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The educated choice

An Industry SuperFund

www.ngssuper.com.au
1300 133 177

Supplementary Annual Trustee Report

for defined benefit members of the Penleigh & Essendon Grammar School (PEGS) Superannuation Plan who transferred to NGS Super on 1 May 2011

For the year ended 30 June 2011

Your *Annual Trustee Report* from NGS Super consists of two parts:

Part 1: Annual Trustee Report to members contains a general update on how your super in NGS Super has performed and provides details about general changes that have impacted on your benefits during the year ended 30 June 2011.

This report is available online at **www.ngssuper.com.au/forms-and-publications/**

Part 2: This **Supplementary Annual Trustee Report** to PEGS members contains an update on information specific to your section of membership, including how your defined benefits are determined.

Both parts of your *Annual Trustee Report* should be read carefully and kept for future reference.

This Report has been prepared for PEGS defined benefit members.

Please read this report carefully as it contains information about your benefits in NGS Super.

Accessing your account online

You can receive up-to-date information on your benefits at **www.ngssuper.com.au/login**.

If you require a PIN or assistance with this service, please call our Customer Service Team on **1300 133 177**.

NGS Super – with you for life

If you resign or retire from your current employer, you will remain with NGS Super. Your benefit will transfer to the NGS Super Industry Fund which is an accumulation-style fund.

If you are retiring, you also have the option of transferring to an NGS Super **account-based pension**.

You can obtain information on either of these products by visiting **www.ngssuper.com.au** and view or download a copy of the *Product Disclosure Statement – Member Guide* and the *Product Disclosure Statement – Pension Guide*.

Transition to Retirement Pensions

A **transition to retirement pension** can provide limited access to your retirement funds while you are still working, giving you the opportunity to save tax and boost your super at the same time.

If you are a defined benefit member and you have reached your preservation age (see page 32 of the *Member Guide* dated 1 October 2011 for details), you can transfer your Voluntary Account to our Industry Fund and start a transition to retirement pension. Your defined benefit accounts cannot be transferred unless you receive approval from your Employer and the Trustee. Such a transfer will relinquish any future entitlement you have to a defined benefit and should be carefully considered before any such request is made.

It is recommended that you seek professional advice from a licensed financial planner before making this decision.

How does a transition to retirement pension work?

If you have reached your preservation age (generally age 55), a transition to retirement pension can allow you to take a pension even though you have not retired.

This works in exactly the same manner as an allocated pension except that:

- You cannot access any lump sum withdrawals until you retire, except under restricted conditions;
- There are Government rules for the minimum and maximum annual pension payments that can be taken; and
- Your payments are drawn down from any non-preserved money (unrestricted or restricted) that you have before any preserved money is used.

Taking out a transition to retirement pension is not complicated. Simply read our *Product Disclosure Statement – Pension Guide* (available online at **www.ngssuper.com.au**) and complete the *application form*.

Financial advice recommendation

Before implementing a transition to retirement strategy, we recommend that you obtain financial advice from a qualified financial planner.

In the first instance, you can **call our Customer Service Team on 1300 133 177** for access to our complimentary limited personal advice from one of our qualified financial planners over the telephone.

We can also arrange an appointment for a face-to-face consultation with one of our financial planners in any of our locations around Australia. An NGS Super financial planner is well-qualified to provide retirement and estate planning advice. They recommend strategies rather than products and operate on a fee for service basis only.

Maximum contribution limits for 2011/12

Non-concessional contributions include personal contributions for which members do not claim an income tax deduction. For the financial year 2011/12 the maximum amount which a member can contribute is $150,000.

People under 65 years old may be able to make non-concessional contributions of up to three times their non-concessional contributions cap over a three-year period. This is known as the 'bring-forward' option. The bring-forward cap is three times the non-concessional contributions cap of the first year. For example, if you bring forward your contributions in 2011/12, your total limit over the three years (2011/12, 2012/13 and 2013/14) would be 3 x $150,000 = $450,000. No further non-concessional contributions could then be made until the 2014/15 financial year.

Concessional contributions include employer contributions (including contributions made under a salary sacrifice arrangement) and any personal contributions claimed as a tax deduction by a self-employed person. For the financial year 2011/12 the maximum limit for a member who is less than 50 years of age is $25,000. For members aged 50 or over, the maximum limit is $50,000.

