

# Significant Event Notice (SEN)

26 May 2014

The purpose of this notice is to inform you of some important changes that affect your NESS Super benefits from 1 July 2014 including changes to insurance costs and fees and charges.

## Good news! NESS Super to open to the self-employed

NESS Super is a fund specifically for workers in the electro-technology industries. Companies and their employees in those industries have long enjoyed the many benefits of NESS Super membership.

NESS Super is pleased to announce that it will soon be open to electro-technology contractors who are self-employed and operating as a sole trader or through an unincorporated partnership and who are not in receipt of Employer contributions.

From 1 July 2014, self-employed contractors will be able to join NESS Super and enjoy the many benefits of a NESS Super member including:

- our simple and competitive fee structure
- flexible contribution options
- online access to your account through MemberAccess
- access to financial advice to roll in other super accounts into MemberAccess including ability to consolidate online (no paper!) through MemberAccess
- choice of seven investment options with a solid performance record
- default insurance cover of 2 units of Death and Total and Permanent Disablement and 2 units of Temporary Salary Continuance (subject to terms and conditions)
- the option to apply for increased insurance cover to suit changing needs and circumstances
- access to financial planning advice
- access to low-interest home loans and discounted health insurance through ME Bank and NIB respectively
- pension options for members aged 55 or more who want to take their super as a regular income in retirement or while still working.

Joining is simple. If you are eligible, all you need to do is go to our website [www.nesssuper.com.au](http://www.nesssuper.com.au) and click on the green join NESS Super button and follow the prompts. Alternatively, you can complete the *Member Application Form* available at [www.nesssuper.com.au](http://www.nesssuper.com.au) or by calling us on 1800 022 067. It is important that you read the NESS Super PDS which is also available from our website.

## Changes to the cost of insurance cover

NESS Super, like most super funds in Australia, provides Death, Total and Permanent Disablement (TPD) and Temporary Salary Continuance (TSC), insurance to members under group insurance policies taken out with a life insurance company.

Unfortunately, rising costs faced by life insurance companies mean that insurance prices have risen significantly recently. This has led to a number of super funds increasing their insurance premiums over the past year.

NESS Super has not been able to avoid the rising costs of insurance in Australia. As a result, the cost per unit of Death, Total and Permanent Disablement (TPD) and Death & TPD cover will change from 1 July 2014 as shown below:

Type of cover	Current cost per unit per week	Cost per unit week from 1 July 2014
Death	\$1.17	\$1.60
TPD	\$1.59	\$2.17
Death & TPD	\$2.76	\$3.77

The cost per unit of TSC cover has increased from \$0.64 cents per unit per week to \$0.66 cents per unit per week.

The increase in the cost of NESS Super's insurance premiums is lower than the increases in a number of other funds.

The benefits of insurance through your super remain unchanged:

- protection for you and your family;
- generally lower premium costs compared to personal insurance policies outside of super;
- automatic acceptance on NESS Super's default insurance cover (subject to terms and conditions); and
- premiums are deducted from your super account.

## Make sure your cover is right for you

We have provided this early notification of the increase in the cost of insurance cover to provide you with time to make any changes to your cover before the increases take effect. Having the right level of insurance cover plays a big role in protecting you and your family against the unexpected. You may have too much or too little cover. Now might be a good time to check your level of cover to make sure it's right for your needs and circumstances.

If you need to change your insurance cover, please complete a *Change My Insurance Details form* available from the forms and publications section of our website [www.nesssuper.com.au](http://www.nesssuper.com.au) or call us on 1800 022 067.

## Changes to fees and charges

The costs of administering superannuation has increased given the current industry and legislative environment. While remaining competitive, changes are being made to NESS Super's fee structure from 1 July 2014 as shown below. These changes do not apply to NESS Pension members.

### 1. Fee changes

From 1 July 2014, NESS Super is changing the way it distributes any tax rebate received from the ATO in relation to its administration costs.

**Rather than crediting back a specific amount to members' accounts, the asset based fee will be reduced from 0.15% to 0.1275% of your account balance and set at this lower level.**

The effect of these changes is set out below:

Fee	Fee basis up to 30 June 2014	Fee basis from 1 July 2014
Member Fee	\$1.40 per week	\$1.40 per week

Comment: Even though there is no change in the weekly fee, tax rebates previously credited to members accounts will not be credited from 1 July 2014 thereby reducing each member's account by \$10.92 per year.

Asset based Fee	0.15%–0.25% of your account balance	0.1275% of your account balance

Comment: This fee will be reduced to offset the change to members accounts described above.

### 2. Exit Fee change

From 1 July 2014 NESS Super is also increasing the exit fee as set out below:

Exit Fee*	\$39.57 per withdrawal on any portion of your account balance from the Fund indexed at 1 July each year by increases in the Wage Price index.	\$63.55 per withdrawal on any portion of your account balance from the Fund indexed at 1 July each year by increases in the Wage Price index.

\* Previously known as the Withdrawal Fee.

## NESS Pension now even more flexible

NESS Super can help members move into retirement with a choice of flexible NESS Pension options.

From 1 July 2014, the NESS Pension will offer even more flexibility with the following improvements:

- the addition of a bi-monthly pension payment option in addition to the current choice of monthly, quarterly, half-yearly or yearly payments;
- the ability to not only choose to invest your account balance in a mix of six investment options, but also, choose to have your pension payments and transactions deducted from a mix of any of these investment options;
- From 1 July 2014, there is a new form available on the website for NESS Super Pensioners to make a binding death benefit nomination so that the Trustee is bound to pay your death benefit in the way you request. See website at [www.nesssuper.com.au](http://www.nesssuper.com.au) for further details.
- To find out more about the improvements to the NESS Pension, or any of the changes outlined in this Notice, contact us on 1800 022 067.

### Contact us

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