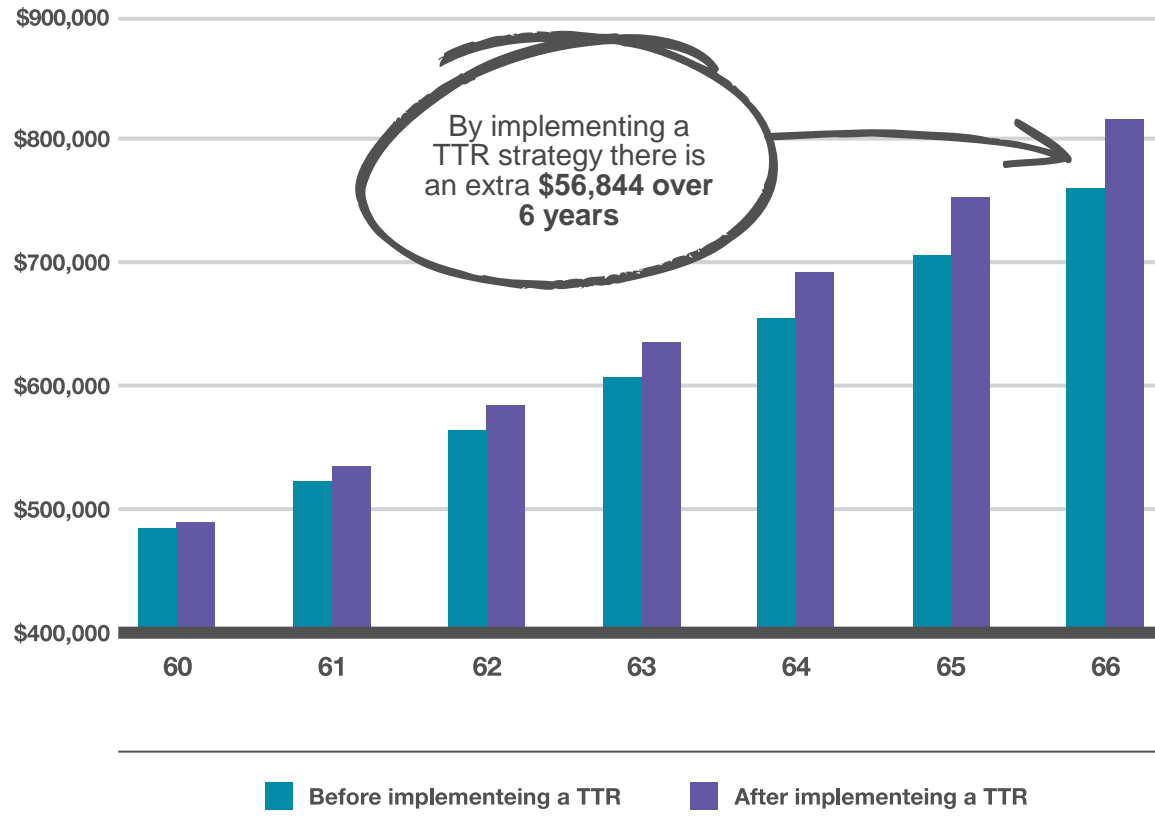
	 Age 60 without TTR strategy	 Age 60 with TTR strategy
Total take-home pay	\$70,318 (take home salary)	\$70,318 (take home salary + income stream)
Total tax paid*	\$26,107	\$23,017
Total super contributions	\$8,075	\$19,975
Total increase to super balance†	\$8,075	\$11,165

- Salary \$95,000pa plus 10% employer SG contributions
- Superannuation balance of \$450,000
- Not currently contributing to super

*This amount is equal to income tax, plus the Medicare levy, plus contributions tax payable.

