

# Annual report

For the financial year ending 30 June 2018  
 Super Directions Fund  
 National Mutual Retirement Fund

## Super Directions Fund

Income Insurance Superannuation Plan  
 Life Protection Superannuation Plan  
 Life Insurance Superannuation Plan  
 Retirement Directions Allocated Pension Plan  
 Simple Super  
 Simple Super Rollover Plan  
 Super Directions for Business  
 Super Directions for Business Rollover Section  
 Super Directions Personal Super Plan  
 Tailored Super  
 Tailored Super Rollover Plan

## National Mutual Retirement Fund

Accelerator Personal Superannuation Plan  
 Conventional Superannuation  
 Flexible Income Plan  
 Flexible Pension Plan  
 Flexipol Personal Superannuation  
 Goldline Personal Superannuation Plan  
 Lifestyle Protection Plan  
 Personal Superannuation Bond  
 Provider Personal Retirement Plan  
 Provider Top Up Retirement Plan  
 Retirement Bond  
 Retirement Security Plan  
 Superannuation Annual Renewable Term  
 Superannuation Life Protection Plan

## Contents

Important information	2
Super fund information	3
Super news	4
Product news	7
Understanding your investments	10
Other information	12

## Welcome

Thank you for choosing AMP to help you achieve your financial goals. This annual report for the financial year ending 30 June 2018 will help you understand more about your super and investments. You'll find information on fund performance, management and recent superannuation developments.

## Helping you retire right

Having helped over 600,000<sup>1</sup> Australians save for their retirement, we're well placed to help you confidently plan for the lifestyle you want in retirement. We'll help you feel more prepared for retirement by giving you useful information, ongoing education, and access to our award-winning tools and calculators<sup>2</sup> for any questions you might have about your super.

You'll find tools and tips on how to boost your super savings so you can retire right, find out how much your retirement might cost, how much money you'll have in super savings when you retire and more. Visit [amp.com.au](http://amp.com.au) to try our tools and calculators. Whatever your stage in life, we can help you reach your financial goals.

## Earning your confidence

AMP remains financially strong and a leader in superannuation, investments, retirement and advice. Over 3.8 million customers trust us to help them achieve their goals. And we're working as hard as we can to preserve and deserve that trust. We have more to do but want to say thank you for being our customer.

## We're here to help

If you'd like to explore your super or investments, check you have the right insurance cover or would like some help achieving your goals, speak to your financial adviser or call us on the contact numbers listed on the last page.

## Important information

The purpose of this annual report is to provide information about the operation of the funds as a whole, including:

- management
- financial position
- compliance with relevant statutory requirements, and
- any changes or developments that may affect members' benefits.

Some of the information contained in this report may not be relevant to members of both funds and all products covered by this report. Where applicable, the information specific to a fund(s) and/or product(s) will be identified, otherwise the sections apply to both funds and all products.

This annual report does not take into account your financial situation, objectives or needs. Therefore, it is important you consider the appropriateness of this information having regard to these matters before making any investment decision based on the information contained in this annual report. We recommend that any person seeking to rely on this information obtains independent advice.

All benefits under the funds are provided by means of life insurance policies. The terms and conditions of these policies differ according to the products they support. Please note that the following products do not have an investment component:

- Income Insurance Superannuation Plan
- Life Protection Superannuation Plan
- Life Insurance Superannuation Plans
- Lifestyle Protection Plan
- Superannuation Annual Renewable Term
- Superannuation Life Protection Plan

You can refer to your latest annual statement to confirm what product(s) you hold and which fund you are a member of.

Your annual statement provides information relating to your benefit entitlements including:

- cash amounts received during the year
- contributions made by you or your employer
- earnings credited
- expenses deducted, and
- your investment portfolio(s) and the performance of the portfolio(s).

You will receive your annual statement soon after each anniversary of your policy/plan. It is recommended that you read this report in conjunction with your latest annual statement.

1 2017 AMP full year results.

2 2018 Good Design Awards - Digital and Web Design & Development category.

## Super fund information

### The trustee

N.M. Superannuation Proprietary Limited (N.M. Super) ABN 31 008 428 322, AFS Licence No. 234654 (the trustee) is a wholly owned subsidiary of AMP Life Limited (AMP Life).

The trustee is a registrable superannuation entity (RSE) Licensee under the Superannuation Industry (Supervision) Act 1993 (SIS Act), which means that it has satisfied licensing conditions required by the Australian Prudential Regulation Authority (APRA).

The trustee is responsible for the monitoring and management of the Super Directions Fund and the National Mutual Retirement Fund (together the funds) for the benefit of all members in accordance with the governing rules of the funds and relevant legislation. The trustee also maintains an appropriate level of indemnity insurance for protection against losses that may occur as a result of a claim against it for breach of professional duty.

### The board of directors

The directors of N.M. Superannuation Proprietary Limited (N.M. Super) are also directors of AMP Superannuation Limited, which is another superannuation trustee and also part of the AMP group. The boards of each trustee maintain a framework for the management of conflicts of interest and conflicts of duties, which is documented in the Conflicts Management Policy. The framework provides for the identification, recording, management and monitoring of conflicts in accordance with applicable laws and regulations. The directors during the fund's financial year were:

**Rick Allert (AO), Independent Non-Executive Chairman** FCA

**Michele Dolin, Independent Non-Executive Director** BA, MA, MBA, FCPA, FAICD, FASFA, SF Fin.

**Louise Dudley, Independent Non-Executive Director** BCom, CA, GAICD

**Darryl Mackay, Non-Executive Director** BSc, FIAA, MAICD

**Brian Salter, Executive Director** BA, LLB (Hons), LLM (Hons), MAICD, F.ASF

More information on the trustee, including profiles of the directors and governing policies, is available at [amp.com.au/trusteedetails](http://amp.com.au/trusteedetails).