Important note

From 1 July 2012, it is the Government's intention to have the concessional contribution cap for those who are aged 50 years or older with a super balance of *less* than $500,000 to remain at $50,000 and a concessional contribution cap of $25,000 to apply to those aged over 50 with a super balance of $500,000 *or more*.

The Government has also announced that it intends providing limited relief for people who exceed the concessional contributions cap by up to $10,000. In general, any concessional contributions paid over and above the concessional contributions cap are taxed at 31.5% (in addition to the 15% contributions tax).

If these changes become law, people will be granted a one-off opportunity, whereby excess concessional contributions up to $10,000 can be refunded and assessed as income at their marginal tax rate. This will only apply to excess contributions made after 30 June 2011. Whilst full details are not yet available, it is likely that it will only apply in the first year where an individual exceeds their concessional contributions cap and only if the excess is no more than $10,000.

Summary of contribution caps

	Concessional cap*	Transitional concessional cap**	Non-concessional cap*
2011/12, 2010/11 financial years	$25,000	$50,000	$150,000
Tax on amounts over the cap	31.5% (in addition to the 15% paid by the super fund)	31.5% (in addition to the 15% paid by the super fund)	46.5%
Other information	Any concessional contributions in excess of the cap will also count towards your non-concessional contributions cap.	Any concessional contributions in excess of the cap will also count towards your non-concessional contributions cap.	If you are less than age 65 at any time during the financial year, you may be able to bring forward the next two years of contributions, subject to certain conditions. This allows you to contribute up to three times the cap in that year.#

* The $25,000 concessional cap will be indexed annually from 2011/12 onwards to 'Average Weekly Ordinary Time Earnings' (AWOTE) and rounded down to the nearest multiple of $5,000.

** The transitional concessional contributions cap is for those who are 50 years old or older on 30 June in a financial year and is available until 30 June 2012. This cap is not indexed.

\# You should obtain financial advice if you intend utilising this "bring forward" rule as the conditions are complex.

Are you within your contribution limits?

The concessional contribution cap for the 2011/12 financial year is $25,000 for members under age 50, and $50,000 for members aged 50 or over. This cap limits the amount of concessional contributions (including employer and salary sacrifice contributions) that can be made to your super account each financial year before higher taxes apply.

Before you can work out how much money is going into your super, defined benefit members need to work out their 'Notional Taxed Contributions'.

Notional Taxed Contributions (NTC)

For defined benefit members, rather than using the actual employer and salary sacrifice contributions made to your defined benefit during a given financial year, Notional Taxed Contribution (NTC) rates are used.

Your NTC is a concessional contribution, so you need to know how much it is to work out how much you can contribute before risking the higher tax rates.

Your NTC rate applies only to those contributions made directly to your defined benefit (i.e. the Employer and member compulsory contributions). It does not extend to any additional employer contributions paid to your Employer Additional Account and/or any additional voluntary contributions paid to your Salary Sacrifice Voluntary Account – these contributions are calculated outside of the NTC formula. These additional contributions are added to the amount of the NTCs to determine the *total amount* of your concessional contributions.

How your NTC is calculated

NTC% x your super salary at the start of the financial year

Less

1.2 x your compulsory after-tax contributions made over the financial year that fund your defined benefit.

How to work out your own NTC

To use the above formula you need to know:

1. Your defined benefit membership category. This is found on your most recent *Member Statement*;
2. The NTC % applicable to your defined benefit category is:
   – Category PEGS:1 (Executives) 12.0%
   – Category PEGS:2 (Staff) 10.8%
3. Your member contribution rate, which depends on your category;
4. Your super salary as per your most recent *Member Statement**. This salary will be reduced for any periods of part-time work during the year (if any).

* If your super salary changes during the year your NTC will also change. You will need to keep track of your NTC where changes to your super salary and concessional contribution rates (e.g. voluntary rates) change.

The above NTC calculation may not apply to you if, during the year:

- you ceased service;
- you took leave without pay;
- you changed benefit categories;
- you became eligible for a late retirement benefit;
- you received a benefit greater than the normal benefits provided; or
- the benefits in the Plan are changed.

Examples to determine **concessional** (before tax) contribution limits using NTCs: FOR EXECUTIVES (CATEGORY PEGS:1)

Example 1

The compulsory contributions which Kerry is required to make toward her defined benefit are paid from **before-tax** salary.

