

# Understanding your redundancy options



# 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.



# Benefits of TelstraSuper



## Security of Australia's largest corporate fund

- \$19 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 as a TelstraSuper member even if you change jobs and your eligible family members can join too!



## Strong investment performance

Our strong investment returns helps you to build a financially secure future



## Multi award winning fund

2017 Max Awards<sup>^</sup>  
Website 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.

<sup>^</sup> Rainmaker Information Pty Ltd - [www.rainmaker.com.au/events/sales\\_and\\_marketing\\_forum](http://www.rainmaker.com.au/events/sales_and_marketing_forum)

\* SuperRatings Pty Ltd - [www.superratings.com.au](http://www.superratings.com.au)

# Redundancy payments



# Redundancy payment



**Your tax-free portion**

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=



**\$10,155\***

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base limit

+



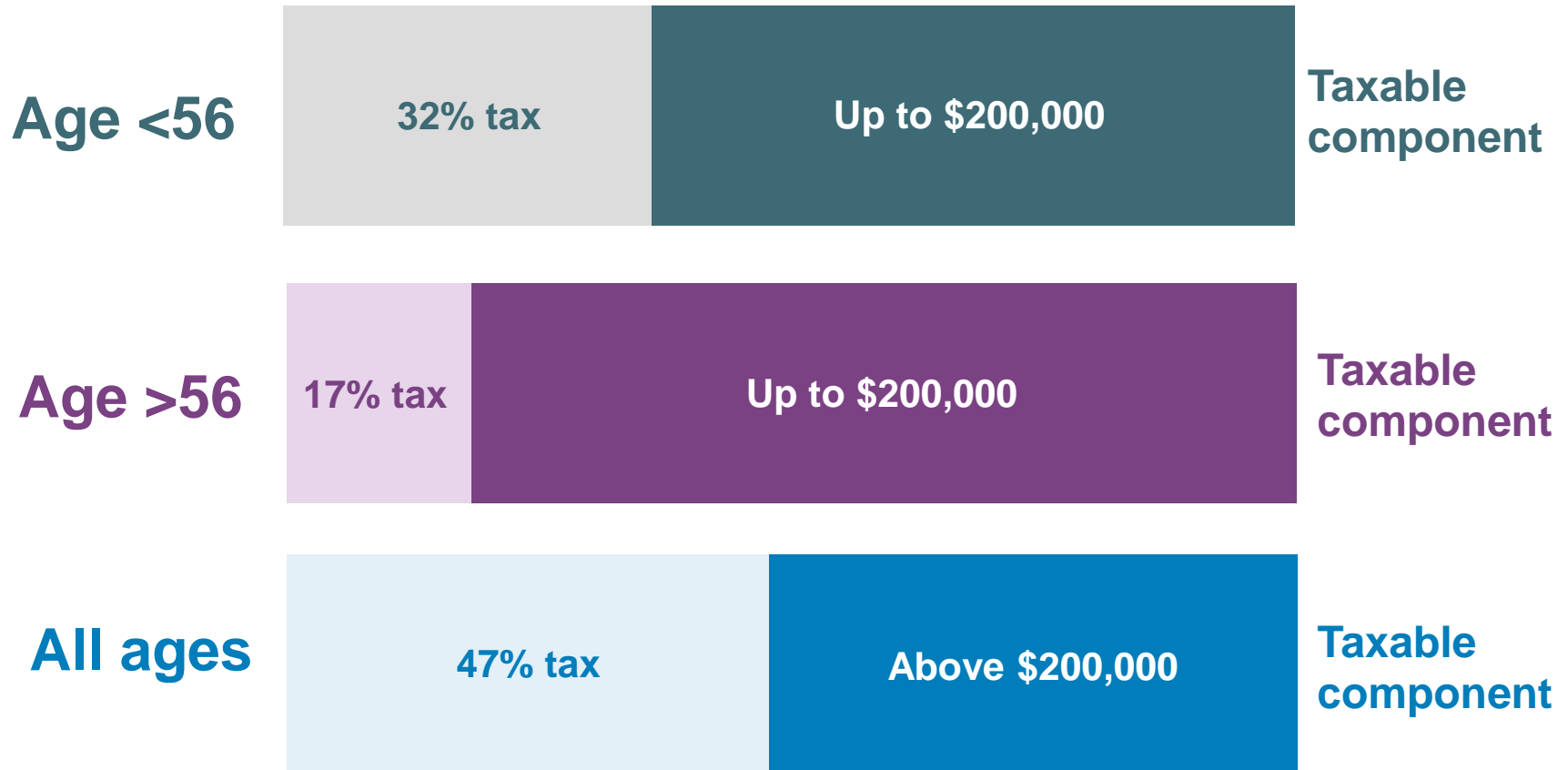
**\$5,078\***

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for each year of service

\*2017/18 financial year

# Employer termination payment



# Annual and long service leave



## Unused Annual Leave

Taxed at maximum of 32%



## Long-service Leave

Accrued prior to 16 August 1978 = 5% taxed @ MTR\*

Accrued post 15 August 1978 = taxed @ 32%

\*plus Medicare Levy

# Superannuation





# Summary of caps



## Contribution Caps

- Pre-tax (concessional) contributions
  - \$25,000 pa
  - \$125,000 over 5 years\*  
(balance <\$500,000)
- Post-tax (non-concessional) contributions