N.M. Superannuation Pty Ltd - Board meeting attendance 12 months to 30 June 2018		
	Held while member	Attended while member
Rick Allert	11	11
Michelle Dolin (resigned 01/04/2018)	6	6
Louise Dudley	11	11
Darryl Mackay	11	11
Brian Salter (resigned 30/04/2018)	7	6

### The funds' compliance status

The funds are registered with APRA and each fund is a resident regulated superannuation fund within the meaning of the SIS Act. The funds are complying superannuation funds for the purposes of the Income Tax Assessment Act, constituted under a deed.

Each fund can accept transfers and rollovers as permitted by the trust deed and rules of the fund. Upon receipt of any transfers and rollovers, we will maintain and preserve the benefits in the fund to the extent required by the SIS Act and Regulations.

Each trust deed complies with the preservation and portability standards imposed on complying superannuation funds under the SIS Act and Regulations.

No penalties have been imposed on the funds and/or the trustee for any kind of non-compliance during the year. The trustee is not aware of any matter that would cause the funds to lose its complying status and expects to continue to comply with all relevant registration.

The trustee also maintains an appropriate level of indemnity insurance for protection against losses that may occur as a result of a claim against it for breach of professional duty.

### Financial condition of the funds

The assets of each fund are invested in life insurance policies held by AMP Life and therefore under superannuation legislation we are not required to provide the financial reporting in this annual report.

If you require a copy of the financial report for a fund, please contact us and a copy will be provided free of charge.

### Changes to the trust deeds

The trustee may amend the trust deed of the fund following changes to the law or to introduce new features. There were no amendments to the National Mutual Retirement Fund trust deed this year.

The following amendment was made to the Super Directions Fund effective 5 September 2018 as per the text in **bold** below:

When will my binding or non-lapsing nomination be treated as a non-binding nomination?

We will automatically treat your nomination as though it was a non-binding nomination if:

- you and/or your witnesses don't sign or complete the binding nomination, or non-lapsing nomination correctly
- you have a binding nomination and three years have passed from the date you signed the binding nomination form (you will need to reconfirm your nomination every three years if you want to continue to have a binding nomination)
- any nominated beneficiary dies before you die
- any nominated beneficiary (other than the legal personal representative) is not a dependant at the date of your death
- your relationship changes after signing the binding nomination form or the non-lapsing nomination form, eg you get married (**unless you marry your nominated de facto**), enter into a de facto relationship, get divorced or your de facto relationship ends.

## The relationships between the trustee and other service providers

From time to time, the trustee may engage companies within and outside of the AMP group to provide services in relation to the funds. The trustee may change these service providers at any time without notifying you.

## Companies in the AMP group that are related to us and the roles they provide

### ipac asset management limited (ipac)

In May 2003, ipac securities limited became portfolio manager for all AMP Life multi-manager portfolios. In March 2011 ipac became a wholly owned subsidiary of the AMP group and investment capabilities moved to AMP Capital. ipac was founded in 1983 and is one of Australia's largest financial advisory groups. ipac has more than 15 years' experience managing multi-manager products. As at 30 June 2018, ipac portfolios managed in excess of \$20 billion for many different types of investors, from retail clients to smaller superannuation funds and charities.

In consultation with AMP Life, AMP Capital (as manager of ipac portfolios) is responsible for the selection and ongoing monitoring of fund managers used in the multi-manager portfolios, the construction of multi-manager diversified and multi-manager sector portfolios, and day-to-day implementation of these portfolios. ipac may change the portfolio sector managers or allocation at any time without notice to members invested in these portfolios. This action may be taken to ensure the most appropriate investment managers are used.

### AMP Capital

AMP Capital is the investment manager appointed by AMP Life under an investment management agreement with AMP Life and is a subsidiary of AMP Limited, and therefore is a company related to us.

The responsible entities of some managed investment schemes include AMP Capital Funds Management Ltd and ipac Asset Management Ltd. These companies are subsidiaries of AMP Limited and are therefore companies related to us.

### Benefits provided under the funds

As trustee of the funds, it's our responsibility to ensure that all benefits arising from the funds are paid to members, members' dependants or their legal personal representative (in the event of death) in strict conformity with the trust deed of the applicable fund and the requirements of all applicable laws.

The benefit that will ultimately be paid to a member (or to their dependant(s) or legal personal representative) will equal the value of the applicable life insurance policy and any insurance proceeds at the time the benefit is payable, less any government tax, outstanding contributions or charges. The precise value of a member's benefit is dependent upon factors such as the policy and the type of event (eg retirement, death, permanent incapacity or transfer to another fund).

To determine what amounts are payable to you and under which circumstances these amounts will become payable, we recommend that you refer to your last annual statement or

offer document (eg PDS, key features statement or policy document) and speak to your financial adviser or our Customer Service Centre on the numbers listed on page 14.

### Compensation

There may be circumstances in which the trustee needs to pay compensation to members. There are four key principles that guide the trustee's payment of compensation to current and former members:

- the trustee should not benefit
- other members do not bear the cost of compensation
- compensation is paid to members in a manner that minimises the cost and inconvenience to those members receiving the compensation, and
- communication should be provided to affected members in all circumstances where the member would reasonably expect to be notified.

The trustee may decide not to pay compensation to current or former members where it considers the individual compensation amounts small.

