

Your Asgard super member news

2019 edition

Asgard

Protect your lifestyle

Understand what insurance may work for you

Planning your future lifestyle?

Tips on what to think about for the lifestyle you want in retirement

Grow your wealth

Tips to help you boost your super without always reaching into your back pocket

A little something extra you can enjoy

Find out about our Benefits Now program to get rewarded today



Is your super hiding?

Throughout your working life it's likely that you have changed jobs, moved house, or changed your name. If you have, you may have unintentionally lost track of your super. And you're not alone. The ATO website reported \$17.5bn in lost super as at October 2018¹.

Does it matter if your super is in more than one account? You might have made a deliberate choice to maintain more than one super account. It could be that you want to take advantage of the specific benefits a super fund provides you, like insurance cover. But for many, it might just be because you haven't gotten around to finding out what super you have and deciding to make any changes. If you do have multiple super accounts, here are some things to consider²:

1. Potentially less paperwork to manage

As a member of a super fund, you will receive communications about any changes or updates to your super account that may impact you. The more accounts you have open, the more emails, letters and phone calls you could receive – which means you may be spending more time managing your super accounts, and less time on the things you might rather be doing.

2. One set of fees

If you have more than one super account, it also means you might be paying multiple administration fees and insurance premiums. And with the power of compounding returns, any savings on fees could give your super the potential to grow.

3. Easier to track

Having super in one place, can make it easier to check how your super is performing and whether you're on track to meet your retirement goals.

You should also check what insurance cover you have within your super accounts, to ensure you have the appropriate amount of insurance cover for your needs if you choose to consolidate.

If you want help to find any lost super, then contact us. Our quick and easy SuperCheck³ will find your lost super. And if you choose to do so, you can then consolidate your super into one place².

Get started

Start your SuperCheck today by calling our team of super specialists on 1800 998 185.

You can also search for any lost or unclaimed super by logging into your myGov account at my.gov.au

¹ The ATO website reported \$17.5bn in lost super as at October 2018. Source: [https://www.ato.gov.au/Media-centre/Media-releases/Check-now-for-your-share-of-\\$17-5b-in-lost-super/](https://www.ato.gov.au/Media-centre/Media-releases/Check-now-for-your-share-of-$17-5b-in-lost-super/)

² Before requesting a rollover, you should consider where your future employer contributions will be paid (if your employer contributions are currently being paid to another fund) and check with your fund(s) to determine whether there are any fees, including withdrawal fees, for moving your benefit, or other loss of benefits (eg insurance cover), noting that you may not receive the same type or level of benefits after the rollover. If you have a pre-existing medical condition you may not receive a benefit for a death or disability claim. Please check to see if you are covered before submitting any application.

³ Westpac SuperCheck involves a search for superannuation being undertaken by BT Funds Management Limited ABN 63 002 916 458, AFSL 233724 (BTFM) who is the trustee of Asgard Independence Plan Division Two ABN 90 194 410 365 and the issuer of interests in the Asgard Employee Super Account.

Play catch up with your super

Whatever your vision of retirement is, making the most of your retirement years is something worth planning for. But will your super balance provide you enough money to live the lifestyle you want in retirement? If you're falling short, the good news is you don't need to rely on your employer contributions alone to help boost your super balance before retirement.

Not sure what your options are? Here are some tips you can consider to help boost your super today.

1. Salary sacrifice

Consider arranging with your employer to pay some of your pre-tax salary as an extra contribution to super. Remember, even the smallest contribution now can have an effect when invested over the course of your working life due to the power of compounding returns. Keep in mind there are

Example (based on 2018/19 taxes):

Luke earns \$80,000 in total income annually. Luke could increase his super by \$1,360 and pay \$552 less in tax by salary sacrificing 2% of his salary.

	No salary sacrifice	Salary sacrifice of 2% (or \$1,600)
Annual salary*	\$80,000	\$80,000
Take home pay	\$60,843	\$59,817
Total tax paid ¹	\$19,157	\$18,583
Additional super	\$0	\$1,360 [^]

This example is for illustrative purposes only.

* Before tax and not including your superannuation guarantee

[^] \$1,600 less 15% contributions tax¹

annual limits (caps) on how much you can contribute each year. The concessional contributions cap is \$25,000 pa. This includes your super contributions from your employer. From 1 July 2019, members with a total super balance below \$500,000 at the end of the previous financial year can carry forward unused concessional contributions up to five financial years and make additional concessional contributions¹.

