



# Additional information about IPE Super

[www.ipesuper.com.au](http://www.ipesuper.com.au)  
1800 257 135

**1 October 2019**

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# Important information

The information in this document forms part of the Incitec Pivot Employees Superannuation Fund Product Disclosure Statements (PDS) for the:

- Accumulation section including Retained Benefits section, *Your IPE Super Guide* (dated 1 October 2019), and
- Spouse section, *IPE Super for Spouse members* (dated 1 October 2019).

This information should be read in conjunction with the other documents which form part of each Product Disclosure Statement. You should consider this information before making a decision about the product.

The information provided is general information only and does not take into account your particular objectives, financial circumstances or needs. It is not personal or tax advice. Any examples included are for illustration only and are not intended to be recommendations or preferred courses of action. You should consider obtaining professional advice about your particular circumstances before making any financial or investment decisions based on the information contained in this document.

Neither the Trustee nor Incitec Pivot Limited (IPL) will provide you with financial advice. The Trustee will only provide factual information or general superannuation advice.

Information on tax and superannuation legislation is current as at 1 July 2019. The Trustee reserves the right to correct any errors or omissions.

Information contained in this document that is not materially adverse is subject to change from time to time and may be updated if it changes. Updated information can be found at [www.ipesper.com.au](http://www.ipesper.com.au). In addition, we will provide a hardcopy free of charge on request, by contacting the IPE Super Helpline on **1800 257 135**.

## FOR FURTHER INFORMATION

### The Fund Administrator

Incitec Pivot Employees Superannuation Fund

PO Box 1442

Parramatta NSW 2124

Helpline: **1800 257 135**

Email: [ipesperadmin@linksuper.com](mailto:ipesperadmin@linksuper.com)

Website: [www.ipesper.com.au](http://www.ipesper.com.au)

# How super works

## CONTRIBUTING TO YOUR SUPERANNUATION

Contributions to your super account can come from a number of sources.

### Your Company contributions

Your employer will make contributions as agreed with you, subject to the requirements of superannuation law. Spouse members cannot direct their employer's contributions to this Fund. Retained Benefits members cannot direct their new employer's contributions to this Fund.

If you wish to direct your future contributions to another fund of your choice, you may elect to do so via the *Standard Choice Form* available at [www.ipesuper.com.au](http://www.ipesuper.com.au).

Your existing benefit will be transferred to IPE Super's Retained Benefits section (in your existing investment option) until you elect to transfer it to another fund.

### Your voluntary contributions

You are not required to contribute to your super. However, if you want your savings to grow faster so you have more money for your retirement, you may choose to make voluntary contributions from your before-tax salary (i.e. via salary sacrifice), subject to Company approval, or from your after-tax salary.

Spouse and Retained Benefits members cannot make salary sacrifice contributions to this Fund but can make after-tax contributions via a cheque payable to the Incitec Pivot Employees Superannuation Fund and forwarded to the Fund Administrator, or via internet banking to Towers Watson Superannuation Pty Ltd ATF Incitec Pivot Employees Superannuation Fund (Westpac BSB: 032275 Account number: 308377).

For Spouse and Retained Benefits members to claim a tax deduction for after-tax contributions, they must give the Trustee a *Notice of intent to claim or vary a deduction for personal super contributions* form, which must reach the Trustee by 31 July following the financial year (i.e. ending 30 June) in which the member intends to claim the deduction. A copy of the form is on the Fund's website.

For more information contact the IPE Super Helpline on **1800 257 135**.

There are limits on how much you can contribute to super before extra tax applies – see the section *How super is taxed* on page 17. If your circumstances change, you can change your voluntary contribution rate by contacting your payroll department.

### Government co-contributions

If you make super contributions from your after-tax salary and earn less than \$53,564 a year, the Government will pay an extra contribution (called a "co-contribution") of up to \$0.50 for every \$1.00 contribution that you make to your super fund.

The maximum co-contribution payment is \$500 for members whose total income is less than \$38,564 per year who make contributions of \$1,000 or more. The maximum co-contribution payment of \$500 reduces for every dollar of your income above \$38,564 and phases out completely for those with a total annual income of \$53,564 or more. You cannot receive the co-contribution for contributions for which you claim a tax deduction.

The Australian Taxation Office (ATO) automatically determines your eligibility for the co-contribution after the end of each financial year. If you are eligible, the ATO makes the relevant co-contribution payment to IPE Super on your behalf.

Note: Income amounts apply for 2019/20 and are indexed each year.

Your IPE Super account =  
Contributions + Rollovers

+/-

Investment earnings

-

Fees, taxes, insurance fees +  
benefits paid

### "Spouse" defined

Your spouse is defined to include a person of either sex who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.



### Your rollovers

You can choose to roll over any amounts that you have in other super funds (e.g. with previous employers) into IPE Super. Rollovers are one-off transactions to transfer an amount of super from one fund into another fund. There are no fees charged for rolling your super into IPE Super. However, you should check to see whether you will lose other valuable benefits such as insurance from your other funds.

For Spouse members, IPE Super must have received a contribution on your behalf before you can rollover other benefits into the Fund.

Keeping your entire super in one fund means:

- It's easier for you to keep track of,
- Your rollover amount will accumulate with the net investment earnings of your chosen investment option, and
- You pay only one set of administration and investment fees.

### Spouse contributions

IPE Super also allows you to make superannuation contributions for your spouse and to take out life insurance on his or her behalf. This means you and your partner can have your superannuation accounts in the one fund for a shared future.

Spouse contributions can only be accepted if both you and your spouse have provided IPE Super with your Tax File Numbers.

Any spouse contributions you make from your after-tax salary will count towards your spouse's non-concessional contributions cap, rather than your own. Refer to page 18 for more information.

Spouse members may transfer out of IPE Super at any time. Any insurance cover that a spouse member has will cease on the date that their account balance is paid to another fund and their account is closed.

If you wish to open an account in IPE Super in your spouse's name, you should read the Product Disclosure Statement, *IPE Super for Spouse members*, and complete an *IPE Super Spouse Form* available from the IPE Super website at [www.ipesuper.com.au](http://www.ipesuper.com.au) or the IPE Super Helpline on **1800 257 135**.

### Claiming a tax offset

If your spouse (IPL employee) makes contributions on your behalf, it could mean that they are entitled to claim an offset on their income tax return. If your relevant income is up to \$37,000, they can claim a tax offset of 18% on the first \$3,000 of contributions they make to your spouse account – that's a saving of up to \$540 a year on their tax!

The tax offset they are entitled to claim will reduce by \$18 for every \$100 that your income exceeds \$37,000, and cuts out altogether once your assessable income exceeds \$40,000. For example, if your assessable income is \$38,000 per year, the maximum tax offset applicable will be \$360. Other conditions may also apply.