## Super news

### Update on government legislation

Please be advised that while the following updates are as a result of changes to superannuation and taxation law, not all are available or applicable to all products. For more information, please contact your financial adviser or AMP.

### 2018 Federal budget changes

#### Changes to personal income tax rates

In the 2018 Federal budget the following changes to income tax rates were announced and have since become law. These changes (shown in bold in the table below) have been implemented into our systems and may have impacted the amount of tax that needs to be withheld from payments to you.

Marginal tax rate (%)	Thresholds - income range 2017/18 (\$)	Thresholds - income range 01/07/2018 to 30/06/2021 (\$)
0	0-18,200	0-18,200
19	18,201-37,000	18,201-37,000
32.5	37,001-87,000	37,001- <b>90,000</b>
37	87,001-180,000	<b>90,001</b> -180,000
45	>180,000	>180,000
Low and middle income tax offset <sup>(i)</sup>	n/a	Up to 530

(i) The low and middle-income tax offset is available for the first time in 2018/19 for those who have income that doesn't exceed \$125,333.

Impact of the tax change above:

To see how the changes to tax rates may impact you, the table below shows the tax cuts for an individual in 2018/19, compared to 2017/18.

#### Reduction in tax paid – individuals

Taxable income	Tax reduction (annual amount)
\$35,000	\$200
\$45,000	\$440
\$60,000	\$530
\$85,000	\$530
\$90,000	\$665
\$100,000	\$515
\$120,000	\$215
\$130,000+	\$135

#### Medicare levy remains at 2%

In the 2017 Federal budget, there was a proposal to increase the Medicare levy by 0.5% to 2.5%. The government has not proceeded with this increase, and the Medicare levy remains unchanged at 2%.

#### Further tax changes

From 1 July 2022 the following changes to tax thresholds and rates has been legislated to occur:

- The income threshold for the 19% bracket rises from \$37,000 to \$41,000
- The income threshold for the 32.5% bracket rises from \$90,000 to \$120,000
- The low and middle-income tax offset will cease; and
- The low-income tax offset will increase from its current maximum rate of \$445 to \$645.

Further tax cuts have been legislated to occur from 1 July 2024 and will result in a reduction in tax for those earning \$120,000 or more.

#### Reforms commenced 1 July 2017

**Transfer balance cap:** From 1 July 2017, Federal budget updates introduced a transfer balance cap, which limits the amount of funds that can be held in a pension account. This cap is indexed annually (and currently set at \$1.6 million). Please be aware that if you exceed the transfer balance cap you may be liable for tax on the excess amount and you may receive a compulsory commutation authority requiring you to reduce your balance. Amounts in excess of the cap can be rolled back to your super account where earnings will be taxed at 15%, or alternatively taken out of super completely.

If you exceed your transfer balance cap, you may receive a notice from the Australian Taxation Office (ATO) requiring you to remove the excess amount (including a notional earnings amount). If you do not act on the notice within 60 days of the notice issue date, we may receive a Commutation Authority from the ATO requiring us to remove the excess amount from your retirement account and notify the ATO within 60 days.

If we receive a commutation authority relating to your account, we will make all reasonable efforts to contact you for payment instructions. If we are unable to contact you within 40 days, we will redeem the excess from your account and:

- open a new account on your behalf;
- transfer the excess amount to the appropriate cash investment option in your new super account; and
- formally notify you.

You will also receive a welcome pack for your new account. For further information about the transfer balance cap and how it applies in your circumstances, speak with a financial adviser or visit [ato.gov.au](http://ato.gov.au).

#### Other government legislated changes

##### Superannuation Guarantee (SG) rate – no change

The SG rate will remain at 9.5% until 30 June 2021, and will then increase by 0.5% each year until it reaches 12% from 1 July 2025.

## Super thresholds for the 2018/19 financial year

The following super and taxation threshold amounts apply during the 2018/19 financial year.

Threshold	From 1 July 2018
<b>Standard concessional contributions cap</b> (per annum)	\$25,000
<b>Non-concessional contributions cap:</b>	
– Standard (per annum) <sup>(i)</sup>	\$100,000
– Bring forward (over 3 years) before age 65 <sup>(ii)</sup>	\$300,000
<b>SG maximum contribution base (per quarter)</b>	\$54,030
<b>Government co-contributions<sup>(iii)</sup> (per annum)</b>	
– Lower income threshold	\$37,697
– Higher income threshold	\$52,697
<b>Tax free part of genuine redundancy and approved early retirement scheme payments (per payment)</b>	
– Base limit	\$10,399
– Plus for each completed year of service	\$5,200
<b>Low rate cap amount (lifetime limit)</b> (previously known as post June 1983 low tax threshold) Applies to the taxable component of taxed super fund benefits for members aged 55-59	\$205,000
<b>Untaxed plan cap amount</b> Applies to the taxable component of untaxed super fund benefits	\$1,480,000
<b>Employment termination payment cap (ETP)</b> (per annum)	\$205,000
<b>Capital gains tax (CGT) cap amount</b> (lifetime limit)	\$1,480,000
<b>Transfer balance cap</b>	\$1,600,000
<b>Defined Benefit income stream cap</b>	\$100,000
<b>Maximum adjusted taxable income for the full government low income super tax offset (LISTO)</b>	\$37,000

(i) The cap is nil for members with a total superannuation balance of over \$1.6 million (at 30 June of the year prior to making the contribution).

(ii) Transitional rules apply for the 2017/18 and 2018/19 years. There are restrictions on the ability to trigger bring forward rules from 1 July 2017 for certain people with total superannuation balances of more than \$1.4 million.