Note: this example assumes there are no other non-concessional contributions being made by the member to another super fund.

Category of membership	PEGS:1
NTC %	12.0%
Part time percentage	100% (full time)
Super salary at 1 July 2011	$100,000
Member Mandatory contribution rate (paid from **before-tax** salary)	6.18%
Productivity contribution rate	3.0%

Less than age 50 at 30 June 2012

Assume Kerry is aged less than 50 at 30 June 2012, then Kerry's concessional contribution limit is $25,000 for the 2011/12 financial year. Any concessional (**before-tax**) contributions made in that period over $25,000 will be taxed at the higher rate.

Productivity contributions: **3.0% x $100,000**	$3,000
Notional Taxed contributions: **12.0% x $100,000 *less* (1.2 x $0)**	$12,000

If Kerry's salary and the Productivity contributions remain the same during the 2011/12 financial year, then Kerry could make additional Member Voluntary (**before-tax**) contributions up to **$10,000** ($25,000 – $3,000 – $12,000).

Because Kerry is under 50, she decides to limit her additional **before-tax** voluntary contributions to a maximum of $8,000. She also decides she should review her superannuation during the year to ensure that any change in her circumstances (in particular, any salary increase or super on allowances or bonuses) do not cause her to exceed her concessional (**before-tax**) contribution limit. Kerry puts some notes in her diary to remind herself to follow up.

Aged 50 or more at 30 June 2012

If Kerry was aged 50 or more at 30 June 2012, the personal contribution limit would be $50,000 for the 2011/12 financial year. Any concessional (**before-tax**) contributions made in that period over $50,000 will be taxed at the higher rate.

Therefore, Kerry would be able to make additional Member Voluntary (**before-tax**) contributions during the financial year up to **$35,000** ($50,000 – $3,000 – $12,000).

In this case, Kerry could choose to limit her additional **before-tax** voluntary contributions to a maximum of (say) $33,000 and to regularly review her superannuation, as described above.

Example 2

The compulsory contributions which Chris is required to make toward his defined benefit are paid from **after-tax** salary.

Note: this example assumes there are no other non-concessional contributions being made by the member to another super fund.

Category of membership	PEGS:1
NTC %	12.0%
Part time percentage	100% (full time)
Super salary at 1 July 2011	$70,000
Member Mandatory contribution rate (paid from **after-tax** salary)	5.25%
Productivity contribution rate	3.0%

Less than age 50 at 30 June 2012

Assume Chris is aged less than 50 at 30 June 2012, then Chris' concessional contribution limit is $25,000 for the 2011/12 financial year. Any concessional (**before-tax**) contributions made in that period over $25,000 will be taxed at the higher rate.

Productivity contributions: **3.0% x $70,000**	$2,100
Notional Taxed contributions: **12.0% x $70,000 *less* [1.2 x (5.25% x $70,000)]**	$3,990

If Chris' salary and the Productivity contributions remain the same during the 2011/12 financial year, then Chris could make additional Member Voluntary (**before-tax**) contributions up to **$18,910** ($25,000 – $2,100 – $3,990).

Because Chris is under 50, he decides to limit his additional **before-tax** voluntary contributions to a maximum of $17,000. He also decides he should review his superannuation during the year to ensure that any change in his circumstances (in particular, any salary increase or super on allowances or bonuses) does not cause him to exceed his concessional (**before-tax**) contribution limit. Chris puts some notes in his diary to remind himself to follow up.

Aged 50 or more at 30 June 2012

If Chris was aged 50 or more at 30 June 2012, the contribution limit would be $50,000 for the 2011/12 financial year. Any concessional (**before-tax**) contributions made in that period over $50,000 will be taxed at the higher rate.

Therefore, Chris would be able to make additional Member Voluntary (**before-tax**) contributions during the financial year up to **$43,910** ($25,000 – $2,100 – $3,990).

In this case, Chris could choose to limit his additional **before-tax** voluntary contributions to a maximum of (say) $42,000 and to regularly review his superannuation, as described above.

Examples to determine **concessional** (before tax) contribution limits using NTCs: FOR STAFF (CATEGORY PEGS:2)

Example 1

The compulsory contributions which Kerry is required to make toward her defined benefit are paid from **before-tax** salary.

Note: this example assumes there are no other non-concessional contributions being made by the member to another super fund.