### Contribution splitting

As a member of IPE Super, you have the option of splitting up to 85% of your before-tax contributions with your spouse – that is, contributions the Company makes, including any salary sacrifice contributions and any contributions for which you claim a tax deduction. However, any before-tax contributions you split will count towards your concessional contributions cap, not your spouse's – see page 18 for more information.

You cannot split after-tax contributions, rollovers or transfers (e.g. from overseas funds) you have made into IPE Super. You must also ensure that you leave a minimum balance of \$5,000 in your IPE Super account after any split, unless you wish to close it completely.

At the end of each financial year (i.e. 30 June), you can apply to the Trustee to split the contributions you have made to your super during that financial year.

If you are leaving IPE Super, you may apply at the time of exiting. You can split your contributions once in any financial year.

Split contributions can either be paid into an account in IPE Super in your spouse's name, or into an account with another complying super fund as nominated by your spouse.

When you split your super contributions with your spouse, these contributions become the entitlement of your spouse. And just like your super, these contributions must be preserved in the superannuation system until your spouse reaches their preservation age (see page 5 for more information about preservation) or satisfies certain conditions (for example, financial hardship or compassionate grounds).

Splitting your contributions will not affect your insured benefits in IPE Super, even if you split the maximum amount of contributions allowable each year with your spouse, provided there is enough money in your account to pay the fees.

To split your super contributions, you need to complete a *Contribution Splitting Form* which can be downloaded from the IPE Super website at [www.ipesuper.com.au](http://www.ipesuper.com.au) or obtained by calling the IPE Super Helpline on **1800 257 135**.

A contribution splitting fee applies each time a splitting application is processed on your behalf by the Fund Administrator. See page 15 for details of the current fee that applies.

If you are thinking of splitting your super contributions with your spouse, the Trustee recommends that you talk over your options with a licensed financial adviser as there may be disadvantages to splitting in certain circumstances.

### Transfers out of IPE Super

You can transfer out amounts that you have in the Fund to another complying fund. You can do this once a year and must leave a minimum balance of \$5,000 in the Fund unless you transfer out all of your benefit.

Your insurance benefits will cease if you transfer out all of your account. You cannot access any cash component until you meet one of the preservation conditions (see page 5).

### FAMILY LAW AND YOUR SUPER

Under superannuation law, divorcing or separating couples can generally split the superannuation entitlements of one or both of the partners as part of their property settlement. This can be done either by Court Order or by agreement between the separating couple after legal advice has been sought. If this applies to you, your super benefits will be reduced accordingly.

More information on superannuation and divorce can be obtained by contacting the IPE Super Helpline on **1800 257 135**. Refer to page 15 for details of the fees that apply.

### SUPER CONTRIBUTIONS AND BANKRUPTCY

If you are declared bankrupt, contributions to super (excluding Superannuation Guarantee contributions) made by you, or on your behalf, may be recoverable by creditors. This applies to contributions (excluding Superannuation Guarantee contributions) made on or after 27 July 2006 if these contributions are demonstrated to have been made with the specific intention of defeating creditors. You will be advised if this affects you.

### CHOICE OF FUND AND PORTABILITY

Choice of Fund legislation allows most working Australians to choose which superannuation fund they wish to belong to. As an employee of IPL, you have an opportunity to participate in Choice of Fund. Spouse and Retained Benefits members cannot direct their employer's contributions to IPE Super.

Choice of Fund means that you have the opportunity to choose a complying super fund other than IPE Super for the Superannuation Guarantee (SG) contributions the Company makes to super on your behalf. Currently, this is 9.5% of your Ordinary Time Earnings (OTE). It's important to keep in mind that Choice of Fund is optional.

If you are considering choosing another super fund, you should first consider the implications it may have on your super, particularly your insurance cover, which is an important part of your IPE Super membership.

Some of these implications are explained below.

- **Membership:** On selecting an alternative super fund, the Company will cease paying your SG contributions to IPE Super. At the end of the month in which your last SG contributions are received by IPE Super, your account will be transferred to the Retained Benefits section of IPE Super.

- **Insurance:** In the Retained Benefits section, your life insurance cover and your cover for total and permanent disablement (if any) will continue until you cancel the cover, until you leave the Fund and close your account, until there is insufficient money in your account to pay the fee, or until cover is cancelled because your account has been inactive for 16 months (see the *Insurance Guide*), whichever occurs first.
- **Fees:** You should check the fees of any fund you are considering.
- **Your existing balance:** If you wish to choose a fund other than IPE Super, you can retain your benefits in the Fund or you can transfer all of your benefits out of IPE Super.

To transfer part or all of your existing balance you will need to complete a *Transfer Request Form* which is available from the IPE Super Helpline or can be downloaded from [www.ipesuper.com.au](http://www.ipesuper.com.au).

Transferring part of your account balance to another super fund (as opposed to redirecting your SG contributions to another fund), does not affect your membership or insurance entitlements under IPE Super provided there is enough money in your account to pay the insurance fees.

All insurance cover you have in the Fund will cease immediately if you transfer the whole of your account balance which will close your account.

- **Returning to IPE Super:** You can redirect your contributions back to IPE Super at any time. You should keep in mind that if your insurance cover in IPE Super ceased, you will not automatically be provided with insurance cover and will have to provide evidence of good health and be assessed and accepted by the insurer before any cover commences.

For more information about Choice of Fund and portability, call the IPE Super Helpline on **1800 257 135**.

## TRANSFER OF LOW BALANCE INACTIVE ACCOUNTS TO THE ATO

The Government requires that inactive accounts that are less than \$6,000 are required to be paid to the ATO. The ATO will consolidate the account with your active super account.

You will be considered inactive if, in the last 16 months, you have not:

- received a contribution or rollover;
- changed your investment choice,
- changed your insurance,
- made or changed a binding nomination of beneficiary, or
- notified the ATO you do not wish to be treated as a low balance inactive account.

Note the definition for inactivity to cancel your insurance as outlined in the *Insurance Guide* is narrower than that used by the ATO for consolidation.

## PRESERVATION RULES

Your super generally must be preserved in the superannuation system until you retire (or satisfy another special condition of release). This means you can't take your super money out to spend or invest in a non-super investment. Generally, you can only take your benefit in cash when you:

- Reach age 65;
- Retire on or after your preservation age (see below);
- Leave your employment at age 60 or over;
- Die or become totally and permanently disabled or have a terminal medical condition;
- Satisfy a condition of release on "compassionate grounds" (by applying to the ATO) or due to "financial hardship"; or
- Leave your employment and your benefit entitlement is less than \$200.

Your preservation age depends on when you were born, as shown in the following table.