(iii) The maximum entitlement remains at \$500 and applies where at least \$1,000 non-concessional contributions have been made in the financial year and the person does not exceed the lower income threshold.

## Claiming a tax deduction for personal contributions to super

From 1 July 2017, changes were made to the law to allow employees to claim a tax deduction for contributions they make to super. If you would like to claim a tax deduction on personal super contributions that you make to super, you are required to lodge a notice of intent with your fund. There are strict rules regarding when the notice needs to be sent to the fund.

You cannot claim a tax deduction for contributions made into your account by your employer such as SG contributions, salary sacrifice contributions, and Reportable Employer Superannuation Contributions. Nor can you claim a tax deduction on contributions made into your account by your spouse. However, if you make personal contributions into your account, then you can claim a tax deduction for them in your

return, provided you have provided a notice to your super fund, and have received an acknowledgement notice from them, prior to lodging your tax return.

If you claim a tax deduction on your personal contributions, these contributions will count against your concessional contributions cap, along with your employer contributions. If your total concessional contributions exceed the cap, currently \$25,000, additional tax may apply.

For help completing your notice of intent to claim a tax deduction, you should contact your financial adviser or call us on contact numbers listed over the page.

For further information about claiming a tax deduction on personal super contributions, visit [ato.gov.au](http://ato.gov.au).

## Early release of superannuation benefits on compassionate grounds

If you wish to apply for the release of your benefit under compassionate grounds, your application now needs to be made to the ATO.

Visit [ato.gov.au](http://ato.gov.au) for further information.

## First Home Super Saver Scheme

From 1 July 2017, you can make voluntary contributions to your super account to save for your first home.

From 1 July 2018, you can apply directly to the ATO to release your voluntary contributions up to a maximum of \$15,000 from a financial year and \$30,000 in total (plus associated earnings). Please note that this does not include defined benefit accounts.

To be eligible to access your superannuation to help you purchase your first home, you must satisfy certain conditions including the following:

- you must be age 18 or over
- you have not previously owned property in Australia (limited exceptions apply)
- you have not previously requested for amounts to be released under the scheme, and
- you will live in the premises you are buying for at least six months of the first 12 months you own it, after it is practical to move in.

If the ATO approves the release of an amount from your superannuation, the ATO will request your super fund to pay the amount to the ATO and after withholding any tax, the ATO will pay the balance to you.

If you do not sign a contract to purchase or construct a home within 12 months of your superannuation being released, you may be liable to pay additional tax. For further information about the First Home Super Saver scheme, visit [ato.gov.au](http://ato.gov.au).

## Added special arrangements to concessional caps

From 1 July 2019, you may be able to utilise unused concessional contributions cap amounts from one or more of the previous five financial years starting from 1 July 2018, to allow you to make contributions above the standard cap. To be eligible, your total superannuation balance at 30 June of the previous financial year must be less than \$500,000.

For further information about contribution caps, visit [ato.gov.au](http://ato.gov.au).

## Added special arrangements to non-concessional caps

If you are under age 65 on 1 July of the financial year, you may be able to bring forward up to two additional years of contributions allowing you to contribute up to \$300,000 over a period of up to three years. There are restrictions on the ability to trigger bring forward rules from 1 July 2017 for certain people with large total superannuation balances (more than \$1.4 million as at 30 June 2018).

If you have a total superannuation balance of \$1.6 million (indexed) or more as at 30 June of the previous financial year you will not be able to make contributions towards the non-concessional cap without resulting in an excess. Transitional rules apply where a person has triggered a bring forward rule prior to 1 July 2017 but has not contributed the whole of the \$540,000 bring forward amount by 30 June 2017.

For further information about contribution caps, visit [ato.gov.au](http://ato.gov.au).

## Downsizer contributions

If you are age 65 or over and satisfy eligibility requirements, you may be able to make a downsizer contribution to super (excluding defined benefit accounts) of up to \$300,000 from the proceeds of selling a home owned by you or your spouse for at least 10 years.

You are able to make a downsizer contribution even if you are not working. You can also still make a downsizer contribution if your total super balance is greater than \$1.6 million.

The contribution will not count towards your contributions caps. Your downsizer contribution will, however, be included in your total super balance when it is re-calculated at the end of the financial year and it will count towards your transfer balance cap (\$1.6 million for 2018/19).

You can only make a downsizer contribution for the sale of one home. Downsizer contributions are not tax deductible and will be taken into account for determining eligibility for the Age Pension.

More information can be found at [ato.gov.au](http://ato.gov.au).

## Electronic reporting of your pension or annuity to the Department of Human Services (DHS)

If you are a Centrelink benefit recipient or card holder, you will no longer have to provide the half yearly updates of your income stream details to DHS. The law has changed, and from 1 January 2019 your income stream provider now needs to provide this information directly to DHS. If, however, you make a change to your income stream, such as make a partial withdrawal, or change the amount of income you receive, you will need to report this change to DHS. Where you make a change to your income stream we will still issue you a "Details of Income Stream" statement to help you do this.

This change doesn't apply to you if you receive benefits from the Department of Veterans Affairs (DVA). We will still provide you with a "Details of Income Stream" statement which you can use to update DVA with.

## Product news

### Product updates

#### Fees

The fees and charges that are levied against a member's contributions to a fund and the balance of their account will depend on the type of policy held on their behalf and the particular conditions of that policy. We recommend that you refer to your annual statement, offer document or policy document for specific details on fees and charges.