2. Government co-contribution

If you earn a total income of \$53,564 or less per year (before tax) for the 2019/20 financial year and make an after-tax contribution to super, the government may make an additional contribution to a maximum of \$500² on your behalf.

3. Downsizer contributions

If you are looking to downsize your family home of ten years or more and are aged 65 or over, you may be able to contribute up to \$300,000 from the sale proceeds to superannuation as a 'downsizer' contribution². And downsizer contributions don't count towards your before or after-tax super contribution caps.

4. Spouse contributions

If you earn low or no income, your spouse may be able to claim a tax offset of up to \$542 under certain conditions if they make a non-concessional contribution to your superannuation fund. Alternatively, your spouse may be able to split with you their concessional contributions made during the financial year.

5. After tax (or non-concessional) contributions

You can make a contribution to your super with your own 'after-tax' money. This method of contribution still enjoys the same concessional tax treatment when invested inside super, which may make it a simple and effective way to help boost your super. The annual limit for after-tax contributions is \$100,000 for the 2019/20 financial year provided your total super balance is less than \$1.6 million. If you are aged between 65 and 74 and meet the work test³, you may be able to make after-tax contributions of up to three times the annual limit in a single year.

¹ Any tax position described is general and incidental to the financial advice. It has not been prepared by a registered tax agent. Please consult a registered tax agent for specific tax advice about your individual situation. The government has placed restrictions on when you can access your investment held in superannuation. The Government has set caps on the amount of money that you can add to superannuation each year on both a concessional and non-concessional tax basis. For more detail, speak with a financial adviser or visit the ATO website.

² For more information on government co-contributions, contribution caps and the downsizer contribution scheme refer to ato.gov.au.

³ The work test means you must be 'gainfully employed' for at least 40 hours in any 30 consecutive day period in the financial year the contribution is made.

Will you retire right?

Retirement. It can mean different things for different people. Your retirement goals might include travelling the globe, or maybe you want to stay close to home, to spend time with your family. Whatever your goals, there are some things to think about to ensure you're on the right track.

What will my retirement lifestyle be?

Money can be one of the biggest causes of stress for people. Do I have enough to live on? Can I afford the occasional splurge? For those retiring, the questions get bigger.



What will my retirement lifestyle be?

Consider using a budget planner to estimate your future spending to provide an idea of what it would cost to fund the lifestyle you want in retirement.



How much will I need to have in retirement?

Our Retirement Income Calculator can show you how you're tracking and estimate what income your super could deliver you in retirement.



How can I boost my super and retirement savings?

Read about simple strategies to help boost your super savings and fill any super gap.



What will life during retirement be like?

Start planning for what life in retirement might be like.

How much will I need to enjoy retirement?

Based on the ASFA Retirement Standard, to enjoy a 'comfortable' retirement, singles at retirement (aged 65) will need \$545,000 in savings, to generate a yearly income of \$43,317¹. Similarly, couples at retirement will need \$640,000 to generate \$60,977 a year. The figures in both cases assume that you own your own home, and do not pay rent or make mortgage payments.

Consider whether your super and other sources of income you might have, will comfortably fund the lifestyle you want in retirement.

A good starting point might be to use our Retirement Income calculator. The calculator will help you estimate how much super you might have in retirement and what income that may generate for you to live on. To get started visit asgard.com.au > For investors > Calculators

How can I boost my super and retirement savings?

There are a number of ways that may help you to increase your super and retirement savings if they aren't heading where you want them to be.

Consider strategies you can put in place now to help you save for retirement. Some options include:

¹ ASFA Retirement Standard for the December quarter 2018. Source: <https://www.superannuation.asn.au/resources/retirement-standard>. A comfortable retirement lifestyle enables an older, healthy retiree to be involved in a broad range of leisure and recreational activities and to have a good standard of living through the purchase of such things as; household goods, private health insurance, a reasonable car, good clothes, a range of electronic equipment, and domestic and occasionally international holiday travel. The budget also assumes that the retirees own their own home outright.

1. Explore your super contributions

You may be able to increase your before-tax super (concessional) contributions, or make contributions via salary sacrifice. Options for contributing to your super can be found on page 4.

2. Revisit your super investment strategy

You may want to review your super fund, to check that your investment strategy is in line with your tolerance for risk. Pre-retirees may be tempted to shift their super into low risk, conservative options, however, it could pay to have part of your retirement savings, including super, invested in growth assets instead. You can explore these options with a financial adviser.

3. Transition to retirement pension

Consider using part of your super balance to purchase a transition to retirement pension. A transition to retirement income stream allows you to gradually draw on your super benefits while you are still working and moving towards retirement. When combined with salary sacrifice super contributions (if possible), these pensions may help you put more money into your super without reducing your take-home pay. Speak to your financial adviser for advice on whether this will work for you, and from what age you might be eligible.