### Preservation age

Date of birth	Preservation age
Before 1 July 1960	<b>55</b>
Between 1 July 1960 and 30 June 1961	<b>56</b>
Between 1 July 1961 and 30 June 1962	<b>57</b>
Between 1 July 1962 and 30 June 1963	<b>58</b>
Between 1 July 1963 and 30 June 1964	<b>59</b>
After 30 June 1964	<b>60</b>

For the purposes of the preservation laws "retired" means that you must have ceased gainful employment, and one of the following must apply to you:

- If you have reached your preservation age but are less than age 60, the Trustee must be satisfied that you intend never again to be gainfully employed more than 10 hours per week.
- If you are over age 60, either:
  - You must have ceased gainful employment after reaching age 60, or
  - The Trustee must be satisfied that you intend never again to be gainfully employed more than 10 hours per week.

You can receive your benefit in cash after you have reached age 65 regardless of whether you are working or have ever worked.

You may be able to take part of your super in cash before your preservation age; for example, if it relates to employment before 1 July 1999. Your annual *Benefit Statement* will show you if this applies to you.

You may also access your super on reaching your preservation age but before being "retired" by rolling over part or all of your benefit into a "transition to retirement" pension – see page 9 for more information.

## Temporary residents

If you are not an Australian or New Zealand citizen or resident and you accrued super while in Australia on a temporary resident visa, you may be able to claim your super when you return home. Applicable taxes will be deducted (these may be different to the taxes paid by other Fund members on their super). If you do not claim your super within six months of permanently departing Australia, the Trustee may be required to pay your super to the ATO without your consent. You may then claim your super from the ATO, but it may not earn any interest while with the ATO.

## SPECIAL RULES – SUPER AND HOUSING

### First Home Super Saver Scheme

This scheme allows first home buyers to make voluntary concessional or non-concessional contributions to superannuation and later access some of the funds towards the purchase of your first home. Voluntary contributions made after 1 July 2017 qualify and withdrawals can be made from 1 July 2018. There are a number of eligibility and other conditions that apply to this scheme.

More information is available on the ATO website or you can contact the IPE Super Helpline on **1800 257 135**.

### Contributing money from home sale to super

Homeowners aged 65 and over are allowed to contribute some of the proceeds of the sale of their principal home into super. This is designed to encourage older people to downsize their homes.

If you have lived in the home for at least 10 years you can make a “downsizer” contribution of up to \$300,000 into your superannuation fund. Couples are able to transfer up to \$600,000 into super. The contract of sale must have been exchanged on or after 1 July 2018.

Eligible downsizer contributions will not count towards your annual non-concessional contribution cap and can be made even if you do not meet the work test\*. However, they will count towards the \$1.6 million cap on the amount that can be held in pensions where earnings are exempt from tax.

If the ATO determines that you were ineligible to make downsizer contributions or you exceed the \$300,000 cap, your contributions will count as personal contributions, which may result in you exceeding your non-concessional contribution cap. The contributions also count towards your total superannuation balance, which may affect whether you can make non-concessional contributions in future years. Other conditions also apply.

To make downsizer contributions you need to complete a *Downsizer contribution into superannuation form* available on the Fund's website.

For more information on the super housing measures, contact the IPE Super Helpline on **1800 257 135** or refer to **[www.ato.gov.au/super](http://www.ato.gov.au/super)**.

\* See page 18 under 'Tax limits' for more information.

# Benefits of investing with IPE Super

Super is an important financial asset. For many people, it will be their main income source during retirement. Whether you are retiring soon or retirement is a long way off, the choices you make about your super today can shape your future.

It is important that you understand how your super works to make informed decisions for your super. This will help you to build your super savings in the years before you retire in the way that is best for you.

Your super comes from employer contributions and any voluntary contributions and rollovers (from other funds) that you decide to make to your super. These contributions are held in an IPE Super account opened in your name.

You then decide how you would like your super contributions invested, choosing from various investment options offered by IPE Super. The contributions then earn investment returns, which can be positive or negative. How your money is invested determines how your super progresses over time, so it's important that you make an informed investment choice.

Over time, any taxes or fees that apply to your super will be deducted from your IPE Super account.

When you retire or leave your employer, the benefit you receive is the balance of your IPE Super account after these additions and deductions have been made.

As a member of IPE Super, you can choose from a range of contribution, insurance and investment options.

IPE Super recognises that providing super that's "one-size-fits-all" won't work for everyone because each member has different retirement needs and goals. That's why IPE Super offers you a range of choices so you can design your super to suit your own particular needs and your goals.

## YOUR SUPER BENEFITS

As a member of the Fund, you will be entitled to receive a benefit if you:

- Leave your employer,
- Die, or
- Become totally and permanently disabled or terminally ill.

### Your leaving service benefit

When you leave your employer, you will be entitled to the total amount in your IPE Super account. This amount is known as your "leaving service benefit" and includes all of the contributions made to your IPE Super account, together with investment earnings, less taxes and fees (including insurance fees).

Retained Benefits and Spouse members receive their account balance on leaving the Fund for any reason other than death or disablement.

Under the Government's preservation laws, you generally cannot take your super benefit as cash until you permanently retire from the workforce and reach your preservation age. Your preservation age depends on when you were born (see "Preservation rules" on page 5).

You may, however, be able to take part of your super in cash before your preservation age if it relates to employment before 1 July 1999. Your annual *Benefit Statement* will show you if this applies to you.

You can also access your super on reaching your preservation age, but before permanently retiring from the workforce, by rolling over your benefit into a "transition to retirement" pension, or at any time by satisfying certain other conditions (for example, financial hardship or compassionate grounds). See page 5 for more information.

### Your death and disablement benefits

**If you die** while you are a member of IPE Super, a lump sum benefit is payable to either your dependants and/or your estate. This benefit is equal to the total of your:

- IPE Super account, *plus*
- Your insured benefit (if any).

For details of your insured benefit, see *IPE Super's Insurance Guide*, which is available from [www.ipesuper.com.au](http://www.ipesuper.com.au).

**If you become totally and permanently disabled or terminally ill** before age 65 while you are a member of the Fund, and the Trustee and insurer accept your claim, you will receive a lump sum equal to the total of your:

- IPE Super account, *plus*
- Your insured benefit (if any).

The insured amount for total and permanent disablement (TPD) or terminal illness is calculated in the same way as for your Death Benefit. See *IPE Super's Insurance Guide* for more details, available from [www.ipesuper.com.au](http://www.ipesuper.com.au).

(Note: Spouse members, permanent part-time employees working less than 15 hours per week and casual employees are only eligible for life insurance cover and are not eligible for total and permanent disablement cover. The benefit on total and permanent disablement for these members is equal to their IPE Super account.)