#### Insurance eligibility – members entitled to income support benefits

##### Super Directions for Business, Simple Super and Tailored Super

Any employee who was provided with Total and Permanent Disablement insurance cover as at 1 January 2014 as an existing MySuper member with no cover or death only cover, was NOT eligible for that cover if, at the time they were initially provided with the cover, they:

1. were in receipt of, or
2. were eligible to claim income support benefits from any source including, but not limited to workers compensation benefits, statutory transport accident benefits and disability income benefits.

If you are in receipt of these benefits and were provided with cover as at 1 January 2014, or if you have any questions in relation to this matter, please contact us or your financial adviser. Members who joined from 30 September 2017 should refer to the new 'At Work' definition below:

At Work means the person was properly performing all his or her normal and usual duties of paid employment, or would have been had the relevant day not been a public holiday, weekend or a day of leave other than due to injury or sickness.

A person who does not meet this definition is correspondingly described as being not At Work.

#### Annual indexation of fees

##### Super Directions Fund

Certain fees and thresholds affecting fees are subject to indexation on 1 March or 1 July of each year in line with movements in CPI or Average Weekly Ordinary Time Earnings (AWOTE) (all employees). For more information regarding indexation of fees at 1 July, please refer to [amp.com.au](http://amp.com.au).

The changes for affected products that occurred at 1 March 2018 are included on the following page.

##### National Mutual Retirement Fund

Certain fees and thresholds affecting fees are subject to indexation in accordance with the increases in CPI for the preceding 12-month period.

The changes for affected products that occur at 1 October 2018 are included on the following page.

## Super Directions Fund

The following tables show the changes made to fees and thresholds where indexation has been applied.

### Super Directions Personal Super Plan

		From 1 March 2018		From 1 March 2017	
Fees	Small account balance fee	Nil		Nil	
	Balances less than \$10,000	\$7.15 per month		\$7.00 per month	
	Balances between \$10,001 and \$15,000	\$3.58 per month		\$3.50 per month	
Thresholds	Large account balance rebate per annum	First \$84,000	Nil	First \$83,000	Nil
		Next \$84,000	0.20%	Next \$83,000	0.20%
		Next \$168,000	0.35%	Next \$166,000	0.35%
		Balance over \$336,000	0.50%	Balance above \$332,000	0.50%

### Retirement Directions Allocated Pension Plan

		From 1 March 2018		From 1 March 2017	
Thresholds	Large account balances rebate per annum	First \$234,000	Nil	First \$231,000	Nil
		Next \$153,000	0.20%	Next \$150,000	0.20%
		Next \$153,000	0.35%	Next \$150,000	0.35%
		Balance above \$540,000	0.50%	Balance above \$531,000	0.50%

## National Mutual Retirement Fund

### Retirement Security Plan

As disclosed in the policy document for Series 4, we reserve the right to increase the policy fee (also referred to as annual charge) in line with increases in the CPI. We did not increase the policy fee at 1 July 2018.

### Goldline Personal Superannuation Plan

The quarterly administration charge was increased as follows:

Administration charge component	From 1 October 2018	From 1 October 2017
Base quarterly administration charge	\$17.25 plus	\$16.95 plus
Contractual annual premium charge	0.525% per quarter (policies with contractual annual premiums over \$3,160 will have their administration charge calculated using a maximum of \$3,160)	0.525% per quarter (policies with contractual annual premiums over \$3,110 will have their administration charge calculated using a maximum of \$3,110)

For example, the quarterly administration charge for a member with a Goldline Personal Superannuation Plan making an annual contractual premium of \$4,000 will be \$33.28 per quarter, \$16.95 + (\$3,110 x 0.525%), from 1 October 2018, increasing from \$33.84 per quarter, \$17.25 + (\$3,160 x 0.525%).

Other fees and charges apply.

### Provider Personal Retirement Plan and Provider Top Up Retirement Plan

The monthly policy fees were increased as follows:

Product	From 1 October 2018	From 1 October 2017
Provider Personal Retirement Plan	\$6.07 per month	\$5.96 per month
Provider Top Up Retirement Plan	\$6.07 per month	\$5.96 per month

Note that other fees and charges apply.

## Product information

### Investment option switch request

All investment switches will be processed with an effective date of one business day after the request was received (ie if received on Friday, Monday's date must be used). A member can't cancel a request submitted to us after 4 pm Melbourne time on the day it is received.

### Additional asset charge

#### Simple Super and Tailored Super

For members with a membership commencement date prior to 26 April 1994, an additional fee of 1% pa on the account balance applies when the member elects to remain in the fund and no longer contributes, ie the status of the account is made 'paid up'. This increased fee will be effective on the date the member is made 'paid up'.

#### Super Directions for Business Rollover Section

If you are a member of a Super Directions for Business, Simple Super or Tailored Super employer plan and you leave your employer, the trustee will automatically transfer your benefit to the Super Directions for Business Rollover Section (Rollover Section).

Although you will no longer be a member of your employer's plan, you will be a member of the Rollover Section in your own right.

For more information about the Rollover Section, refer to the PDS of the product you hold. The latest PDSs can be found at [amp.com.au](http://amp.com.au).

## Plan reserves

### Super Directions for Business, Simple Super and Tailored Super

#### The plan reserve account management strategy

The trustee has established within the fund a reserve account for each principal employer. Each principal employer's reserve account may consist of two sub accounts. They are:

- plan reserve account — any balance in this account will be invested in the Multi-manager Secure portfolio (Super Directions for Business) or the Guaranteed Plus portfolio (Simple Super and Tailored Super).
- plan reserve transfer account — any balance in this account may be invested in any of the currently available investment portfolios, except for Multi-manager Australian Equities and Multi-manager International Equities (Super Directions for Business) or Australian Equities, International Equities, Property and Diversified Fixed Interest (Simple Super and Tailored Super). The default investment portfolio for this sub account is the same as the plan reserve account.

