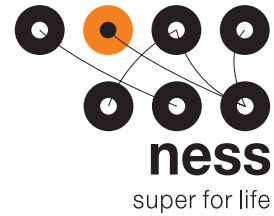


NESS Pension Members' Newsletter



2012

This is the first of what will be an annual newsletter to keep NESS Pension members over age 54, informed about issues relevant to them.

AT NESS,
we're here to
help you at every
stage in life...



We hope that this newsletter will provide you with helpful and interesting information regarding Pensions, whether you are retired or still working. Please write to me and let me know which interests you.

My name is Mynas Leontios, I'm the NESS' member service representative. I'm here to help you with any enquiries about your NESS Pension membership. You can contact me on 0448 432 443 or by email to mynasl@neca.asn.au

GOVERNMENT EXTENDS THE MINIMUM PENSION RELIEF

In late 2011, the Government announced an extension to the 25 per cent reduction to the minimum pension withdrawal amounts for the 2012/13 financial year. As an example, for ages 65-74 the minimum pension withdrawal rate is 3.75%.



NESS PENSION - A Super Retirement Vehicle

You may not be aware that we've reduced the minimum NESS Pension, from 1 July 2011, to \$20,000 to make it easier for you to qualify for a NESS Pension. Once a pension has commenced, you cannot add to it but it may be cashed, combined with new funds and re-commenced. Please contact us for a new NESS Pension PDS.

As a pension member, you are probably aware of the benefits of a NESS Pension:

- ✓ A regular income, with payments to your nominated bank account made either monthly, quarterly, half yearly or yearly.
- ✓ Payment amounts are flexible. You choose between minimum and maximum limits set by the Government. If you have unrestricted non-preserved funds, you can also make lump sum withdrawals.
- ✓ There can be significant tax savings. No tax is payable on investment earnings.
- ✓ Pension members age 60 and over are not taxed on amounts withdrawn whilst, for members under age 60, amounts withdrawn are taxable but there is a tax offset.
- ✓ Choice of 6 untaxed investment Options that can be mixed to suit your retirement objectives.
- ✓ Low fees and no commissions. As an industry super fund, all net investment earnings are returned to members.
- ✓ You have access to personalised financial advice, there is no charge for your first consultation each year. Refer to the financial advice article on the next page.



NESS Pension Returns

NESS Pension crediting rates to 30 June 2011

Investment Option	Return for 12 months to 30 June 2011 (%)
Cash	5.8
Stable	9.0
Balanced	9.5
Property	17.1
High Growth	11.1
Australian Shares	11.7
Overseas Shares	10.2

NESS Pension interim crediting rates for the financial year to April 2012

Investment Option*	Return for 10 months to 30 April 2012 (%)
Cash	4.1
Conservative	5.1
Cautious	4.4
Moderate	2.8
Assertive	3.2
Aggressive	1.3

* New NESS Pension investment options commenced 1 July 2011.



Do you need financial advice? Have you ever thought...



- Will I have enough money to retire on?
- How do I get all I'm entitled to from the Government?
- Should I put all my super together?
- When is it the best time for me to stop working or should I work longer?
- It seems all too complicated...

If you have, then you're probably ready to seek personalised financial advice.

As a member of NESS Pension, you have access to financial advice through Money Solutions, AFS Licence 258145. Money Solutions does not take commissions or promote any financial products. It charges a flat fee for service, so its money coaches are free to recommend the strategies that best work for you.

To find out more and take advantage of this service, call us on 1800 022 067, identify yourself as a member and ask for financial advice.

MoneySmart tips from the Australian Government...

The Australian Government has set up a website called **MoneySmart** which is run by the Australian Securities and Investment Commission (ASIC). It's designed to help people make smart choices about their personal finances and offers free, independent guidance so that people can make the best choices about their money.

The website covers a broad range of financial topics and has a dedicated section for superannuation and retirement. In this section, you are able to access helpful information and easy to use calculators on super, pensions and retirement planning.

To find out more, visit the **MoneySmart website at www.moneysmart.gov.au**



YOUNG AT HEART.
HEALTH COVER DESIGNED FOR
NESS MEMBERS OVER 55

Have you noticed how most private health cover is designed for young singles or young families? So if you're over 55 you could be paying for services you'll never use.

That's where nib Young at Heart is different from other health covers. It's cover made for singles and couples who are over 55. There's no cover for pregnancy or birth-related services, no cover for fertility treatment and no cover for children. Put simply, you can stop paying for cover that's no longer relevant.

As a NESS' member, you are also entitled to receive a discount of 8% on nib's Young at Heart Health Covers when you join the NESS' corporate health plan.

Visit the NESS website www.nesssuper.com.au click on the nib logo in the Partners section and get a quote today. Or call 1800 13 14 63. It's worth it.



Transitioning to retirement?

BEWARE YOUR SUPER CAP!

If you're transitioning to retirement and also salary sacrificing into super, it's important to know your super contributions cap so that you don't get caught out.

What's the super contributions cap?

In the 2011/12 financial year, the concessional contributions cap is \$50,000 if you are aged 50 or more. This amount includes what your employer pays and what you may salary sacrifice into super.

Federal Budget 2012 Update -

For the 2012/2013 financial year, the cap will be \$25,000 regardless of your age.

What happens if I go over my super cap?

The penalty for any contributions that exceed the annual cap is an EXTRA 31.5% tax!

So how do I avoid paying extra tax?

- Be aware of your super cap
- Calculate the amount to salary sacrifice at the beginning of each financial year and notify your employer.
- By April each year, check that that you will not exceed your cap.
- For this year, check the amounts received by all your Funds and calculate the employer super payments and the timing of the payments to be made up to 30 June. It's the total amount/s in your Fund/s that count towards your cap.
- If your cap is likely to be exceeded, reduce your sacrificed contributions accordingly.

Please contact us for further information on how to avoid the super cap if you're transitioning to retirement.



Contact NESS if you want to know more about any of the topics in this newsletter

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Disclaimer

The information in this newsletter is up-to-date at the time of its publication. However some of this information can change over time. The contents are for general information only and do not constitute personal advice. We recommend that you consult with a suitably qualified person before making financial decisions.