Category of membership	PEGS:2
NTC %	10.8%
Part time percentage	100% (full time)
Super salary at 1 July 2011	$100,000
Member Mandatory contribution rate (paid from **before-tax** salary)	6.18%
Productivity contribution rate	3.0%

Less than age 50 at 30 June 2012

Assume Kerry is aged less than 50 at 30 June 2012, then Kerry's concessional contribution limit is $25,000 for the 2011/12 financial year. Any concessional (**before-tax**) contributions made in that period over $25,000 will be taxed at the higher rate.

Productivity contributions: **3.0% x $100,000**	$3,000
Notional Taxed contributions: **10.8% x $100,000 *less* (1.2 x $0)**	$10,800

If Kerry's salary and the Productivity contributions remain the same during the 2011/12 financial year, then Kerry could make additional Member Voluntary (**before-tax**) contributions up to **$11,200** ($25,000 – $3,000 – $10,800).

Because Kerry is under 50, she decides to limit her additional **before-tax** voluntary contributions to a maximum of $9,000. She also decides she should review her superannuation during the year to ensure that any change in her circumstances (in particular, any salary increase or super on allowances or bonuses) do not cause her to exceed her concessional (**before-tax**) contribution limit. Kerry puts some notes in her diary to remind herself to follow up.

Aged 50 or more at 30 June 2012

If Kerry was aged 50 or more at 30 June 2012, the personal contribution limit would be $50,000 for the 2011/12 financial year. Any concessional (**before-tax**) contributions made in that period over $50,000 will be taxed at the higher rate.

Therefore, Kerry would be able to make additional Member Voluntary (**before-tax**) contributions during the financial year up to **$36,200** ($50,000 – $3,000 – $10,800).

In this case, Kerry could choose to limit her additional **before-tax** voluntary contributions to a maximum of (say) $34,000 and to regularly review her superannuation, as described above.

Example 2

The compulsory contributions which Chris is required to make toward his defined benefit are paid from **after-tax** salary.

Note: this example assumes there are no other non-concessional contributions being made by the member to another super fund.

Category of membership	PEGS:2
NTC %	10.8%
Part time percentage	100% (full time)
Super salary at 1 July 2011	$70,000
Member Mandatory contribution rate (paid from **after-tax** salary)	5.25%
Productivity contribution rate	3.0%

Less than age 50 at 30 June 2012

Assume Chris is aged less than 50 at 30 June 2012, then Chris' concessional contribution limit is $25,000 for the 2011/12 financial year. Any concessional (**before-tax**) contributions made in that period over $25,000 will be taxed at the higher rate.

Productivity contributions: **3.0% x $70,000**	$2,100
Notional Taxed contributions: **10.8% x $70,000 *less* [1.2 x (5.25% x $70,000)]**	$3,150

If Chris' salary and the Productivity contributions remain the same during the 2011/12 financial year, then Chris could make additional Member Voluntary (**before-tax**) contributions up to **$19,750** ($25,000 – $2,100 – $3,150).

Because Chris is under 50, he decides to limit his additional **before-tax** voluntary contributions to a maximum of $17,000. He also decides he should review his superannuation during the year to ensure that any change in his circumstances (in particular, any salary increase or super on allowances or bonuses) does not cause him to exceed his concessional (**before-tax**) contribution limit. Chris puts some notes in his diary to remind himself to follow up.

Aged 50 or more at 30 June 2012

If Chris was aged 50 or more at 30 June 2012, the contribution limit would be $50,000 for the 2011/12 financial year. Any concessional (**before-tax**) contributions made in that period over $50,000 will be taxed at the higher rate.

Therefore, Chris would be able to make additional Member Voluntary (**before-tax**) contributions during the financial year up to **$44,750** ($25,000 – $2,100 – $3,150).

In this case, Chris could choose to limit his additional **before-tax** voluntary contributions to a maximum of (say) $42,000 and to regularly review his superannuation, as described above.

How the Fund works

NGS Super provides PEGS members with defined benefits which are based on a multiple of their final average salary. The multiple is determined using a percentage (depending on their category of membership) and the number of years of their contributory membership.

Benefits paid from the fund are financed by member and employer contributions together with investment earnings.

Productivity contributions, any additional/voluntary contributions to the Plan, together with any rollovers into NGS Super will be paid in addition to the defined benefit (the accumulation component)

PEGS members can choose their own investment option in relation to the accumulation component of their benefit – please refer to the NGS Super *Member Guide* dated 1 October 2011 for more information on **Investment Choice**.