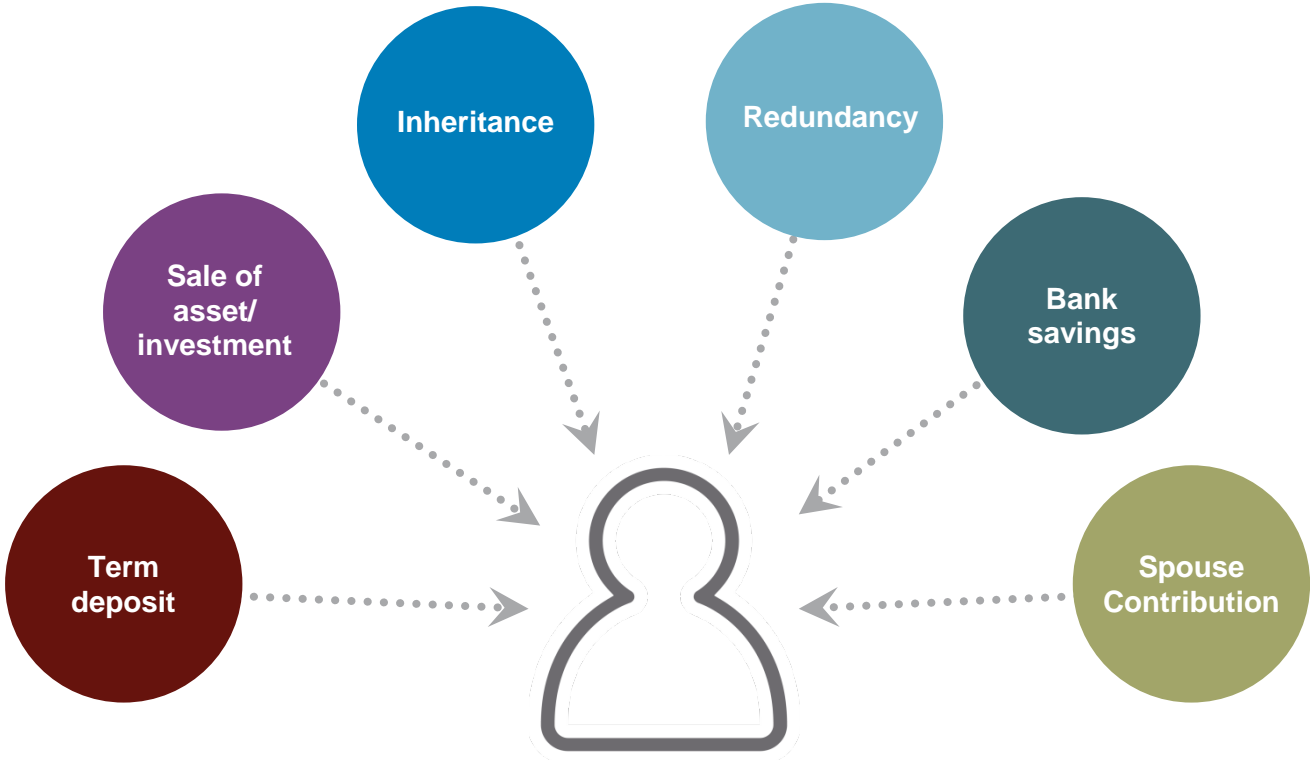
† This amount is equal to total super contributions (employer contributions, plus salary sacrifice, plus post-tax contributions) minus income stream payments. The amount is shown in today's dollars

Using TTR to build wealth



Assumptions: Salary \$95,000 p.a. (ex Super), 10% SG contributions, salary growth 3% p.a., inflation 2.5% p.a., investment returns 6.5% p.a. net of fees, taxes and other costs. Past performance is not a reliable indicator of future performance

Post-tax contribution (non-concessional)



Current	Effective 1 July 2017**
\$180,000 p.a. cap	\$100,000 p.a. cap < \$1.6 million balance
\$540,000 over 3 year period	\$300,000 over 3 year period <\$1.6 million balance
\$180,000 p.a. cap 65 and over*	\$100,000 p.a. cap 65 and over*

* Must satisfy work test if aged 65 and over

Impact of post-tax contribution changes

Opportunity

- Opportunity to contribute up to the current caps prior to 1st of July 2017
 - With a balance in excess of \$1.6 million
 - Contribute to current bring forward provisions
- Contribution splitting to maintain a balance below \$1.6 million
- Maximise contributions to bring balance to \$1.6 million
- CSS Pension implications plus other super accounts held
- Individual cap therefore opportunity for a couple to contribute up to combined \$1,080,000

Consideration

- Age
 - Under 65
 - Aged 65-74 (work test)
- Previous contributions
 - Bring forward rule previously triggered (transitional arrangements will apply)
- Preservation of funds