TPD and terminal illness are defined in the insurance policy and the definitions may therefore vary over time. The current definitions can be found in *IPE Super's Insurance Guide* which is available from [www.ipesuper.com.au](http://www.ipesuper.com.au).

## NOMINATING YOUR DEPENDANTS

If you die while you are a member of IPE Super, a benefit will be paid to your dependants and/or estate. It's up to you to tell the Trustee who you would like to receive this benefit.

IPE Super offers you a choice of **binding** or **non-binding** nominations for your Death Benefit.

### Binding nominations

If you complete a binding nomination, the Trustee is obliged to pay your Death Benefit according to your wishes, providing that your nomination is valid at the time of your death.

To make a binding nomination, you must ensure that you allocate the total share of your Death Benefit. If the percentages do not add up to 100%, your nomination will be invalid. Your nomination must also be witnessed by two people who are aged 18 years or over who are not nominated as your beneficiaries. Your witnesses must see you signing the *Death Benefit Nomination Form* and must sign and date the form at the same time as you.

Your binding nomination is valid for up to three years, although you can change it as often as you like. It is your responsibility to keep your nomination up to date. If you die and your nomination is valid, the Trustee will be bound by your decision, regardless of whether your circumstances have changed.

### Non-binding nominations

If you complete a non-binding nomination, the Trustee will be guided by your nomination but not bound by it.

The Trustee is obliged by law to investigate your circumstances on your death and act in the best interests of your dependants when paying your Death Benefit. The Trustee must conduct its own investigations into your personal circumstances before deciding who should receive your benefit payment.

### Your binding nomination will not be valid if:

- You nominate someone other than a dependant or your estate,
- You don't update your nomination within three years,
- The *Death Benefit Nomination Form* you submit is incorrect or incomplete, or
- Someone you have nominated later becomes ineligible to receive your benefit, e.g. a nominated person dies.

If your nomination is not binding or if it is not valid, the Trustee will determine who receives your Death Benefit.

To find out when your binding nomination expires, check your latest *Benefit Statement* or call the IPE Super Helpline on **1800 257 135**.

The differences	
Binding	Non-binding
If you have a valid nomination, the Trustee must pay your Death Benefit according to your wishes.	The Trustee will use your nomination as a guide, but is not bound by it.
Valid for up to three years.	No time limit applies.
Two witnesses required.	No witnesses required.

## Who you can nominate

Your Death Benefit can only be paid to your dependants or your estate. Your dependants are:

- Your spouse (including de facto partner of either sex),
- Your children (including step children, adopted children, unborn children and children of your spouse),
- Any person who is financially dependent on you, or
- Any person with whom you have an interdependency relationship.

An **interdependency relationship** is where:

- Two people have a close personal relationship, and
- They live together, and
- One or each of them provides the other with financial support, and
- One or each of them provides the other with domestic support and personal care.

However, if two people have a close personal relationship but they do not satisfy the other conditions because one or both of them suffer from a physical, intellectual or psychiatric disability, then their relationship still meets the definition of interdependency.

The law includes details of various matters that the Trustee must consider in deciding whether two people have an interdependency relationship. If you are unsure how this affects you, please contact the IPE Super Helpline on **1800 257 135**.

## How to make your nomination

To make a binding nomination, complete Parts A and C of the *Death Benefit Nomination Form* and sign it in the presence of two witnesses who are aged 18 or over and not your beneficiaries. Your witnesses must sign Part D of the form at the same time as you.

To make a non-binding nomination, complete sections A and B of the *Death Benefit Nomination Form*. You do not need to get your form signed by witnesses.

If you need more information about the options available to you, contact the IPE Super Helpline on **1800 257 135**. For advice about your particular circumstances, you should consider speaking to a licensed financial adviser.

## WHEN YOU LEAVE IPE SUPER

When you leave your current employer or if you choose another fund, you will be contacted by the Fund Administrator and asked how you want to receive your benefit.

Depending on your circumstances, you may then have four options for your super which are:

### Option 1: Retain your benefits in IPE Super

When you leave your employer or, in the case of Spouse members, when your spouse leaves their employer, your super will be transferred into an account in your name in IPE Super's Retained Benefits section. Here, your super will earn investment returns at the rate earned by your chosen investment option (or the Active Balanced option, which is the option for MySuper members, if you have never made an investment choice), which can be positive or negative.

Your super will remain in the Retained Benefits section until you provide the Fund Administrator with payment instructions for your benefit.

To confirm your decision to leave your benefit in the Retained Benefits section, to initiate the full or partial payment of your benefit from IPE Super, or to change your investment choice in the Retained Benefits section, fill out a *Benefit Payment Option Form* which is available from IPE Super's website at [www.ipesuper.com.au](http://www.ipesuper.com.au) or the IPE Super Helpline on **1800 257 135** and return it as directed.

### Option 2: Take a cash payment

If you have any unrestricted non-preserved super (see your Leaving Service Notification letter), you can take some or all of this amount in cash, less any taxes which may apply. If you are under age 60, tax may apply to the taxable component of this amount (if any).

For partial payments, the tax components of the payment will be in proportion to your total benefit. You cannot choose, for example, to withdraw only your tax-free component.

Amounts paid by IPE Super to members aged 60 or over are generally tax free.

For more information on the tax payable on benefits, refer to the section *How super is taxed* on page 17.

All requests for payment from IPE Super can be made by completing the *Benefit Payment Option Form* from IPE Super's website at [www.ipesuper.com.au](http://www.ipesuper.com.au) or the IPE Super Helpline on **1800 257 135** and return it as directed.

### Option 3: Rollover to another superannuation fund

You can transfer all or part of your super into another superannuation fund of your choice, provided it is a complying superannuation fund under the law. To do so, you must complete the *Benefit Payment Option Form* from IPE Super's website at [www.ipesuper.com.au](http://www.ipesuper.com.au) or the IPE Super Helpline on **1800 257 135** and return it as directed.

If you choose this option and the fund you have nominated won't accept your benefit, the Trustee will roll your benefit over to its Eligible Rollover Fund (ERF).

Once your benefit is transferred from the Fund, you will no longer be a member of IPE Super or have access to the features that you currently enjoy.

#### About the ERF

The fees, and investment and crediting rate policy of the ERF may be different to those that apply under IPE Super. In addition, the ERF does not offer insurance cover. You should seek advice from a licensed financial adviser as to whether the ERF is a suitable investment vehicle for your purposes.

You can obtain a copy of the ERF's PDS by contacting the Fund's current ERF. This is:

AUSfund  
Locked bag 5132  
Parramatta NSW 2124  
Tel: 1300 361 798  
Contact: The Administrator  
<https://ausfund.com.au>  
Email: [admin@ausfund.com.au](mailto:admin@ausfund.com.au)

### Option 4: Take an Account-Based Pension

If you are retiring after your preservation age, you can choose to roll over part or all of your super into an IPE Super Account-Based Pension or similar product offered by another fund.

