

Updates to Product Disclosure Statements

1 July 2013

Product Update

This document contains important information which updates the disclosures for Corporate Super and Integra Super.

Which documents are affected?

This document updates information contained in, and should be read together with, the:

- Corporate Super Product Disclosure Statement dated 27 February 2012
- Corporate Super Member Guide dated 27 February 2012
- Corporate Super Investment Choice Guide dated 27 February 2012
- Integra Super Product Disclosure Statement dated 27 February 2012
- Integra Super Member Guide dated 27 February 2012
- Integra Super Investment Choice Guide dated 27 February 2012.

What are the changes?

Legislated changes

These changes have been legislated and apply to superannuation accounts.

Superannuation Guarantee increased and age limit abolished

The Superannuation Guarantee (SG) rate has been legislated to progressively increase from 1 July 2013. The SG rate is 9% and will be increasing to 9.25% in 2013/14 and rise progressively to 12% by 2019/20. It has also been legislated that the SG age limit of 70 will be removed from 1 July 2013, and employers need to contribute to complying super funds of eligible employees aged 70 and older.

Increase in concessional contributions caps

A higher concessional contributions cap of \$35,000 (non-indexed) has been legislated from 1 July 2013 for people aged 60 and over.

From 1 July 2014, this has been extended to people 50 or over. Refer to the table below for details on contributions caps.

Contributions caps and penalties

Financial year	Contributions cap	Excess contributions tax
Concessional (before-tax) contributions		
2012/13	\$25,000 (all individuals)	Excess contributions are taxed at 31.5% (in addition to the 15% contributions tax). Any concessional contributions in excess of the cap will also count toward the non-concessional cap. The ATO offers a refund for the first time individuals exceed their cap by \$10,000 or less for contributions made on or after 1 July 2011 to 30 June 2013. Individuals can elect to have contributions refunded and taxed at their personal marginal tax rate. Alternatively, the contributions can be kept in super but taxed at the higher additional rate of 31.5%. It has been legislated that excess concessional contributions from 1 July 2013 will be included in an individual's assessable income and taxed at their marginal tax rate. An individual will be entitled to a tax offset equal to 15% of
2013/14	\$25,000 (individuals under 60 years) \$35,000 non-indexed (individuals 60 years or over)	
2014/15	\$25,000 indexed (individuals under 50 years) \$35,000 non-indexed (individuals 50 years or over)	

Financial year	Contributions cap	Excess contributions tax
		their excess concessional contributions. An interest charge also applies to account for the deferral of tax. Individuals can elect to withdraw up to 85% of their excess concessional contributions from their superannuation. Depending upon the amount withdrawn there may be an impact on the non-concessional contributions cap.
Non-concessional (after-tax) contributions		
2012/13 and 2013/14	\$150,000 per year People under 65 years may be able to bring forward two years' contributions caps, to contribute up to \$450,000 in the one year or over the three financial year period.	Excess contributions are taxed at 46.5%

For more information, visit onepath.com.au/contribute, ato.gov.au or speak with your financial adviser.

Increased contributions tax for very high income earners

The Government has legislated that from 1 July 2012, individuals with incomes greater than \$300,000 will incur an additional 15% tax on certain concessional contributions – meaning they may be paying 30% tax on certain concessional contributions (including SG contributions and salary sacrifice contributions) from this financial year.

Reduction to government co-contribution amounts

Reductions to the Government co-contribution scheme from 1 July 2012 have been legislated.

The maximum co-contribution is to reduce from \$1,000 to \$500, with the co-contribution rate to reduce from \$1.00 to \$0.50 and the higher income threshold to decrease from \$61,920 to \$46,920 (2012/13). For more information please read the fact sheet at onepath.com.au > Personal > Superannuation > Understanding the basics > Super factsheets

Changes to Lost Member reporting and payments

It is important for you to keep your contact details updated and keep your account active, so that you do not become 'lost'. Generally, a member is classified 'lost' if:

- no contribution or rollover has been received in the last 12 months and we cannot contact them, or
- no contribution or rollover has been received in the last five years.

Additionally, we are required to transfer lost member accounts to the ATO if:

- the account balance is less than \$2,000 or
- we have insufficient records to pay an amount to the member.

The Government has proposed to increase the account balance threshold to \$2,500 from 31 December 2015 and \$3,000 from 31 December 2016. We will provide more details as they become available.

Member Protection

Member Protection ceased to exist on 1 July 2013. However, the trustee may, at its discretion, continue to protect member balances and has decided to do so until further notice in line with the former Member Protection rules. Further information will be made available via the relevant Product Update which is able to be viewed on www.onepath.com.au/ProductUpdates.

Proposed change

Deeming rules for account-based pensions

From 1 January 2015, the social security deeming rules applying to financial investments are proposed to apply to certain account based pensions (including Transition to Retirement Pensions).

'Grandfathering rules' will apply for account based pensions started before 1 January 2015 that are held by existing pensioners, allowees and low income health card holders as at 1 January 2015. These income streams will be assessed under the existing rules, that is, the annual payment less the social security deductible amount.

OnePath Address

The registered address for OnePath Custodians has changed from 347 Kent Sydney NSW 2000 to 242 Pitt St Sydney NSW 2000.

Further information

If you have any questions or would like further information:

Product	Phone number	Hours (weekdays, AEST)	Email	Fax number
Corporate Super	1800 627 625	8.30am – 8.00pm	corpsuper@onepath.com.au	02 9234 6668
Integra Super	133 665	8.30am – 6.30pm	customer@onepath.com.au	02 9234 6668

This information is issued by OnePath Custodians Pty Limited (ABN 12 008 508 496, RSE L0000673).

This information is of a general nature and has been prepared without taking into account of your personal needs, financial circumstances or objectives.

Before acting on this information you should consider whether the information is appropriate for you having regard to your personal needs, financial circumstances or objectives.

You should read the relevant Product Disclosure Statement available by calling Customer Services or visiting onepath.com.au and consider if this product is right for you.

The information in relation to the legislative changes is our interpretation of the law and does not represent tax advice. Please see your adviser for advice taking into account your individual circumstances.

This information is current as at July 2013 but may be subject to change. Updated information will be available free of charge by calling Customer Services.