

# Super News

July 2017

This edition of *Super News* updates you on the latest news about super and your Plan. In this issue, we let you know about:

- The appointment of a new Trustee;
- The closure of the Plan's Transition to Retirement Pension;
- Changes to the Plan's investment managers and investment consultant; and
- Reductions to the Plan's investment fees.

### New Member Trustee

The Plan has a new Member Trustee following the resignation of Ian Duddy. Welcome to Joyce Smith who became a Member Trustee from 31 March 2017 for a period of four years. Joyce was appointed unopposed following two calls for nominations from members. Joyce is an Accountant in LDS Australia's Finance team.

The Plan is managed by four Trustees. Half of the Trustees are appointed by the employer and half are elected by members.

| LDS Australia representatives | Member representatives |
|-------------------------------|------------------------|
| Brent Buckner                 | Joyce Smith            |
| Paul Gray                     | Melinda Kelly          |

### Transition to Retirement Pension to be closed

In the last newsletter we advised that new rules from 1 July 2017 will reduce the tax advantages available from Transition to Retirement Pensions. To date, no member has taken advantage of this feature of the Plan. As a result of these impending changes, the Trustees have decided to no longer offer this facility and the Plan will not accept new applications from members.

### New investment managers

The Trustees have been reviewing the Plan's investment managers. As a result, the Plan will reduce the amount that is invested with active managers and there will be some changes to the Plan's investment managers. Vanguard Investments Australia Ltd will replace Foundation PST and will manage the Plan's share and property investments. The Trustees have also reviewed the Plan's appointed managers for fixed interest and alternative investments. There are no changes to the investment objectives, strategy or asset allocation for the Plan's investment options. The changes became effective in May/June 2017.

The Plan's new investment managers for each asset class are shown in the table below.

| Type of assets       | Current manager                    | New manager   |
|----------------------|------------------------------------|---|
| Australian Shares    | Lambda Foundation PST (Foundation) | Vanguard Investments Australia Ltd (Vanguard)               |
|                      | Fidelity                           | Vanguard Investments Australia Ltd (Vanguard)               |
| International Shares | Russell Foundation                 | Vanguard  |
| Property             | Foundation                         | Vanguard  |
| Fixed Interest       | Foundation                         | UBS Asset Management (Australia) Ltd                        |
|                      |                                    | Schroder Investment Management Australia Limited (Schroder) |
| Alternatives         | Foundation                         | Schroder  |
|                      | Schroder                           | Franklin Templeton Investments Australia Limited            |
| Cash                 | UBS Asset Management               | Vanguard  |

## Reductions to investment fees

As a result of the changes to investment managers outlined on page 1, the Plan's investment fees will reduce from 1 July 2017. The investment fee that applies to your account depends on your chosen investment option(s). New fees for each option are shown below.

### Investment fees

| Option         | Current Amount                  | New Amount                      | How and when paid  |
|----------------|---------------------------------|---------------------------------|--|
| High Growth    | 1.2% p.a. (\$12.00 per \$1,000) | 0.26% p.a. (\$2.60 per \$1,000) | Deducted from the investment return for each option before the return is applied to your account. The investment fee that applies to your account depends on your chosen investment option(s). |
| Market Linked  | 1.0% p.a. (\$10.00 per \$1,000) | 0.35% p.a. (\$3.50 per \$1,000) |  |
| Enhanced Yield | 1.0% p.a. (\$10.00 per \$1,000) | 0.55% p.a. (\$5.50 per \$1,000) |  |
| Cash           | 0.25% p.a. (\$2.50 per \$1,000) | 0.15% p.a. (\$1.50 per \$1,000) |  |

### More information

To learn more about your benefits in the Plan, refer to the *About your Super Plan* Member Booklet or the PDS for Account Based Pension members. Copies can be downloaded from the Plan website or can be obtained by calling the Plan Helpline on **1800 115 885**.

You can also contact:

**The Plan Administrator**

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Parramatta NSW 2124

**Plan Helpline:** 1800 115 885

**Email:** [deseret.australia@towerswatson.com](mailto:deseret.australia@towerswatson.com)

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Issued in July 2017 by the Trustees (ABN 67 352 679 623) of the Deseret Benefit Plan for Australia (ABN 58 632 310 300).