Protect your lifestyle

At Asgard, we think the greatest wealth is to be healthy and live well. And even if you don't spend a lot of time thinking about it, your insurance through your super can make a big difference to you and your family, if something unexpected happens.

What are my insurance options?

You can help protect you and your loved ones through insurance within your super account. Super funds generally provide three types of insurance:

– **Death insurance**

A lump sum benefit paid to your estate or beneficiaries on your death – or paid to you if you become terminally ill.

– **Total and Permanent Disablement**

A lump sum benefit paid if you become 'totally and permanently disabled'.

– **Salary Continuance Insurance (Income Protection)**

Provides a monthly benefit to replace a portion of the income lost if you are unable to work at your full capacity due to sickness or injury.

Having insurance cover through your super may be more cost effective. With the premiums coming out of your super account – you don't have to pay for cover using your after-tax money from your own bank account.

What type of cover and how much cover is enough?

Everyone's circumstances are different – so there's no one answer to that question. It depends on your personal and financial situation.

Not sure what type and how much cover you've got? You can check the insurance cover you have with your Asgard account in the insurance section of your Investor Report, or by logging into your account online. Or give us a call on 1800 998 185.

Protecting Your Super package

Recent changes to the government's rules regarding insurance through super mean that from 1 July 2019, we can't provide or maintain insurance cover where an account has been inactive (no contributions or rollovers received) for a continuous period of 16 months, unless members tell us they want to keep their cover.

If you are impacted by this change, we will let you know. When we contact you, we'll confirm the types and amounts of insurance cover you have through your super account with us and when your cover will end. You'll need to tell us whether you want to keep that insurance cover. If you don't respond or take action by the deadline, we'll need to cancel your insurance cover.

If you contribute to your account or do a rollover so your account is active again, you won't need to confirm with us that you want to keep your insurance cover as your account will be considered 'active'.



Looking after your wellbeing



Even with the best intentions, many of us will admit to being less healthy than we'd like to be. But with 89% of people not eating the recommended 5 serves of vegetables a day, and 23% of people rating themselves as highly or extremely stressed¹, it's important to ensure we are looking after our health and general wellbeing.



Don't know where to start? We can help.

Asgard is now offering all super members access to My Wellbeing – an online portal that can help you understand where your wellbeing may need improving, via the personalised wellness assessment, and provide easy tips and tools to guide you on your way.

My Wellbeing also contains interesting and informative stories, healthy recipes, fun challenges and quizzes, and so much more.

It's powered by wellbeing solution provider, HealthLogix, with no charge for access as a Asgard Employee Super Account member. And it's hosted in Australia in accordance with strict privacy and confidentiality protocols, so your information is secure.

Register today

You can register for the My Wellbeing portal today, to take the first step towards improving your wellbeing at asgard.com.au/wellbeing

¹ Source: All statistics represent the combined results of 7300+ users on the BT My Wellbeing portal as at April 2019.

Everybody likes a little something extra



Love being rewarded? Asgard's Benefits Now program makes it easier for you to reward yourself everyday with savings and special offers from some of Australia's leading retailers.

As an Asgard Employee Super Account member, you can access our Benefits Now program for great discounts on movie tickets, holidays, electrical goods and so much more.

We're always adding new offers from our partners – so keep an eye on your inbox for special offers – or log into your account for the latest deals. Good things are waiting for you.

You can visit the Benefits Now website via your Investor *Online* account at investoronline.info.

Just follow these steps:

1. Select the 'Information' tab at the top
2. Choose 'Member Benefits'
3. Click the 'Benefits Now' web page link at the bottom.

Market changes and how they impact your super

While we all want to see our super investments on the up and up, the value and performance of each investment option your super is invested in, can fluctuate – and your balance can go up or down. When it goes down, it's important to stay calm and not panic.

Consider keeping the following things in mind when looking at your super investments:

1. Stay calm

Over time, the value of your super investment may go up and down, depending on market conditions. Reacting to short term market movements may mean you're missing out on subsequent market improvements.

2. Diversification

Most members in super funds (including MySuper) are invested in a variety of asset classes, not just the share market. Different asset classes have performed differently over time and have different risk profiles. Diversifying across asset classes helps reduce exposure to the highs and lows of market volatility of a particular asset class.