#### Accessing your super before you retire



If it suits your personal situation, you can access your super before you permanently retire from the workforce under the law.

You can access your super when you reach your preservation age (see page 5 for more information on preservation) provided you roll over your superannuation benefit into a "transition to retirement" pension. This is a special type of pension that pays you a regular income but does not generally allow your balance to be converted into a lump sum prior to your retirement. IPE Super's Account-Based Pension qualifies as a "transition to retirement" pension under the law.

For more information about IPE Super's Account-Based Pension, refer to the *Your IPE Super Account-Based Pension Guide* which is available from the IPE Super website at [www.ipesuper.com.au](http://www.ipesuper.com.au) or by calling the IPE Super Helpline on **1800 257 135**.

## HOW THE FUND IS MANAGED

### The Fund Trustee

Towers Watson Superannuation Pty Ltd is Trustee of the Incitec Pivot Employees Superannuation Fund. This Company has been licensed to act as a trustee of superannuation funds by the prudential regulator of super funds in Australia, the Australian Prudential Regulation Authority.

The Trustee Company is responsible for:

- Protecting your rights and interests as a member,
- Operating IPE Super in line with the Trust Deed and superannuation law,
- Investing IPE Super's assets prudently according to the Fund's investment objectives, and
- Paying benefits when they are due.

To perform its tasks, the Trustee appoints specialist advisers to provide advice on a range of matters, including investment strategies and communication.

The latest *Annual Report* lists IPE Super's current service providers.

### Policy Committee

A Policy Committee is responsible for ensuring that the interests of members and the Company are represented in the management of IPE Super. The Committee consists of an equal number of members who are appointed by IPL and members who are elected periodically by members of IPE Super.

See the latest *Annual Report* for details of the structure of the Policy Committee and the names of the Policy Committee members.

### Trust Deed

The Trustee is responsible for managing IPE Super in accordance with the Trust Deed – the legal document that sets out the rules and operating requirements of the Fund – and with the laws and regulations governing superannuation in Australia. If there are any differences to this PDS, then the Trust Deed is the final authority.

A copy of the Trust Deed is available on the website.

### Providing proof of identity

The Trustee is required to comply with the Government's Anti-Money Laundering and Counter-Terrorism Financing legislation.

Under the legislation, the Trustee is required to verify a member's identity, and that of any other benefit recipients, before any benefit is withdrawn from IPE Super. This verification process helps ensure that IPE Super is not being used for money laundering, or funding terrorist or criminal activities.

Withdrawals cannot be processed until the required proof of identity is supplied to the Fund's Administrator.

The Trustee may need to obtain additional identification information and verify your identity from time to time. It may have to disclose information about you to the regulator, the Australian Transaction Reports and Analysis Centre (AUSTRAC). If this happens, the Trustee is not permitted to inform you due to the sensitive nature of this information.

### Staying in touch

As a member of IPE Super, you have access to a range of regular communications to keep you up to date with the latest news about super and your Fund. For example:

- The **website at [www.ipesuper.com.au](http://www.ipesuper.com.au)** provides around-the-clock access to information about IPE Super's features and benefits and investment performance. You can also log into the Member Centre to view your account and other personal information held by the Fund.

- The **IPE Super Helpline on 1800 257 135** is available during normal business hours to provide you with assistance and answer your queries.
- **IPE Super News** is your member newsletter that keeps you up to date with what's new in super and your Fund.
- The **Annual Report** tells you about IPE Super's investment performance during the year under review, who manages your super and how, recent and proposed changes to superannuation law and the taxes that impact on your super. IPE Super's *Annual Report* is distributed to members after 30 June each year.
- Your **Benefit Statement**, which accompanies the *Annual Report*, provides specific information about your super benefit, including the balance of your account at the end of the year under review, your benefit entitlements, the transactions in and out of your account during the year and your dependant nomination(s). Your annual *Benefit Statement* is distributed after 30 June each year.

#### Need financial advice?

Superannuation can be complex. So, when you need to make important decisions about your super, speaking to a licensed financial adviser can help you determine which super choices are the most appropriate for your personal situation and needs. It is important to seek the opinion of a licensed financial adviser before taking any action. This way, you will receive specific advice from qualified professionals who understand your personal circumstances and can consider the whole of your financial affairs when providing advice.

Towers Watson Australia Pty Ltd has arrangements in place to help you with your financial planning: contact Susan Rio on (03) 9655 5222. The Financial Planning Association of Australia (FPA) can also help you find a financial planner by referring you to one in your area. Call them on 1300 337 301 or visit the FPA website at [www.fpa.com.au](http://www.fpa.com.au).



# Risks of super

There are certain risks associated with joining IPE Super. These risks generally fall into two categories – investment risk and non-investment risk.

Refer to *IPE Super's Investment Guide* on investment related risks which is available at [www.ipesuper.com.au](http://www.ipesuper.com.au).

For information on insurance risks, refer to *IPE Super's Insurance Guide* which is available at [www.ipesuper.com.au](http://www.ipesuper.com.au).

# Fees and other costs

## **DID YOU KNOW?**

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

## **TO FIND OUT MORE**

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission** (ASIC) website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a superannuation calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation fund as a whole.

Other fees, such as activity fees and insurance fees may also be charged, but these will depend on the nature of the activity or insurance chosen by you. Entry fees and exit fees cannot be charged.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this PDS.

Please note that the Trustee has already negotiated (and will continue to monitor) the fees and costs of the Fund on your behalf.

There is no scope to negotiate lower fees and costs on an individual basis.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

