



**You can visit us at:**  
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**Email us at:**  
 nessadmin@aes.kaz.com.au

**NESS website:** www.nesssuper.com.au

**You can write to us at:**  
 NESS Administration  
 Locked Bag 20  
 PARRAMATTA NSW 2124  
 or

**Phone the NESS Administrator**  
 any weekday between 8:30am  
 and 5:00pm (EST) on 1800 022 067  
 (free call).

**Fax on:**  
 02 8837 5422



# mid year

2005/2006 REPORT

New South Wales Electrical Superannuation Scheme

## NIB new Online Member Services

The NIB offers NESS members special corporate premium rates.

It now offers a new online service for managing membership and making claims.

If you are a corporate member of NIB, you can register by visiting [nib.com.au](http://nib.com.au) and following the link to "Register".

**NIB Online Member Services homepage**

View your membership and contact details, partner authority, order a new membership card and change your password

View your payment details, history and request a statement

Make a selected extras claim online and view your claims history

Search for NIB agreement hospitals and medical providers who participate in NIB's MedGap scheme

Manual log out button for peace of mind

Security check - because your security is important

NIB Online Member Services homepage

To access NIB Online Member Services visit your corporate extranet site and log in

To join your Corporate Health Plan call the **Member Care Centre** on **1800 816 692**

If you need help with NIB Online Member Services email [grouphealth@nib.com.au](mailto:grouphealth@nib.com.au) 8.00am to 8.30pm Monday to Friday and 8.00am to 1.00pm Saturday (EST).

If you are interested in becoming a member of the NIB, you can ring them on 1800 816 692 or e-mail [grouphealth@nib.com.au](mailto:grouphealth@nib.com.au)

### Do you have questions about your super?

*Philip Hirshbein, the NESS Co-ordinator, has over 25 years' experience in superannuation.*

*He can speak to members individually or as a group on any NESS or related superannuation topic.*

*He can be contacted on his direct number: 0401 068 666.*

*For administrative enquiries, please refer to our administrator contact details above.*



The Howard Government has continued with its programme of improvements to the superannuation system. This has contributed to a very eventful half-year to December 2005 and beyond for your super fund.

- ✓ We have again produced very competitive returns for our five investment options.
- ✓ NESS is one of the few superannuation funds that has already satisfied the very high standards of the Australian Prudential Regulation Authority (APRA) to be awarded its Registrable Superannuation Entity (RSE) licence.
- ✓ NESS is changing its insurance policies, resulting in improved benefits for members.
- ✓ MemberAccess has been upgraded.
- ✓ We are re-writing the Member Product Disclosure Statement.
- ✓ The NIB offers new member healthcare services.

See below for more details.

## Investment performances to 31 December 2005

The year to December 2005 has seen some volatility in the values of growth assets underlying the NESS' options. Overall, the returns for NESS members have been good. This is reflected in the following rates of return:

| NESS Option | 6 months to December 2005 | 12 months to December 2005 |
|-------------|---------------------------|----------------------------|
| High Growth | 12.4%                     | 18.8%                      |
| Balanced    | 8.7%                      | 14.4%                      |
| Property    | 7.7%                      | 10.5%                      |
| Stable      | 5.5%                      | 10.4%                      |
| Cash        | 2.5%                      | 5.0%                       |

Returns are net of fees and taxes.

## No investment returns are shown on your December 2005 statement

**Please note:** that the accompanying NESS half-yearly statement does not include any credited income from investment returns for the 6 months to 31 December 2005. This is because final returns are calculated each year at 30 June. Interim rates are calculated each month and applied to benefit payments, rollovers to other funds and switches.

## How does having an APRA RSE licence make NESS a better fund?

The government's Safety in Super legislation is designed to provide a high level of protection to members of superannuation funds. APRA required NESS to develop policies to comply with that legislation. They included topics such as resources, potential risks, the appointment of trustee directors and their personal qualifications. APRA reviewed these policies for compliance with its high standards. The process took many months of hard work by NESS and its advisers. It was very satisfying to be among the first few super funds that have been rated as good enough to have an APRA licence.

## NESS insurances – a better deal for members

When it came time to review our insurance policies, your NESS Trustee looked for the best deal around. The current insurer, Hannover Life Re of Australasia Ltd, was keen to keep our death insurance and combine it with our temporary salary continuance insurance (TSC), currently with another insurer. The result is very pleasing. We will be able to offer members increased death covers for the same premium and a more efficient process for paying claims.

We encourage you to review your insurance covers to ensure that your family and dependents have sufficient security if something happens to you.

The takeover of cover, under the Hannover TSC policy, is subject to conditions such as being at work or being on employer approved leave on the day prior to the date that the new policy commenced – 1 April 2006. Please refer to the 2006 NESS Member Product Disclosure Statement (scheduled for publication in March 2006) for more information.