Pre-tax contribution splitting



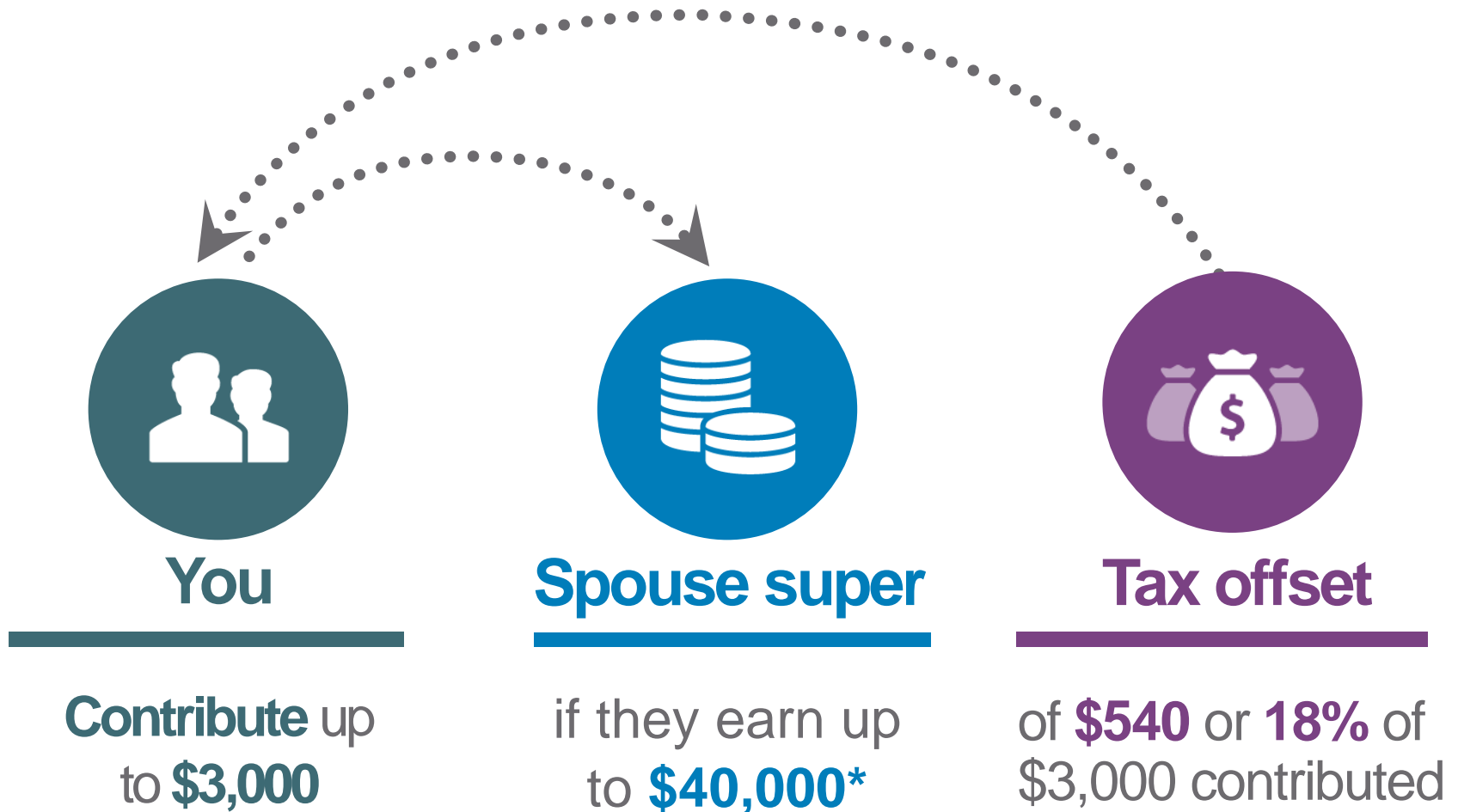
Up to **85% of your pre-tax contributions** to super can be **split into your spouse's super**