  - \$100,000 pa<sup>^</sup>
  - \$300,000 over 3 years<sup>#</sup>



## Balance Cap of \$1.6 million

- No further non-concessional contributions
- Maximum tax-free income stream starting amount

\* Must satisfy work test if aged 65 to 74

<sup>^</sup> Subject to \$1.6 million balance cap

<sup>#</sup> Not available from age 65

# When can I access my super?



Date of birth	Preservation age	Commencing
Up to 30 June 1960	55	
1 July 1960 to 30 June 1961	56	1 July 2016
1 July 1961 to 30 June 1962	57	1 July 2018
1 July 1962 to 30 June 1963	58	1 July 2020
1 July 1963 to 30 June 1964	59	1 July 2022
1 July 1964 onwards	60	1 July 2024

Source: [www.ato.gov.au](http://www.ato.gov.au)

# Accessing super



From preservation age	Lump Sum	RetireAccess
Working	x	✓
Retired	✓	✓
Age 65	✓	✓

\* Plus Medicare Levy

# Accessing super

	Taxation	Taxation
Aged 56 – 59	\$200,000 tax free Above taxed at 15%*	Pension income is taxable
Aged 60+	Tax-free	Tax-free

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# TelstraSuper



# TelstraSuper will take care of you



Automatic rollover



Employed with Telstra Group

Not employed with Telstra Group

*TelstraSuper Corporate Plus  
or  
TelstraSuper Defined Benefit*

*TelstraSuper Personal Plus*

# Defined Benefit members – next steps



## Your account

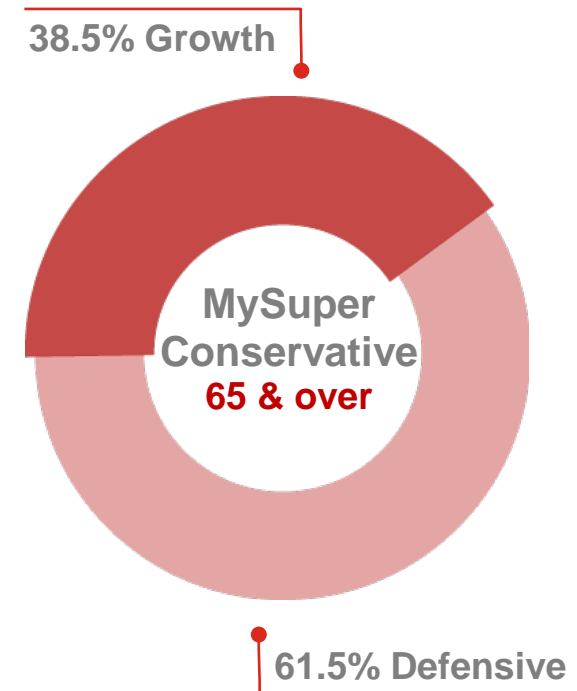
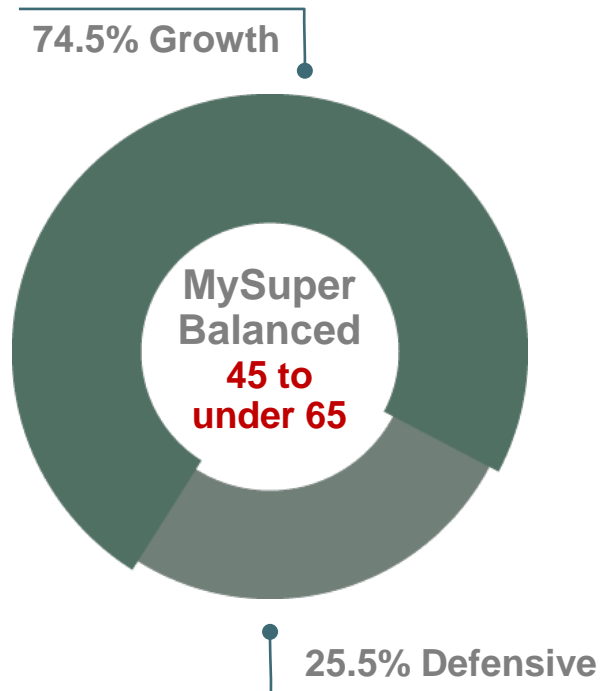
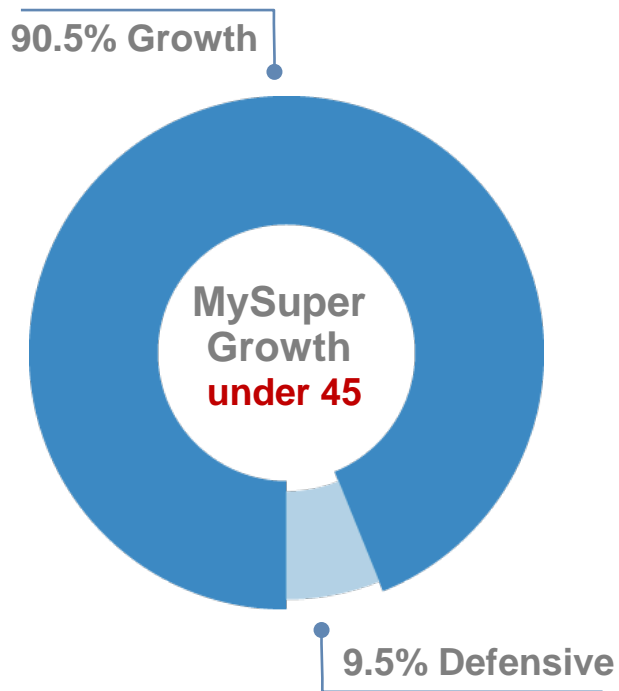
- Benefit calculated on final day of employment at Telstra
- Transfer automatically to Personal Plus
- Invested in Cash option for 90 days then according to MySuper lifecycle default
- VAA investment option stays unchanged
- Benefit calculation details mailed out