The amount your employer contributes to the Fund will vary depending on the actuarial advice received by the Trustee. At least once every three years the Fund Actuary prepares a valuation that states how much your employer is required to contribute in order to ensure sufficient assets are available to pay benefits now and in the future.

The Fund Actuary also undertakes a short review to ensure the financial position of the Fund remains on track between full valuations.

As at 30 June 2011 the employers were contributing in line with the actuary's recommendations and the Plan was in a satisfactory financial position.

Are your contact details up-to-date?

To receive updates on your super, remember to let us know if you change your address or your employer.

It's easy to update your details, simply login to your online account at **www.ngssuper.com.au** and change your details online. If you don't already have a PIN, you can register for one online. Alternatively, you can call our Customer Service Team and we'll do it for you.

Statement of financial position

	30 June 2011 ($ amount)
Net assets transferred	12,613,835
Revenue	
Net investment revenue	(178,847)
Member contributions	18,568
Employer contributions	132,519
Rollovers and transfers in	–
Total revenue	**(27,760)**
Less expenditure	
Benefits paid	(857,718)
Insurance policy premiums	(6,485)
Contributions tax & surcharge	(19,128)
Administration costs	(13,186)
Total expenses	**(896,517)**
Net revenue after income tax	(924,277)
Net assets at end of period	**11,689,558**

This information has been prepared on a cash basis with some accruals and reallocations. That is, it does not allow for any accruals such as outstanding contributions or benefits due as at the start or end of year. It includes the final assets transferred from the Former Fund after 30 June 2011.

The financial information contained in this report for PEGS members has not been individually audited, however this information does form part of the full financial statements for NGS Super. The *Annual Trustee Report to members (Part 1)* provides details of the full financial statements for NGS Super (refer to **www.ngssuper.com.au/forms-and-publications/**).

You can request a copy of the full audited accounts and the auditor's report by contacting the NGS Super Customer Service Team.

Investment of assets across the NGS Super investment options

Investment option	30 June 2011 ($ amount)
Diversified	1,784,639
Australian Shares	2,805,862
Cash	3,961,150
Property	1,017,535
High Growth	–
Diversified Bonds	53,007
Defensive	249,553
International Shares	1,107,865
Shares Plus	312,950
Green Shares	–
Conservative	396,997

Fees and charges that apply to your super

The fees and charges of NGS Super are set out on pages 28 to 30 of the NGS Super *Member Guide* dated 1 October 2011. A copy of this *Member Guide* is available online at **www.ngssuper.com.au/forms-and-publications/**. From here you can select the 'Product Disclosure Statement' tab. You can also refer to the *NGS Super Transfer Guide* which was issued to all PEGS members in April 2011.

In addition to these fees, defined benefit members are also charged a fee of 0.50% of the defined benefit assets to cover the additional costs of managing a defined benefit fund. This fee is met from the assets of the Fund. This fee includes the standard 0.10% asset fee.

The NGS Super administration fee of $65 p.a. will be charged if you have one or more Supplementary Accounts. If you do not have an Award or a Voluntary Contribution Account you will not be charged this fee.

The costs associated with any insurance cover provided to you as a member of the former PEGS Plan are met from the assets of the Fund.

NGS Super Board

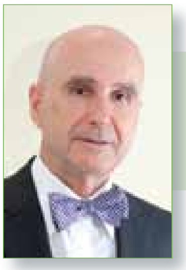
NGS Super is governed by a corporate Trustee, 'NGS Super Pty Limited'. NGS Super is managed by a board of twelve trustee directors. The board ensures that NGS Super's operations are well governed with a view to achieving the best possible financial outcomes for members.

NGS Super is sponsored by the Association of Independent Schools (AIS) NSW and SA, the Catholic Hierarchy of New South Wales, the Independent Education Union of SA, the NSW/ACT Independent Education Union (IEU), the SA Commission for Catholic Schools and the Victorian Independent Education Union (VIEU).