**\$100
pre-tax
contribution**

**\$15
tax**

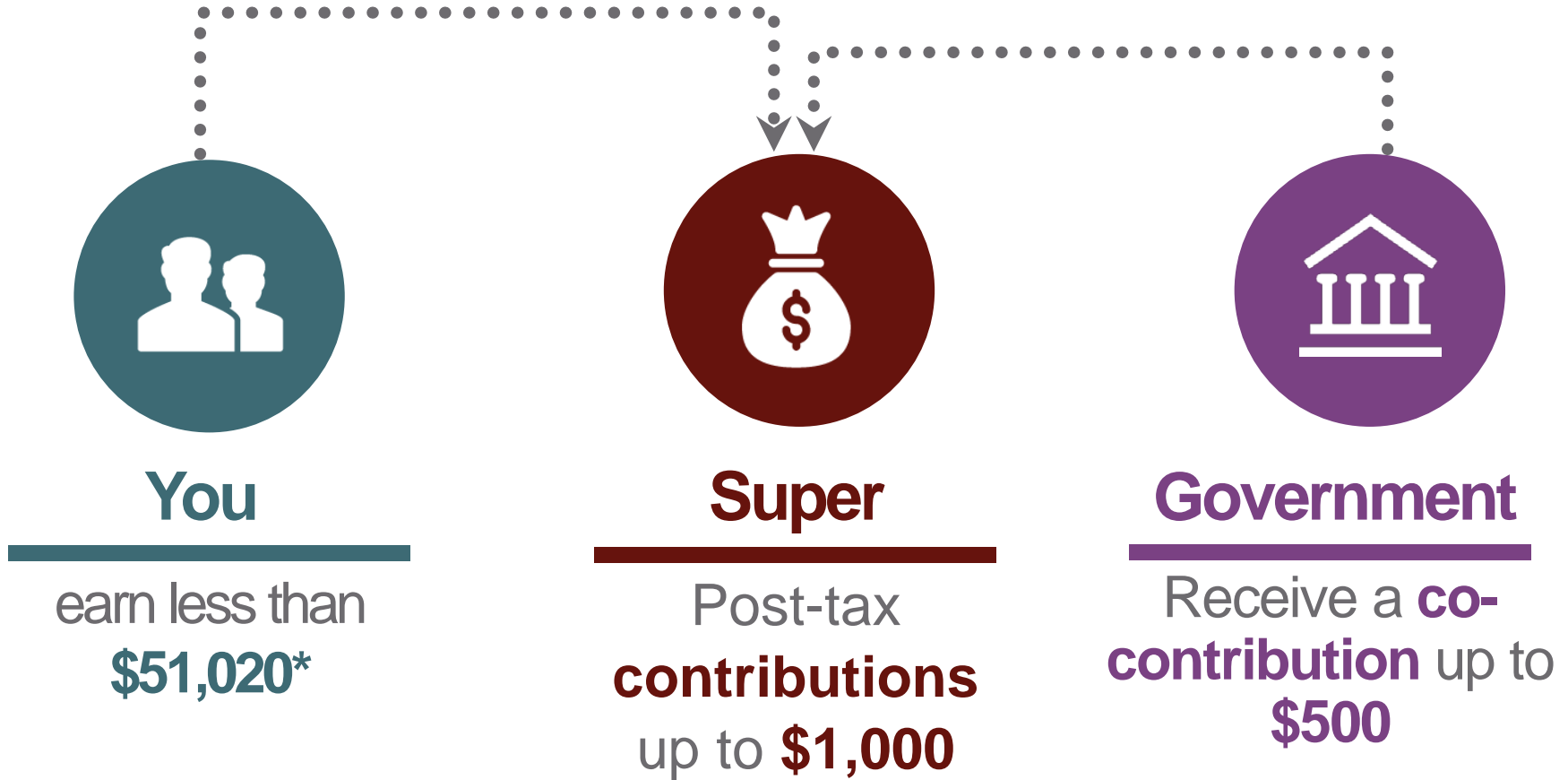
**Up to \$85
into your spouse's super**

Changes to spouse contribution



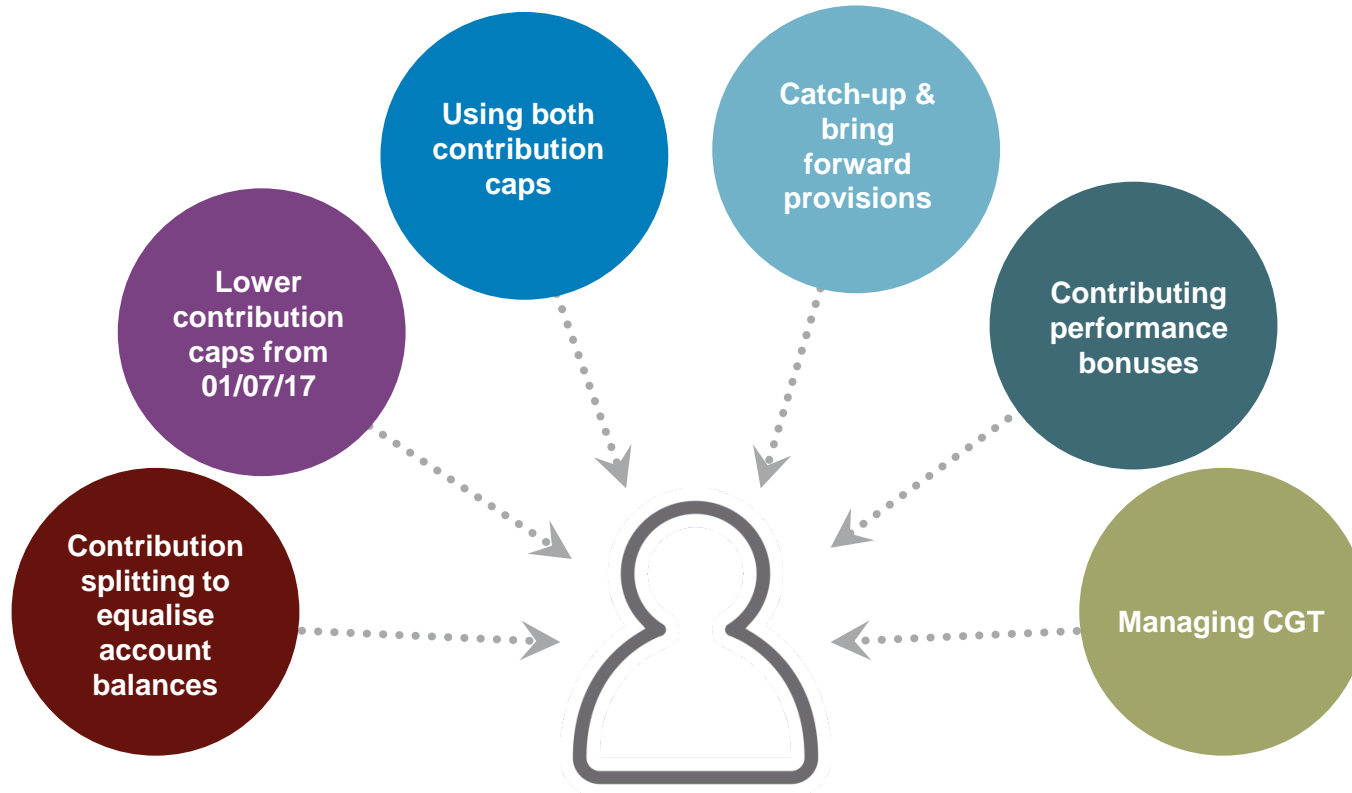
* A partial offset is available if your spouse's income is over \$37,000 but less than \$40,000 p.a.

Government co-contribution



*To receive the co-contribution, your total income must be less than the higher income threshold for that financial year.

Contribution risks & considerations



Investing with TelstraSuper

Investment options

Options	Growth/Defensive %	Return Objective CPI+	Investment Timeframe (years)
Growth	89 / 11	3.5%	7 - 10
Balanced	73.5 / 26.5	3%	5 - 10
Diversified Income	55 / 45	2%	4 - 6
Defensive Growth	55 / 45	2%	2 - 6
Conservative	38.5 / 61.5	1.5%	3 - 10
Australian Shares	100	4%	8 - 10
International Shares	100	4%	8 - 10
Property	100	3%	5 - 7
Fixed Interest	100	CPI+	2 - 4
Cash	100	CPI+	0 - 2
Telstra Super Direct Access			
ASX 300 Shares	100	n/a	8 - 10
Term Deposits	100	n/a	0 - 2

Source: Telstra Super Investment Guide, 1 February 2017

TelstraSuper assistance



Simple advice options

General and limited one-off personal advice about super



Phone

Comprehensive advice options

Other one-off personal advice



Face-to-face



Video chat

Ongoing advice service



Face-to-face



Video chat

Estimated balance
AS AT 13 JULY, 2017
TelstraSuper Personal Plus
Account number: 027893
\$564,118

Investment performance and asset mix

Combined investment mix
The chart below shows the combined mix of investment options in which your balance is invested. For information on strategic investment mixes for each investment option see the [investment guide](#).