## Your insurance

- 30-day extension of D&TPD cover when membership is maintained
- Default & top-up D&TPD cover transferred to Personal Plus
- Premiums deducted from account
- IP available when continuously employed with new employer

# Understanding MySuper



Source: TelstraSuper Investment Guide, 1 July 2017



# Investment options



Options	Growth/Defensive %	Return Objective CPI+	Investment Timeframe (years)
Growth	90.5 / 9.5	3.5%	7-10
Balanced	74.5 / 25.5	3%	5-10
Diversified Income	55.5 / 44.5	2%	4-6
Defensive Growth	59.5 / 40.5	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
<b>TelstraSuper Direct Access</b>			
ASX 300 Shares	100	n/a	8-10
Term Deposits	100	n/a	0-2

Source: TelstraSuper Investment Guide, 30 September 2017

## TelstraSuper Personal Plus

Retain the same low fees

Automatic transfer of insurance cover\*

Future employer contributions

Member education seminars and online tools

Same range of investment options to choose from

24 hour access to your super online at [telstrasuper.com.au](http://telstrasuper.com.au)

### Fees

Administration fee \$1.50 per week  
plus 0.20% pa

Investment fee range  
from 0.09% – 1.15%

Potential fee rebate<sup>^</sup>

\*The level of your Death and TPD insurance cover held under your TelstraSuper Corporate Plus account will be retained under your new TelstraSuper Personal Plus arrangement, however new premium rates will apply. Income protection can be retained subject to the 'at work' requirements and other eligibility criteria and exclusions contained in the Policy. <sup>^</sup>If you have an account balance of over \$1.328m, or you and your spouse\* with whom you're presently living, have combined TelstraSuper Personal Plus, TelstraSuper Corporate Plus and/or TelstraSuper RetireAccess account balances that exceed \$1.289m, you may claim an administration fee rebate.

# Future employer contributions



**1.** Fill in the 'Super Choice Form' with your details

**2.** Your 'Chosen fund details' are already filled in, just add your Member Number (your Telstra Group employee number).

**3.** Sign and date the form then give to your new employer.

# Centrelink



- Please note, we will not cover all Centrelink benefits you may be entitled to receive.
- Accordingly we recommend you contact Centrelink directly to confirm your eligibility to receive any payments.