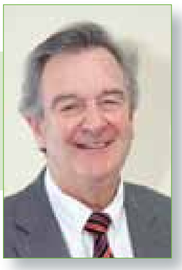
Your Trustee Board as at 30 June 2011

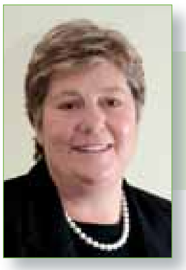
NGS Super is run on behalf of its members by a trustee company, NGS Super Pty Limited (ABN 46 003 491 487), which is run by member-appointed and employer-appointed Trustee directors. The Trustee directors represent the interests of all members and are responsible for making decisions on the strategic management of the Fund.

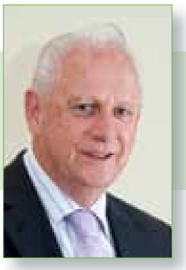
EMPLOYER REPRESENTATIVE DIRECTORS


Stephen Mathwin


David Buley


Ray Whitfield


Heather Walsh


Peter Fogarty
Chair


Michael Critchley

MEMBER REPRESENTATIVE DIRECTORS


Kevin Phillips


John Quessy


Gloria Taylor


Margaret Sansom


Glen Seidel
Deputy Chair


Cathryn Hickey

Employer-representative directors

Stephen Mathwin
Appointed by the AIS SA

David Buley, Ray Whitfield
Appointed by the AIS NSW

Heather Walsh
Appointed by the AIS NSW, representing ACT

Peter Fogarty (Chair)
Appointed by the Catholic Hierarchy NSW

Michael Critchley
Appointed by the SA Commission for Catholic Schools

Member-representative directors

Kevin Phillips
John Quessy
Gloria Taylor
Appointed by the IEU NSW

Margaret Sansom
Glen Seidel (Deputy Chair)
Appointed by the IEU SA

Cathryn Hickey
Appointed by the IEU Vic/TAS

Principal organisations

NGS Super is sponsored by the Association of Independent Schools (AIS), the Catholic Hierarchy of New South Wales, the SA Commission for Catholic Schools and the Independent Education Union (IEU). The principal organisations are responsible for electing and removing Trustee directors.

NGS Super has a specific set of rules applying to the appointment and removal of Trustee directors. For a copy of the Trustee's election rules, please contact the Trustee office on (02) 9273 7900.

How to calculate your benefits

Please note that the following details do not constitute a Product Disclosure Statement. For a full description of the method of calculating your benefits, you should refer to your Fund documentation. You should refer to the NGS Super Transfer Guide for details of the terms and conditions of your death and disablement benefits. If you have additional insurance cover in place with NGS Super, you should refer to the documentation you received when you applied for this cover.

In brief, the benefits shown on your *Member Statement* were calculated as follows:

Contributions

You are required to make contributions of 5.25% from your after-tax salary or 6.18% from your pre-tax salary. These contributions are credited to your **Member Mandatory Account**. Any additional voluntary contributions you make are credited to your **Member Additional Account**.

Your employer pays contributions as required by the actuary. Contributions are allocated to other accounts as follows:

Productivity Account – the excess of the contributions required to be paid under superannuation legislation and the contributions credited to your Employer Account). This is generally 3% of your salary plus 9% of any allowances or bonuses.

Some useful definitions

Your **final average salary** is based on the average salary paid in the 3 years immediately prior to the date you leave the service of your Employer.

Executives (Category PEGS: 1):

Your **accrued retirement benefit multiple** is calculated using 16.5% for each complete year and month of membership.

Staff (Category PEGS: 2):

Your **accrued retirement benefit multiple** is calculated using 13.75% for each complete year and month of membership.

Withdrawal / retirement benefit before and at age 65

Your accrued defined benefit is determined as your accrued retirement benefit multiple based on your years and months of **service** to the date of leaving service;

Multiplied by your final average salary:

Plus

- your Productivity Account
- your Additional (Voluntary) Accounts (if any)
- your Rollover/Transfer In Account (if any)

Less

- your Surcharge Account (if any).

Your accrued retirement benefit is calculated as a multiple of your Final Average Salary for each complete year and month of your **service**, calculated up to the date of your retirement before age 65.

Notes:

1. Your defined benefit will be adjusted for any period of part-time service.

Retirement benefit after age 65

At age 65, your benefit will be calculated in the same way as it is calculated for your retirement benefit before age 65 (as above). After age 65, your benefit will accrue with interest only;

Plus

- your Productivity Account
- your Additional (Voluntary) Accounts
- your Rollover/Transfer In Account

Less

- your Surcharge Account (if any).