Important information about investment performance and asset mix
[LEARN MORE](#)

Combined investment mix
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Important information about investment performance and asset mix
[LEARN MORE](#)

\$564,118

- Australian Shares: 26.48%
- Australian Fixed Interest: 9.51%
- Income Securities: 6.06%
- International Shares: 20.92%
- Infrastructure: 7.53%
- Other: 13.45%
- Property: 10.00%
- Credit: 6.06%

Investment performance
The table below shows the investment option(s) in which your current balance is invested. If you have invested across more than one investment option, the performance of underlying investments may mean that the amount allocated to each investment option has changed since your last investment instruction.

INVESTMENT OPTION	VALUE (\$AUD)	UNIT PRICE	WEIGHT	INVESTMENT RETURNS TO 31/12/2016	
				1 YEAR	5 YEARS
Balanced	278,173.99	4.18961	49.31%	6.58%	10.86%
Defensive Growth	285,944.64	2.69643	50.69%	7.80%	9.63%

[UPDATE MY INVESTMENT CHOICE](#)

check your balance

check your insurance

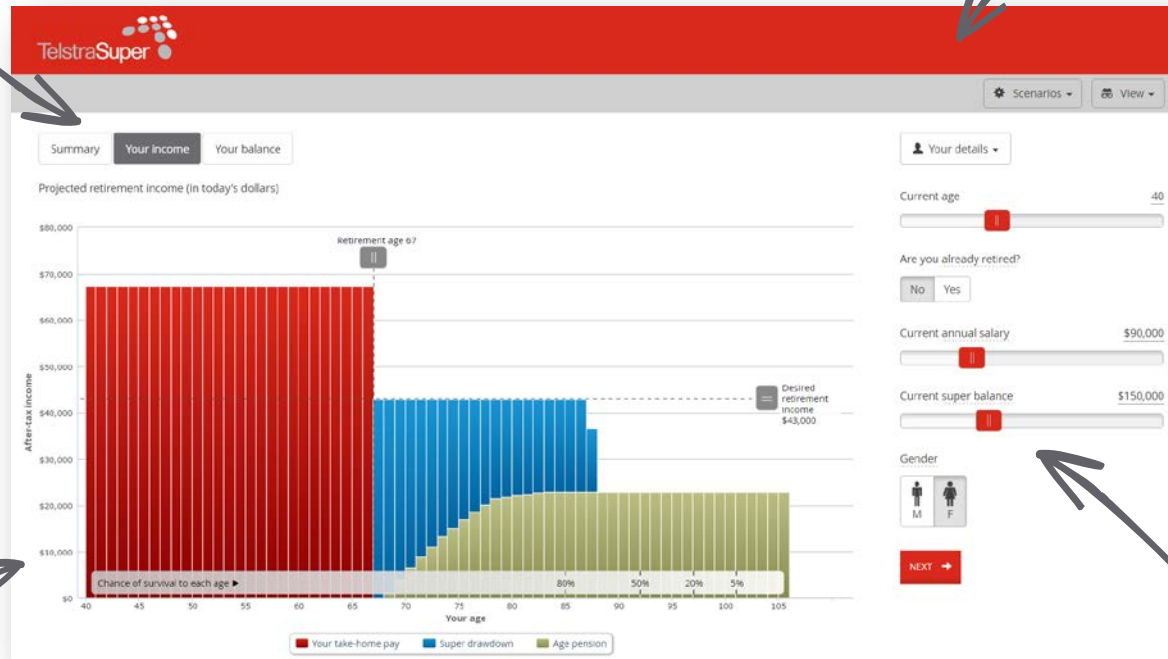
nominate your beneficiaries

review your investment options

Retirement projector

Estimate your retirement income

Compare scenarios



See the impact of market changes

Include OTHER INVESTMENTS or ASSETS

LAUNCH PROJECTOR

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Thank you

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