#### Money received into the plan reserve accounts

Non-vested portion of benefits on leaving service (if any) will be credited to the plan reserve account.

Surplus amounts transferred into the fund from other funds (if any) will be credited to the plan reserve transfer account.

## Plan reserve account distribution

The trust deed provides the trustee's preferred method for distributing the plan reserve account and this will be the default method where an alternative method is not requested by the employer. The preferred method seeks to apportion a member's share of the plan reserve account balance according to the proportion of member's assets relative to total plan assets. Other formula(s) may be created, but must be reasonable and requires trustee approval.

Employers are provided with an annual update on the movement of plan reserves. This will be automatically distributed to employers unless the employer would like the trustee to consider another method of distribution.

For further information on your plan's plan reserve account, please contact our Customer Service Centre on 133 056.

## Is a policy committee required?

### Super Directions for Business, Simple Super and Tailored Super

A policy committee acts as a channel of communication between members, employers and the trustee. A policy committee's function is generally of an advisory nature. The ultimate responsibility for the operation of the fund rests with the trustee. Policy committees are required under SIS for certain super funds.

If you are self-employed or if your employer's plan has less than 5 members, a policy committee is not required. If your plan has between 5 and 49 members, a policy committee will only be set up if at least 5 members ask for one in writing. For plans with 50 or more members, the trustee must take all reasonable steps to ensure a policy committee is established.

For those plans where a policy committee has been established, the details of the employer-appointed and the member-elected representatives for your plan will be included on your annual statement.

Generally, the member representatives have been elected by members for a term of three years and may be removed by election or by leaving the plan. Employer representatives have been appointed by your employer and may be removed by your employer at any time.

Full details of your plan's appointment and removal procedures can be obtained from your policy committee representatives or your plan's financial adviser.

If your plan does not have a policy committee and you feel that one should be established, please send a written request to the trustee. Steps will be taken to form a policy committee if the trustee receives requests from, or on behalf of 5, or more members or if the plan has 50 or more members.

## Conventional superannuation

For benefits backed by a Whole of Life or Endowment policy, the explanation of how earnings are allocated is given below.

### Allocation of earnings

The distribution of profit (in the form of bonuses) is made in accordance with the *Life Insurance Act 1995*. Under this Act, AMP's actuary regularly assesses the strength of the AMP Life's

No. 1 Statutory Fund and advises how much policy owner profit it can prudently pay out, and how to share it fairly among different groups of policies.

Bonuses are only paid to members who hold a participating policy.

In determining the bonus rates, the actuary not only considers the recent investment performance, but also likely future investment return, estimated future rates of mortality, assumed rates of taxes, fees and other expenses.

There are two types of bonuses – **annual bonuses** and **end bonuses**.

### Annual bonuses

Annual bonuses are allocated to plans each year as additions to the sum insured. As the rate of bonus is dependent on AMP's investment experience and our estimates of future experience (including future investment returns), annual bonuses may fluctuate from year to year. However, once allocated they are guaranteed and payable in full when the sum insured becomes payable on death or maturity.

### End bonuses

End bonuses are currently paid in addition to annual bonuses on maturity, death or total and permanent disablement claims (where appropriate) on plans that have been in force for five years or more. These bonuses are not guaranteed and can be decreased, as they are used to pass on the value of more volatile investment returns.

### Investment objective and strategy

The investment aim is to provide returns (after fees and before tax) that exceed inflation over the longer term, but with lower returns and less variability of returns than would be expected from an investment option with the same exposure to bonds, cash, shares and property.

The investment strategy is to invest in a diversified portfolio.

Changes to investments can be made according to the outlook for the various investment sectors and the nature of the plan.

The long-term strategic mix of assets that back Conventional superannuation are usually in the following ranges:

Shares and alternative investments	15–50%
Property and infrastructure	10–25%
Fixed interest and cash	30–70%

AMP may alter the strategic mix of assets that back the plan at any time without notice to you.

## Understanding your investments

NM Super invests all of the funds' assets in life insurance policies with AMP Life and as such, the funds do not directly invest in derivatives. However, AMP Life may use derivatives or appoint investment managers who may use derivatives. AMP Life monitors this exposure to derivatives and any material issues will be reported to the trustee as part of AMP Life's regular reports.

The underlying assets of the life insurance policies are held within AMP Life's statutory funds. These policies represent an interest in AMP Life's statutory funds; they do not represent specific assets. National Mutual Funds Management Limited (NMFML) ABN 32 006 787 720, manages some of the investments of the statutory funds on behalf of AMP Life.

NMFML has delegated some of its responsibility for managing some of the funds' investments to AMP Capital (ABN 59 001 777 591).

ipac (ABN 22 003 257 225) is responsible for the selection and ongoing monitoring of fund managers used in the multi-manager portfolios. ipac has appointed ipac portfolio management limited (the portfolio manager) (ABN 51 071 315 618) as the portfolio manager of the multi-manager portfolios. The portfolio manager is responsible for the construction of multi-manager diversified and multi-manager sector portfolios, and day-to-day implementation of these portfolios.

### The trustee's investment objectives

- to manage the assets of the fund in a prudent manner for the benefit of members and with a long-term view to the funding of retirement benefits.
- to achieve investment returns which meet or exceed stated targets, as applicable, for each specific investment option, account or product relating to a member's interest in a fund.
- to comply with all requirements of the trust deed.
- to comply with all applicable legislative requirements.
- to offer members a selection of investment profiles.