Incitec Pivot Employees Superannuation Fund		
Type of fee	Amount	How and when paid
<i>Investment fee<sup>1</sup></i>	<p><b>Investment options:</b></p> <p><b>Assertive Plus</b> – 0.77% p.a. to 0.81% p.a. (\$7.70 to \$8.10 per \$1,000)</p> <p><b>Assertive</b> – 0.89% p.a. to 0.93% p.a. (\$8.90 to \$9.30 per \$1,000)</p> <p><b>Active Balanced<sup>^</sup></b> – 0.89% p.a. to 0.93% p.a. (\$8.90 to \$9.30 per \$1,000)</p> <p><b>Conservative</b> – 0.74% p.a. to 0.78% p.a. (\$7.40 to \$7.80 per \$1,000)</p> <p><b>Asset class options:</b></p> <p><b>Australian Shares</b> – 0.72% p.a. to 0.76% p.a. (\$7.20 to \$7.60 per \$1,000)</p> <p><b>International Shares</b> – 0.55% p.a. to 0.59% p.a. (\$5.50 to \$5.90 per \$1,000)</p> <p><b>Diversified Fixed Interest</b> – 0.61% p.a. to 0.65% p.a. (\$6.10 to \$6.50 per \$1,000)</p> <p><b>Cash</b> – 0.18% p.a. to 0.22% p.a. (\$1.80 to \$2.20 per \$1,000)</p>	This fee is deducted from investment returns before the returns are applied to your account in the Fund
<i>Administration fee<sup>1</sup></i>	\$87.00 p.a. plus 0.247% p.a. (\$2.47 per \$1,000) of your account balance	The dollar fee is deducted from your account monthly. The percentage fee is deducted from investment returns before the returns are applied to your account in the Fund
<i>Buy-sell spread</i>	Nil	Not applicable
<i>Switching fee</i>	First switch in any financial year is free For each additional switch per financial year: \$57.90	This fee is deducted from your account at the time of switching
<i>Advice fees relating to all members investing in a particular MySuper product or investment option</i>	Nil	Not applicable
<i>Other fees and costs<sup>2</sup></i>	Other fees may also apply	
<i>Indirect cost ratio<sup>1</sup></i>	Nil	Not applicable

<sup>^</sup> This is also the option for MySuper members.

<sup>1</sup> If your account balance for a product offered by the superannuation entity is less than \$6,000 at the end of the entity's income year, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

<sup>2</sup> Insurance fees and fees for certain activities you request may apply (see pages 14 to 16).

## EXAMPLE OF ANNUAL FEES AND COSTS

This table gives an example of how the fees and costs in the Active Balanced option<sup>^</sup> for this superannuation product can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

Example – Active Balanced option <sup>^</sup>		Balance of \$50,000
Investment fees	0.93% p.a.	For every \$50,000 you have in the superannuation product you will be charged <b>\$465</b> each year*
<b>PLUS</b> Administration fees	\$87.00 p.a. plus 0.247% p.a.	<b>And</b> , for every \$50,000 you have in the superannuation product you will be charged <b>\$87.00</b> each year plus <b>\$123.50</b> in administration fees regardless of your balance
<b>PLUS</b> Indirect costs for the superannuation product	Nil	<b>And</b> , indirect costs of <b>\$0</b> each year will be deducted from your investment
<b>EQUALS</b> cost of product		If your balance was \$50,000, then for that year you will be charged fees of <b>\$675.50</b> for the superannuation product.

<sup>^</sup>This is also the investment option for MySuper members.

\* The investment fee shown is the maximum fee applicable, on a gross of tax basis.

Note: Additional fees may apply. **And** if you leave the superannuation fund, you may also be charged a **buy-sell** spread which also applies whenever you switch investment options. The buy-sell spread for exiting is **nil** (this will equal to **\$0** for every \$50,000 you withdraw).

## ADDITIONAL EXPLANATION OF FEES AND COSTS

### 1. Buy-sell spread

A buy-sell spread may be charged by a fund to reflect costs incurred by the fund or charged by the investment managers when you change investment options. IPE Super does not currently charge a separate buy-sell spread; instead, these costs are included in transactional and operational costs. See below for more information.

Any buy-sell spread is in addition to the switching fee which also applies when you change investment options.

### 2. Administration fees

These fees include administration, consulting, audit, legal and other fees incurred by the Fund.

The dollar fee is deducted from your account monthly. The percentage-based fee is deducted from investment returns earned by your chosen option before the returns are applied to your accounts.

### 3. Investment fees

The investment fee ranges that apply to the Fund's investment options are shown in the table on page 13.

### 4. Taxes and insurance fees

The following taxes and insurance fees are deducted from your accounts in the Fund:

- The fee for your insurance cover, generally based on an age-based scale and the level of cover you have chosen. For details, refer to the *IPE Super Insurance Guide*.
- Contributions tax generally at the rate of 15% from Company contributions, any salary sacrifice contributions and any personal contributions for which you claim a tax deduction. Any deductions available to the Fund, such as for expenses and insurance fees, reduce the amount of tax deducted.
- Excess contributions tax in certain circumstances if your contributions exceed caps set by the Government (see page 18).
- No-TFN tax on your concessional (employer and before-tax) contributions if you have not provided the Fund with your TFN.

Stamp duty is payable on the fees for your income protection insurance. This cost is met from the Fund's assets and is not passed on to you either directly or indirectly.

More information on tax can be found on page 17.

## 5. Transactional and operational costs

These costs are incurred by the Fund and its investment managers, and may include brokerage, settlement and custody costs, clearing costs, costs associated with currency hedging and stamp duty on investment transactions. Transactional and operational costs are included in the table on page 13 (except as noted to the right) and are based on the amount of these costs incurred by the Fund or its investment managers during the financial year prior to the date of this PDS. They therefore represent a cost to you.

Generally these costs are deducted from the investment earnings of each investment option before those earnings are applied to your accounts. More information is provided to the right.

## 6. Borrowing costs, implicit transaction costs and direct property operational costs

In accordance with ASIC relief, these costs have been excluded from the investment fees and indirect costs disclosed in this PDS.

Borrowing costs may be incurred by the Fund's investment managers and relate to the use of credit facilities that are not derivatives by the managers. Direct property operational costs include rates and utilities, maintenance costs and other property operations costs to the extent that the costs are not recovered from tenants. Implicit transaction costs include the bid/ask spreads charged by the underlying investment managers and the investment adviser.

These costs are calculated based on the amount of those costs incurred in the previous financial year, and represent an additional cost to you. See the table to the right for the amounts of these costs for each option. These amounts are estimates. These costs are deducted from the investment earnings of each investment option prior to determining the crediting rate for that option.

## Summary of fees and costs

The following is a summary of the fees and costs associated with each investment option.

ESTIMATED FEES AND COSTS DEDUCTED FROM INVESTMENT RETURNS					
Year ended 30 June 2019					
Investment option	Expected investment fee	Total transactional and operational costs <sup>#</sup>	Implicit transactional costs	Borrowing costs	Direct property operational costs
Assertive Plus	0.79%	0.48%	0.10%	0.12%	0.13%
Assertive	0.91%	0.59%	0.13%	0.19%	0.13%
Active Balanced	0.91%	0.67%	0.15%	0.21%	0.15%
Conservative	0.76%	0.57%	0.20%	0.16%	0.08%
Australian Shares	0.74%	0.37%	0.25%	0.00%	0.00%
International Shares	0.57%	0.12%	0.08%	0.00%	0.00%
Diversified Fixed Interest	0.63%	0.60%	0.47%	0.00%	0.00%
Cash	0.20%	0.03%	0.01%	0.00%	0.00%

Note: These fees and costs are indicative only, as they are based on the experience in the year to 30 June 2019. They are indicative as the actual amount charged in the year ahead will depend on the actual fees and costs incurred in respect of each investment option.