Notes:

1. Your defined benefit will be adjusted for any period of part-time service.

Death and Total & Permanent Disablement (TPD) benefit

Your death and TPD benefit is equal to your projected defined benefit:

Plus

- your Productivity Account
- your Additional (Voluntary) Accounts (if any)
- your Rollover/Transfer In Account

Less

- your Surcharge Account (if any)

Plus

- any voluntary insurance you may have.

Your projected defined benefit

Your projected defined benefit is determined as your accrued retirement benefit multiple based on your years and months of **membership**, to age 65;

Multiplied by your final average salary assuming that your salary at the date of death/TPD remained unchanged to age 65.

Notes:

1. Your projected defined benefit will be adjusted for any period of part-time service.

Your Income Protection benefit

Income protection (IP) benefits replace some of your income if you can't work because you are sick or have been injured and you have not reached the normal retirement age* for the Plan.

IP cover features:

- Waiting period before payment commences: 90 days
- Payment period: Up to normal retirement age*.

If you have Income Protection, your monthly benefit will be up to 75% of your monthly pre-disability income. The monthly benefit you receive will be based on your pre-disability income and whether you are receiving income from other sources. The insurer requires monthly progress reports while you receive payments. You may also need to provide medical evidence and undergo any examinations that the insurer requires.

Up to 10% of your monthly pre-disability income will also be paid to PEGS to finance your super benefits including your Member Mandatory contributions.

* Normal Retirement Age: the 1st December on or next following your 65th birthday.

Have you updated your beneficiary details?

Your *Member Statement* shows the names of the people you have nominated to receive your super if you die. It's very important to check these details and update them if your circumstances have changed (i.e. if you have had a child or you have married or remarried or you have separated or divorced).

You can change your nomination(s) at any time. If you have a binding nomination you must update it before it expires as binding nominations are valid for three years only.

You may choose to have a binding or a non-binding nomination. If you have a binding nomination, the expiry date of the nomination is shown on your *Member Statement*.

Binding nomination

In the event of your death, the Trustee will pay your death benefit according to your instructions where there is a valid binding nomination. To hold a valid binding nomination you must ensure that:

- the nominated person(s) fits the description of 'dependant' (see page 27 of the *Member Guide*), or is your Legal Personal Representative(s) at the time of your death;
- the form containing the nomination has been confirmed or amended within three years of the day it was first signed or last confirmed or amended by you;
- the nomination is in writing and is signed and dated by you in the presence of two witnesses aged 18 years or over, neither of whom is a nominated beneficiary;
- the nomination contains a declaration, signed and dated by the witnesses, stating they were present when you signed the form; and
- the allocation of the death benefit among the nominees is clear and totals 100%.

If you want to make a new binding nomination or update an existing nomination, you will need to complete and return a *Making a binding death benefit nomination* form, available online at **www.ngssuper.com.au/forms-and-publications/**. If any item of information is not clear on your *Making a binding death benefit nomination* form, the Trustee will seek written confirmation from you.

Non-binding nomination

If you have not made a binding nomination, payment of your death benefit will be made at the discretion of the Trustee. However, the Trustee will take into account any non-binding nominations you have made. The Trustee will also take into consideration the circumstances of all potential beneficiaries. These may include your Estate, your legal or de facto spouse or partner, your children, anyone who has an interdependency relationship with you and anyone who is financially dependent on you. You can nominate different proportions of the benefit for different people.

It is important that you check that your nomination is up-to-date and accurately reflects your current circumstances. If you want to make a change, you can update your nomination via the website at any time or complete and return the form on page 4 of your *Member Statement* or complete and return a Nominating your beneficiaries form available online at **www.ngssuper.com.au/forms-and-publications/**.

www.ngssuper.com.au
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How to contact us

Visit our website **www.ngssuper.com.au**, or contact our Customer Service Team or your local client relationship manager at any time. We're here to help you.

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Important information

This is general information only – it does not take into account your objectives, financial situation or needs. Please assess your own financial situation, read the *Product Disclosure Statement* (otherwise referred to as the *'Member Guide'*) dated 1 October 2011 for any product you may be thinking of acquiring and consider seeking professional advice before acting on this information.

Issued by NGS Super Pty Limited ABN 46 003 491 487 AFSL No 233 154 the Trustee of NGS Super ABN 73 549 180 515

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