### The trustee's investment strategy

- to invest in life insurance policies with AMP Life.
- to offer a range of investment portfolios proportionate to the member's attitude towards risk and duration of fund membership.
- to select a diversified investment option that provides opportunity for growth with an acceptable level of risk to serve as the default where the member does not make a selection.<sup>3</sup>
- to periodically review the investment portfolios offered under the life insurance policies to ensure that they continue to meet the trustee's objectives.
- to review quarterly the performance of the investment portfolios when measured against the agreed benchmarks.
- to discuss at least annually with AMP Life the adequacy of the investment objectives and strategies in the light of past experience, and to agree to appropriate adjustments where necessary.

<sup>3</sup> Not applicable for National Mutual Retirement Fund.

The following sections are not applicable to products which do not have an investment component.

## Investment portfolios

The name of the current investment portfolio(s) you have selected will be shown on your latest annual statement.

The funds offer a range of investment portfolios via life insurance policies issued by AMP Life. The investment portfolios in your product depend on the type of policy held. Your selection of investment portfolio(s) will be subject to the terms and conditions as outlined in the offer document or insurance policy.

For details of the investment options available, including their aims and strategies, please see [amp.com.au](http://amp.com.au) or go to **My AMP**. For the aims and strategies of closed investment options, please see the **investment report** on [amp.com.au/amp/performance](http://amp.com.au/amp/performance). Past performance should not be taken as an indicator of future performance.

AMP Life, in conjunction with ipac (for multi-manager portfolios), may change the fund managers or the allocation to the individual managers, at any time. This action may be taken to ensure that the most appropriate investment managers are used. The performance of the investment managers will be reviewed at least annually.

For an up-to-date list of current fund managers please visit [amp.com.au](http://amp.com.au).

## Default portfolio

### Super Directions for Business, Simple Super and Tailored Super

You will automatically be invested in the AMP SDF MySuper investment portfolio if you do not make an investment portfolio nomination. Your super will be invested in the AMP SDF MySuper age group option for your decade of birth.

## Portfolio switching

For all investment portfolios, except Security Plus, Guaranteed Plus and Protection portfolios, there is a margin between the buy unit price and the sell unit price (in some cases the margin may be nil). Buy unit prices are applied whenever money is invested, including when new contributions are made and when switching into another portfolio. Sell unit prices are applied to all redemptions of units including switching out of a portfolio.

Switches from Primary portfolios (those selected before 26 April 1994) within Simple Super and Tailored Super may occur at any time at a reduced margin. That is, units are cashed at mid-point prices (being the halfway point between the buy and sell price of the portfolio) and go into the new portfolio at the buy price.

There is no entry cost when switching into the Guaranteed, Security Plus or Guaranteed Plus portfolios. However, when switching from the Guaranteed or Security Plus portfolios, the total amount available is the lesser of the monetary value of your account balance and the release value of the investments at the time.

A switching fee may apply for some products.

## Switching on death or total and permanent disablement (TPD)

The trustee will switch the balance of a member's account from the nominated investment portfolio(s) to protect the value of the account for certain products as follows:

- **Super Directions for Business and Super Directions for Business Rollover section** – on receipt of notification of the death of a member in the form of an official document or upon acceptance of a claim in relation to the TPD of a member, the trustee will switch the balance of a member's account to the Multi-manager Secure portfolio.
- **Super Directions Personal Super Plan** – on receipt of written notification of the death of a member in the form of an official document, the trustee will switch the balance of a member's account to the Cash portfolio.
- **Simple Super, Simple Super Rollover Plan, Tailored Super and Tailored Super Rollover Plan** – on receipt of notification of the death of a member in the form of an official document or upon acceptance of a claim in relation to the TPD of a member, the trustee will switch the balance of a member's account to the Guaranteed Plus portfolio.

## Allotment of earnings

Earnings under the Fully Guaranteed, Capital Guaranteed and Guaranteed Plus portfolios (the investment account portfolios) are credited by declaring an interest (crediting) rate. As actual earnings of these portfolios can vary from period to period, the declared interest rate is a smoothed allocation of these earnings. The rate is declared net of tax and any investment charges.

For the investment linked portfolios, earnings are reflected in the movement of unit prices and may vary as unit prices move up and down in line with the investment performance of each portfolio. Unit prices, and thus the earnings, are declared net of tax and investment charges.

In the case of the Guaranteed and Security Plus portfolios, earnings are calculated using both methods and separate balances are maintained based on interest credited (the monetary balance) and market-linked performance (the market-linked balance). The lesser of the two balances is used to determine the amount available for payment or switching. AMP Life, at its sole discretion, may agree to disregard the market-linked balance when determining the amount payable under the policy.

## Investment advice

Where more than one investment portfolio is provided, subject to the conditions of the policy, you may change the investment portfolio(s) to which your contributions are being directed and/or switch from one or more portfolio(s) at any time.

If you do not have sufficient financial expertise, we recommend that you seek professional advice before making your investment choices and review those choices on a regular basis. Neither the trustee nor AMP Life provides any guarantee of performance or capital unless specifically stated.

## Investment returns

While returns for individual investment portfolios can vary widely from year to year, it's important to remember that super is a long-term investment and the focus should not be on

the returns for only one year. The average investment returns to 30 June 2018 reflect the long-term performance of the portfolios. Long-term returns are the annualised returns for the five years and 10 years (where available) ending 30 June 2018.

The performance shown is based on movements in the sell unit price of the investment linked portfolios and the crediting rates of the investment account portfolios (including Guaranteed and Security Plus) and consequently excludes the effect of the buy/sell margin. Past performance should not be taken as an indicator of future performance.