<sup>#</sup> Transactional and operational costs are included in the Expected investment fee.

## 7. Operational risk financial requirement reserve

Super funds are required to set aside financial resources to address their operational risks. The Trustee has built up an operational risk financial requirement reserve (ORFR reserve) in the Fund equal to 0.25% of the aggregate of members' vested benefits. The reserve is invested in the Active Balanced option.

The Trustee periodically monitors the reserve to ensure that it remains close to its target level. Should the reserve fall below a predetermined shortfall limit, the Trustee will enact a plan for its replenishment. This may include deducting amounts from investment earnings. Members will also be advised if such deductions are required.

## 8. Activity fees

A contribution splitting fee of \$63.80 is charged each time a splitting application is processed by the Fund Administrator on your behalf.

If you or your spouse require information on your benefit in relation to a Family Law matter, a fee of \$277 will be charged for each date at which information is required. You, or your spouse, are required to pay this fee at the time of any request for information – it is not deducted from your accounts.

In addition, if your super is split under a Family Law agreement or court order, fees will apply for the splitting of your super and the allocation of an amount to your former spouse. These fees are normally shared evenly between you and your former spouse, unless your agreement or court order provides otherwise. The fees may be paid by you and/or your spouse by cheque, or otherwise will be deducted from the applicable benefit. The fee for establishing an entitlement to your spouse is \$207.

All fees include GST where applicable.

## 9. Fee changes

Some of the fees are dependent on the fees charged by the Fund's service providers. Some of these fees may be indexed annually (e.g. in line with increases in Average Weekly Ordinary Time Earnings); others depend on the services provided to the Fund each year. The Trustee reserves the right to increase the fees without your consent if necessary in order to manage the Fund. The Trustee may also introduce new fees. You will generally be given at least 30 days' notice of any fee increases. The fees shown are current at 1 October 2019, unless otherwise stated.

Further details of the fees, costs and taxes paid by the Fund can be found in the Fund's Financial Statements. A summary is included in *IPE Super's Annual Report*.

### FEE DEFINITIONS

#### Activity fees

A fee is an **activity fee** if:

- (a) the fee relates to costs incurred by the trustee of a superannuation fund that are directly related to an activity of the trustee:
  - (i) that is engaged in at the request, or with the consent, of a member; or
  - (ii) that relates to a member and is required by law; and
- (b) those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an advice fee or an insurance fee.

#### Administration fees

An **administration fee** is a fee that relates to the administration or operation of the superannuation fund and includes costs that relate to that administration or operation, other than:

- (a) borrowing costs; and
- (b) indirect costs that are not paid out of the superannuation fund that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the fund or in an interposed vehicle or derivative financial product; and
- (c) costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

#### Advice fees

A fee is an **advice fee** if:

- (a) the fee relates directly to costs incurred by the trustee of a superannuation fund because of the provision of financial product advice to a member by:
  - (i) a trustee of the fund; or
  - (ii) another person acting as an employee of, or under an arrangement with, a trustee of the fund; and
- (b) those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.

#### Buy-sell spreads

A **buy-sell spread** is a fee to recover transaction costs incurred by the trustee of a superannuation fund in relation to the sale and purchase of assets of the fund.

#### Exit fees

An **exit fee** is a fee, other than a buy-sell spread, that relates to the disposal of part or all of a member's interests in the superannuation fund.

#### Indirect cost ratio

The **indirect cost ratio** (ICR), for a MySuper product or an investment option offered by a superannuation fund, is the ratio of the total of the indirect costs for the MySuper product or investment option, to the total average net assets of the superannuation fund attributed to the MySuper product or investment option.

#### Insurance fees

A fee is an **insurance fee** if:

- (a) the fee relates directly to either or both of the following:
  - (i) insurance premiums paid by the trustee of a superannuation fund in relation to a member or members of the fund;
  - (ii) costs incurred by the trustee of a superannuation fund in relation to the provision of insurance for a member or members of the fund; and
- (b) the fee does not relate to any part of a premium paid or cost incurred in relation to a life policy or a contract of insurance that relates to a benefit to the member that is based on the performance of an investment rather than the realisation of a risk; and

- (c) the premiums and costs to which the fee relates are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an advice fee.

#### Investment fees

An **investment fee** is a fee that relates to the investment of the assets of a superannuation fund and includes:

- (a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
- (b) costs that relate to the investment of assets of the fund, other than:
  - (i) borrowing costs; and
  - (ii) indirect costs that are not paid out of the superannuation fund that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the fund or in an interposed vehicle or derivative financial product; and
  - (iii) costs that are otherwise charged as an administration fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee;

but does not include property operating costs.

#### Switching fees

A **switching fee** for a MySuper product is a fee to recover the costs of switching all or part of a member's interest in a superannuation fund from one class of beneficial interest in the fund to another.

A **switching fee** for superannuation products other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation fund from one investment option or product in the fund to another.

# How super is taxed

Your super is taxed in a number of ways and these are summarised below. Of course, the way your super is taxed may change from time to time in line with changes to the legislation that governs super. The information that follows is current at the date of publication of this document unless otherwise noted.

## CONTRIBUTIONS TAX

Contributions tax generally at the rate of 15% is deducted from all concessional contributions – that is, employer contributions, any contributions you make from your before-tax salary (by salary sacrifice) and any contributions for which you claim a tax deduction.

If you have not provided your Tax File Number (TFN) to your super fund, the rate of tax that applies to concessional contributions increases substantially to 47%.

If your relevant income is over \$250,000, you may receive an additional tax assessment from the ATO.

## TAX ON INVESTMENT EARNINGS

The investment return achieved by each investment option is subject to tax up to 15% less any applicable deductions that may be available to the investment managers of the Fund. This tax is deducted from the Fund's investment earnings before they are applied to your account(s).

## EXCESS CONTRIBUTIONS TAX

This tax may apply if your contributions exceed certain caps set by the Government (refer to "Tax limits" on page 18 for more information on contribution caps).

## TAX ON BENEFITS THAT ARE PAID IN CASH

The amount of tax payable depends on a number of factors including:

- What type of benefit is paid (retirement, disability or death). For example, if you suffer from a terminal illness, your benefit may be tax free,
- Who receives the benefit,
- How you receive the benefit (e.g. lump sum amount or pension),
- Whether you are an Australian citizen or permanent resident when the benefit is paid. For example, if you are a temporary resident who has permanently left Australia, you may pay higher tax on your benefit.
- Your age when you receive the benefit. For example, **if you are aged 60 or over, all lump sum payments and pensions paid to you from a taxed super fund (such as IPE Super) will be tax free.** If you are less than age 60, any lump sum amounts paid to you will consist of two tax components – a tax-free component and a taxable component.