The premium of \$1.20 per unit per week buys you death cover of \$52,500 (previously \$46,000).

**This means that the basic compulsory cover of two units ensures that you have a minimum death cover of \$105,000 (previously \$92,000) up to age 59.**

We have also extended the maximum number of units from 5 to 10.

Maximum cover now is:

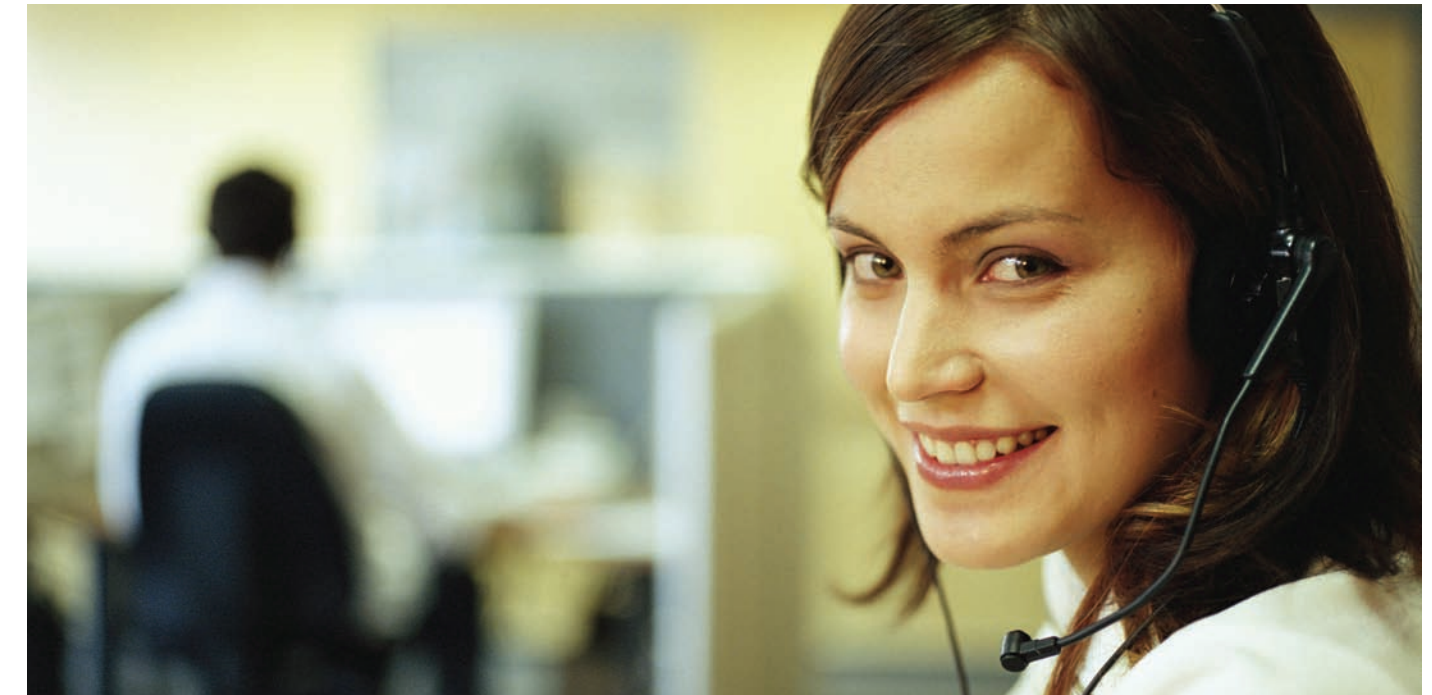
- ✓ Death \$525,000 and
- ✓ TSC \$10,000 per month. Please refer to the following tables:

| *NESS DEATH COVER FROM 1 APRIL 2006<br>AGE SCALE OF BENEFITS AND PREMIUMS |                              |                               |                               |                               |                               |                               |                               |                               |                                |                                 |
|---|------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|---------------------------------|
| Age Last Birthday   | Weekly Premium 1 unit \$1.20 | Weekly Premium 2 units \$2.40 | Weekly Premium 3 units \$3.60 | Weekly Premium 4 units \$4.80 | Weekly Premium 5 units \$6.00 | Weekly Premium 6 units \$7.20 | Weekly Premium 7 units \$8.40 | Weekly Premium 8 units \$9.60 | Weekly Premium 9 units \$10.80 | Weekly Premium 10 units \$12.00 |
|   | Cover \$                     | Cover \$                      | Cover \$                      | Cover \$                      | Cover \$                      | Cover \$                      | Cover \$                      | Cover \$                      | Cover \$                       | Cover \$                        |
| 15 to 59  | 52,500                       | 105,000                       | 157,500                       | 210,000                       | 262,500                       | 315,000                       | 367,500                       | 420,000                       | 472,500                        | 525,000                         |
| 60  | 45,000                       | 90,000                        | 135,000                       | 180,000                       | 225,000                       | 270,000                       | 315,000                       | 360,000                       | 405,000                        | 450,000                         |
| 61  | 44,000                       | 88,000                        | 132,000                       | 176,000                       | 220,000                       | 264,000                       | 308,000                       | 352,000                       | 396,000                        | 440,000                         |
| 62  | 43,000                       | 86,000                        | 129,000                       | 172,000                       | 215,000                       | 258,000                       | 301,000                       | 344,000                       | 387,000                        | 430,000                         |
| 63  | 41,500                       | 83,000                        | 124,500                       | 166,000                       | 207,500                       | 249,000                       | 290,500                       | 332,000                       | 373,500                        | 415,000                         |
| 64  | 40,000                       | 80,000                        | 120,000                       | 160,000                       | 200,000                       | 240,000                       | 280,000                       | 320,000                       | 360,000                        | 400,000                         |
| 65  | 35,000                       | 70,000                        | 105,000                       | 140,000                       | 175,000                       | 210,000                       | 245,000                       | 280,000                       | 315,000                        | 350,000                         |
| 66  | 30,000                       | 60,000                        | 90,000                        | 120,000                       | 150,000                       | 180,000                       | 210,000                       | 240,000                       | 270,000                        | 300,000                         |
| 67  | 25,000                       | 50,000                        | 75,000                        | 100,000                       | 125,000                       | 150,000                       | 175,000                       | 200,000                       | 225,000                        | 250,000                         |
| 68  | 20,000                       | 40,000                        | 60,000                        | 80,000                        | 100,000                       | 120,000                       | 140,000                       | 160,000                       | 180,000                        | 200,000                         |
| 69  | 15,000                       | 30,000                        | 45,000                        | 60,000                        | 75,000                        | 90,000                        | 105,000                       | 120,000                       | 135,000                        | 150,000                         |
| 70  | 0                            | 0                             | 0                             | 0                             | 0                             | 0                             | 0                             | 0                             | 0                              | 0                               |

| *NESS TSC COVER FROM 1 APRIL 2006<br>SCALE OF BENEFITS AND PREMIUMS TO AGE 65 |                               |                               |                               |                               |                               |                               |                               |                               |                                 |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|---------------------------------|
| Weekly Premium 1 unit \$1.00  | Weekly Premium 2 units \$2.00 | Weekly Premium 3 units \$3.00 | Weekly Premium 4 units \$4.00 | Weekly Premium 5 units \$5.00 | Weekly Premium 6 units \$6.00 | Weekly Premium 7 units \$7.00 | Weekly Premium 8 units \$8.00 | Weekly Premium 9 units \$9.00 | Weekly Premium 10 units \$10.00 |
| #Cover per month  | #Cover per month              | #Cover per month              | #Cover per month              | #Cover per month              | #Cover per month              | #Cover per month              | #Cover per month              | #Cover per month              | #Cover per month                |
| \$1,000   | \$2,000                       | \$3,000                       | \$4,000                       | \$5,000                       | \$6,000                       | \$7,000                       | \$8,000                       | \$9,000                       | \$10,000                        |

\* Applications for cover and the payment of benefits is subject to the terms and conditions of the insurance policies, the Insurer and the Trustee. A summary of these terms and conditions is included in the 2006 Member Product Disclosure Statement.

# The cover shown is the maximum payable under the policy. It may be reduced by disability income received or employer payments for sick leave or incapacity.



## Keep track of your superannuation with NESS MemberAccess

Have you registered to connect with our MemberAccess Internet site? Just contact us on 1800 022 067 (a free call).

MemberAccess will soon be updated to allow the following:

- ▲ View and edit your personal details
- ▲ View and update your nominated beneficiaries
- ▲ View your contribution history
- ▲ View your account balance and ask for a quote
- ▲ View the 5 investment choices and their performances
- ▲ Use the links to other superannuation related sites.

## NESS Member Product Disclosure Statement (PDS)

The PDS is being re-written. It is scheduled for completion by the end of March 2006. You can request a copy, after that date. Our contact details are at the top of page 4.

It will contain all the current features and benefits of NESS and other topics to keep you up to date with your superannuation. The insurance section is being revised to ensure that you are informed of the new NESS policies conditions (see article above).

## Member Contribution Splitting

A major benefit to members, from 1 January 2006, is the ability for you to transfer some of your superannuation contributions to your spouse. The rules for this process are still being finalised. It will, potentially, enable members to double their post 1983 tax free threshold, currently \$129,751 and their lump sum and pension RBLs, currently \$648,946 and \$1,297,886 respectively. Application forms are being prepared to enable members to transfer part of their NESS contributions from a previous financial year to their spouse's superannuation account. If your spouse does not have an account, it can be set up in NESS. More information will be provided to members in the coming months.