**Centrelink Financial Information Service**  
**Ph: 132 300**



## Newstart Allowance

- Aged 22 up to Age Pension age
- Looking for work
- Must meet activity requirements
- Means tested



## Age Pension

- Reached Age Pension age
- Means tested

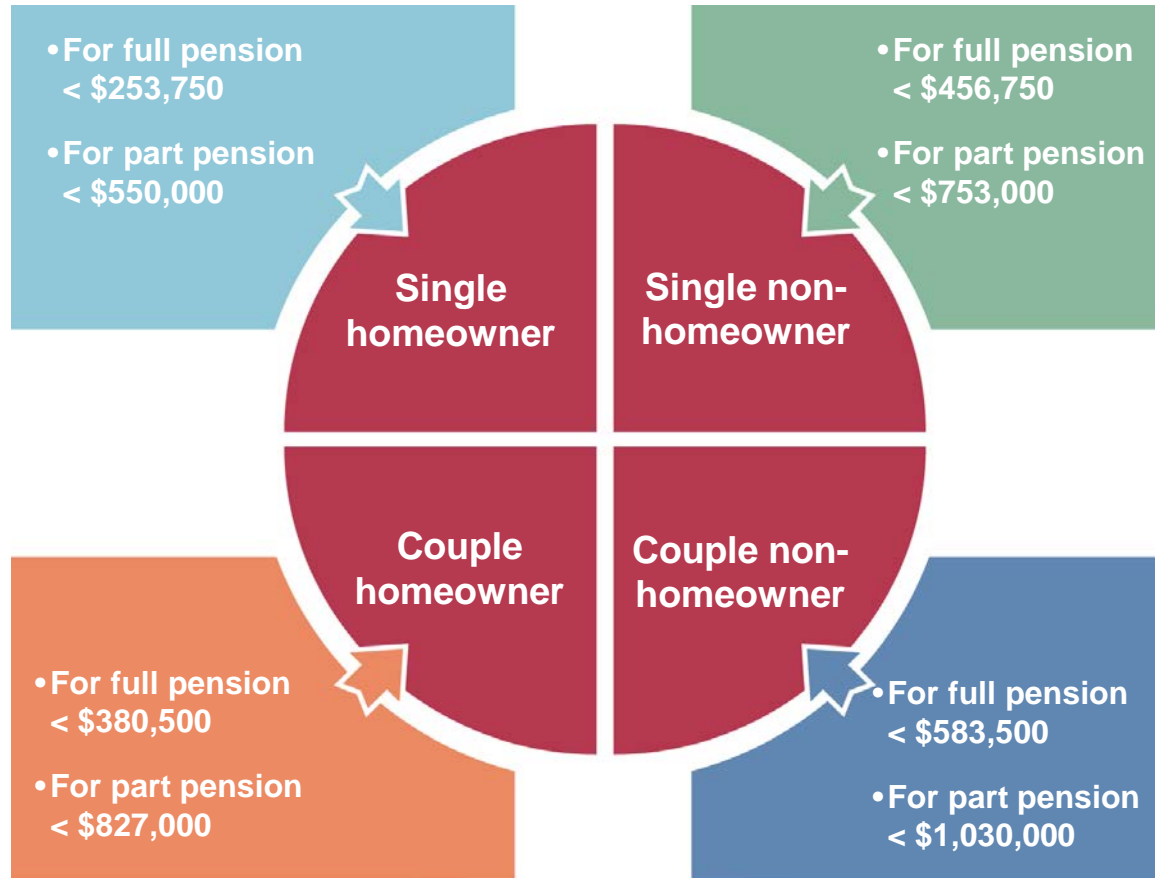
**Call  
Centrelink  
on 132 300**

# Age Pension age increases



Date of birth	Age pension age	Commencing
1 July 1952 to 31 December 1953	65.5	1 July 2017
1 January 1954 to 30 June 1955	66	1 July 2019
1 July 1955 to 31 December 1956	66.5	1 July 2021
From 1 January 1957	67	1 July 2023

# Assets test



Source: [www.humanservices.gov.au](http://www.humanservices.gov.au) rates as at 1 July 2017



# Income test

## Single thresholds

For full  
pension:  
<\$168  
per fortnight

For part  
pension:  
<\$1,944.60  
per fortnight

## Couple thresholds

For full  
pension:  
<\$300  
per fortnight

For part  
pension:  
<\$2,978.40  
per fortnight

Source: [www.humanservices.gov.au](http://www.humanservices.gov.au) rates as at 1 Jul 2017

# TelstraSuper Financial Planning



# TelstraSuper Financial Planning



## 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](#)

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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

LAUNCH PROJECTOR

Include OTHER INVESTMENTS or ASSETS

# Next steps



Stay with TelstraSuper



Future employer contributions



Retain existing insurance cover



Investment choice



Financial advice

# What's next?



[www.telstrasuper.com.au](http://www.telstrasuper.com.au)



1300 033 166



[talkingsense@telstrasuper.com.au](mailto:talkingsense@telstrasuper.com.au)

Seek Advice

Discuss your options with TelstraSuper

Access accounts online

Check out our Retirement Income Projector

Remain with TelstraSuper



# Thank you



 [www.telstrasuper.com.au](http://www.telstrasuper.com.au)

 1300 033 166

 [talkingsense@telstrasuper.com.au](mailto:talkingsense@telstrasuper.com.au)