The rules governing superannuation are complex and they affect each member's super benefits differently. That's why discussing your needs with your accountant or a licensed financial adviser can help you ensure that the decisions you make for your super are the most tax-effective for you.



## TAX LIMITS

The Government sets limits or “caps” that affect how superannuation contributions are taxed.

### What are the caps on contributions?

These are the limits or caps on how much can be contributed to superannuation each year before extra tax applies.

	Concessional contributions	Non-concessional contributions <sup>#</sup>
What is the annual limit?	\$25,000 <sup>##</sup>	\$100,000, however, if your total super balance on 30 June 2019 was more than \$1.6 million any non-concessional contributions you make in the 2019/20 year will be excessive.
What tax applies if my contributions are within the cap?	Generally 15% contributions tax.* <sup>^</sup>	Nil.

<sup>#</sup> If you are **under age 65** and you want to make larger non-concessional contributions to your super fund, you may be able to bring forward up to two years of caps, to make total contributions of up to \$300,000 over three years. The maximum you can contribute over three years is \$300,000 and further restrictions may apply if your total super balance on 30 June 2019 was greater than \$1.4 million. If you are **over age 65** there is usually a work test applied before you are able to make personal contributions to super. You need to be gainfully employed at least 40 hours in any period of 30 consecutive days in the financial year to which the contribution relates. From 1 July 2019, you may be able to make voluntary contributions to your super during the financial year following the year in which you ceased to meet the work test. Your total superannuation balance must be less than \$300,000 at the end of the financial year in which you ceased to meet the work test.

<sup>##</sup> From 1 July 2019, you may be able to make extra concessional contributions above the cap, if you did not use all of your concessional cap in the 2018/19 year. This option is only available if your total superannuation balance on 30 June 2019 was less than \$500,000. Unused cap amounts can be carried forward for a maximum of five years.

\* If your relevant income is **over \$250,000 per year**, you may receive an additional tax assessment from the ATO.

<sup>^</sup> If your relevant income is **less than \$37,000 per year** you may receive a refund of the 15% contributions tax deducted from your compulsory Company contributions through the low income super tax offset. The refund ranges from \$10 to \$500 a year. Each year the ATO will determine whether you are eligible, and if so, will pay the refund to your superannuation fund.

### What are concessional contributions?

Concessional contributions include Company contributions and any contributions you make to superannuation from your before-tax salary (i.e. by salary sacrifice), or a personal contribution for which you claim a tax deduction.



### What are non-concessional contributions?

Non-concessional contributions include:

- After-tax contributions for which you have not claimed a tax deduction,
- Excess concessional contributions not withdrawn from superannuation, and
- Certain other contributions from non-salary sources (e.g. contributions made for you by your spouse and certain overseas transfers).

They do not include rollovers or co-contributions.

### What happens if I exceed the caps?

This table shows the extra tax applicable if you exceed the caps:

	Concessional contributions	Non-concessional contributions
How much tax applies to the excess if I exceed the limit?	Your marginal tax rate less 15% (reflecting tax already paid by the Fund), plus an interest charge.	<p><b>If you withdraw the excess from superannuation:</b> Nil tax on contributions. Associated earnings taxed at your marginal tax rate.</p> <p><b>If you leave the excess in superannuation:</b> Up to 47%.</p>

**If you exceed the concessional contributions cap**, you can elect to release up to 85% of the excess contributions from the superannuation system. The amount will be paid by your superannuation fund to the ATO and used to meet any of your outstanding tax liabilities (including the tax on the excess contributions) with the remainder then paid back to you. Amounts that you withdraw will not count towards your non concessional contributions cap.

**If you exceed the non-concessional cap**, you can elect to release the excess contributions from superannuation, together with an amount of “associated earnings”. The amount of associated earnings is determined by the ATO and may not reflect what your superannuation contributions actually earned.

The ATO will send you a form to enable you to make your elections.

## PROVIDING YOUR TAX FILE NUMBER

If you provide your Tax File Number to the Company on commencing employment, the Company is obliged to pass on your TFN to your super fund within 14 days.

Significant consequences apply if your TFN has not been provided to the Fund such as:

- Taxing your concessional (Company, deductible and before-tax) contributions at 47%, and
- Prohibiting the super fund from accepting any non-concessional contributions from you.

# How to open an account

## Enquiries and complaints

Initial enquiries and complaints, including privacy-related enquiries, should be directed to the IPE Super Helpline on **1800 257 135**. In most cases, your enquiry will be dealt with promptly and efficiently over the phone.

If you are not satisfied with the response you receive, there is a formal process through which the Trustee reviews enquiries and complaints. To make a formal enquiry or complaint, you can do so in writing to:

The Fund Secretary  
C/- Fund Administrator  
IPE Super  
PO Box 1442  
Parramatta NSW 2124  
Email: [ipesuperadmin@linksuper.com](mailto:ipesuperadmin@linksuper.com)

The Fund Secretary will usually respond within 30 days. If you are not happy with the Fund Secretary's response, you can submit a written enquiry or complaint for consideration at a meeting of the Trustee. The Trustee will respond within 90 days. You can request the Trustee's reasons for its decision if reasons have not already been provided. A copy of the *Enquiries and Complaints Policy and Form* are available at [www.ipesuper.com.au](http://www.ipesuper.com.au).

If you are not satisfied with the Trustee's response, you may contact the Australian Financial Complaints Authority (AFCA), except in relation to privacy-related matters. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

There are some complaints that AFCA cannot consider, such as complaints relating to the management of the Fund as a whole. In addition, time limits may apply. Please contact the IPE Super Helpline on **1800 127 953** or refer to AFCA's website at [www.afca.org.au](http://www.afca.org.au) as soon as possible for further information.

You can contact AFCA at:

Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Tel: 1800 931 678

For privacy-related matters, the Office of the Australian Information Commissioner (OAIC) may review your complaint. You can contact OAIC on 1300 363 992.

## Protecting your personal information

To ensure that you receive the correct superannuation benefit and insurance, IPE Super keeps precise records about you. This means that the Fund holds a great deal of information about you, such as your contact details, date of birth, Tax File Number, and so on.

Under the privacy legislation, you have the right to access personal information IPE Super holds about you, subject to applicable exceptions.

If you believe that the information is inaccurate or incomplete, you are entitled to request that IPE Super amend your personal information.

The Trustee believes your privacy is important and so has developed a privacy policy to protect your personal information. The policy outlines how IPE Super collects and manages your personal information. A copy of the policy is available at [www.ipesuper.com.au](http://www.ipesuper.com.au) or by calling the IPE Super Helpline on **1800 257 135**.

If you would like to access or update your personal information, please contact the Fund Administrator (see page 2 for contact details).