3. Long-term investing

Super is a long-term investment so many investment objectives focus on a 10-year time horizon. Over time, it is

expected that there will be periods of volatility but over the longer-term markets have typically recovered from short-term movements.¹

4. Formulate a plan and regularly review it

Understand your goals and how much risk you're comfortable with taking when it comes to how your super is invested. You should regularly review your financial plan to make sure it still reflects your current needs. For instance, if you're moving towards retirement and have your super invested in a high growth investment strategy, consider whether your level of risk may be too high for your goals.

5. Seek advice

If you need assistance with determining the level of risk you're comfortable with taking on, preparing or reviewing your financial plan, the types of assets that may suit your needs, or help with your financial plan, seek the advice of a financial planner.

¹ Past performance is not a reliable indicator of future performance.



Changes to super

A number of changes to superannuation were introduced from 1 July 2019, as part of the government's 'Protecting Your Super' package. The changes are aimed at protecting people's superannuation savings from undue erosion by fees and insurance premiums.

Here's a quick summary of the main changes:

Fee cap

If your super balance is below \$6,000 at the end of the financial year, you'll pay no more than 3% that year in administration fees, investment fees and indirect costs.

Exit fee ban

All exit fees on super accounts will be banned. This change won't affect Asgard Employee Super Account members like you as we don't charge exit fees to members.

Work test exemption

If you are over 65, you may be eligible to make a personal contributions to super without having to meet the work test.

Generally if you are aged between 65 and 74 you need to meet a work test exemption to make personal contributions to super. The work test means you must be 'gainfully

employed' for at least 40 hours in any 30 consecutive day period in the financial year in which the contribution is made.

From 1 July 2019, an exemption from the work test applies if you met the work test in the previous financial year and your total super balance was less than \$300,000 on the previous 30 June. This means, if you're over 65, you may be able to make a personal contribution to super for an extra year.

Example

Sandra was working 3 days per week and decided to retire on 3 April 2019. Sandra wants to make a personal contribution to her super in the 2019/20 financial year, but she isn't working. As at 30 June 2019 her super balance was \$200,000. Sandra can use the work test exemption to make her contribution to super.

This example is for illustrative purposes only.

Connect with your super



Did you know that you can check your super wherever and whenever you like? Stay in touch with your investment information and account details 24 hours a day, 7 days a week via our secure, internet-based account information service.

Investor *Online* gives you everything you need to know about your account, including your account summary, portfolio valuation, asset allocation, asset performance, transactions details, product disclosure statements and much more.

While you're there, don't forget to update your contact details. If we don't have your contact details you may miss out on important information from us.

You can also nominate your beneficiaries to help ensure your death benefit goes to your loved ones, helping you contribute to their future even after you are no longer around.

You can also update your beneficiaries at any time.

Not sure who can be a beneficiary?

A beneficiary must be either your dependant or legal personal representative, for the purposes of superannuation law and the rules of the super fund, at the time of your death.

Your dependants only include:

- your spouse (including de facto and same-sex)
- your children (including adopted children or step-children)
- individuals who are financially dependent on you at the time of your death
- individuals with whom you have an interdependency relationship¹ at the time of your death.

Go to your Investor *Online* portal at investoronline.info.

¹ An interdependency relationship is a close personal relationship between two people who live together, where one or both of them provide for the financial and domestic support and personal care of the other. An interdependency relationship may still exist if there is a close personal relationship but the other requirements are not satisfied because of some physical, intellectual or psychiatric disability.



asgard.com.au



1800 998 185



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Speak to your financial adviser today

Important information

This information is current as at 21 June 2019. BT Funds Management Limited ABN 63 002 916 458 AFSL 233724(BTFM) is the trustee of Asgard Independence Plan Division Two ABN 90 194 410 365 (the Fund) and the issuer of interests in the Asgard Employee Super Account (AESA). Asgard Capital Management Ltd ABN 92 009 279 592AFSL 240695 is the custodian and administrator of AESA. A Product Disclosure Statement (PDS) for AESA can be obtained by calling 1800 998 195 or visiting asgard.com.au. You should obtain and consider the PDS before deciding to acquire, continue to hold or dispose of interests in AESA. BTFM is a subsidiary of Westpac Banking Corporation ABN 33 007 457 141 AFSL and Australian credit licence 233714 (Westpac). Unless otherwise disclosed in the offer document for the relevant financial product, investments through an AESA account are not deposits with, investments in, or other liabilities of, Westpac or any other company within the Westpac Group. They are subject to investment risk, including possible delays in repayment and loss of income and principal invested. Westpac and its related entities do not stand behind or otherwise guarantee the capital value or investment performance of the specific investments you select or the account generally.

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