For further information regarding the investment return(s) and performance applicable to your plan/policy please refer to your annual statement, offer document/PDS, policy document or [amp.com.au](http://amp.com.au).

### Explanation of asset classes

- **International equities** include shares in companies listed on major share markets in developed countries such as the US, UK, Japan and Western Europe. They may also include specific allocations to listed companies in emerging economies and smaller companies located throughout the world. The equities are diversified by type and location and there may also be foreign currency exposure.
- **Australian equities** invest in a range of companies listed on the Australian share market that are representative of different industries within the Australian economy.
- **Property** may include property investments listed on the Australian share market, global securities exchanges and/or unlisted property trusts. To protect members from currency movements, any allocation made by AMP Life or ipac to global property will generally be fully hedged.
- **Alternative growth assets** fall outside the usual asset classes and are generally not accessible through listed markets or in an unbundled form, eg private equity, infrastructure and property-related debt. These assets play both a diversifying and return-seeking role in the portfolio with a similar expected return to that of shares and an expected volatility between that of bonds and shares.
- **Fixed interest** includes government and semi-government bonds, corporate fixed interest and floating interest rate securities issued by Australian or overseas governments or enterprises in order to provide a stable and secure income stream.
- **Alternative defensive assets** include strategies that rely predominantly on manager skill and include single strategy hedge funds and multi-strategy hedge funds. These assets have a lower correlation with other asset classes and are independent of market direction. Consequently, their inclusion reduces portfolio risk.
- **Cash** may include government and bank guaranteed securities and promissory notes issued by major corporations with acceptable credit ratings.
- The overall foreign currency exposure of the portfolio may be partially hedged back to the Australian dollar.

## Other information

### Transfer to AMP Eligible Rollover Fund

If we cannot locate you, or if your account is closed and we need to make a compensation payment to you, we may establish an AMP Eligible Rollover Fund account for you.

Having an account created in or being transferred to AMP Eligible Rollover Fund means:

- you will become a member of AMP Eligible Rollover Fund and be subject to its governing rules
- your benefits will be invested in a capital guaranteed 'participating' life insurance policy issued to AMP Superannuation Limited by AMP Life
- your returns (by way of a crediting rate) are credited annually to your AMP Eligible Rollover Fund account based on your daily account balance and are guaranteed by AMP Life to never be negative. Crediting rates are determined after deducting fund expenses from the net investment returns allocated to the member. For the latest AMP Eligible Rollover Fund crediting rates visit [amp.com.au/erf](http://amp.com.au/erf) or call us on 131 267
- no insurance cover is available.

The product disclosure statement (PDS) for AMP Eligible Rollover Fund is issued by AMP Superannuation Limited. You can obtain a copy of the PDS by asking your financial adviser, visiting [amp.com.au/erf](http://amp.com.au/erf) or by calling us on 131 267.

If you have an account in AMP Eligible Rollover Fund you are advised to consider the PDS and to consult a financial adviser to determine how appropriate an investment in the product is to your objectives, financial situation and needs.

Contact details for AMP Eligible Rollover Fund are:

AMP Eligible Rollover Fund  
AMP Life Limited  
PO Box 300  
PARRAMATTA NSW 2124  
Phone: 131 267  
Fax: 1300 301 267

## Lost super

Small lost member accounts with a balance of less than \$6,000 will be sent to the ATO.

The ATO will pay interest on lost super reclaimed by members from the ATO at a rate equivalent to consumer price index (CPI) inflation.

All lost super member accounts are registered with the ATO. Unclaimed money is sent to the ATO and members can search for their lost super online at [ato.gov.au](http://ato.gov.au).

## Temporary residents

If you are a non-resident who has permanently left Australia and not withdrawn your super benefits within six months of your temporary visa expiring we may be required to pay your benefit to the ATO, after which you will need to apply to the ATO to claim your super.

Relying on relief from the Australian Securities and Investments Commission (ASIC), the trustee is not obliged to notify you or provide you with an exit statement where you were a temporary resident and your super benefits have been transferred to the ATO following your departure from Australia.

## Checking your employer contributions

For most employees, your employer has to contribute to superannuation for you under the superannuation guarantee rules. Requirements under some industrial awards or workplace agreement may also apply.

We consider members are in the best position to verify the amount and frequency of contributions that should be made to their super as we do not know what other super funds your employer may contribute to.

You can check the amount and frequency of contributions made to your account by referring to your annual member statement or login to your **My AMP** account online at [amp.com.au](http://amp.com.au).

## Significant event notice register available

This register provides a summary of significant event and material change notifications issued to members of the Super Directions Fund and the National Mutual Retirement Fund on behalf of N.M. Superannuation Proprietary Limited for the last two years. The register is provided for information purposes, as required by legislation. All affected members are contacted directly within the timeframe prescribed by legislation and provided with additional information, as appropriate.

You can view this online at [corporate.amp.com.au/about-amp/corporate-governance/trustee-information](http://corporate.amp.com.au/about-amp/corporate-governance/trustee-information).

## MySuper dashboard

My Super dashboard are available for the following products:

Super Directions for Business  
Super Directions for Business Rollover Section  
Simple Super, and  
Tailored Super.

Our product dashboards provide a summary of the investment performance, risk and fees for AMP's MySuper options. MySuper is a simple default investment option for people who haven't made an active choice about how their super is invested.

You can view these dashboards online at [amp.com.au/mysuper](http://amp.com.au/mysuper).

## How you can stay informed

You can stay informed about your superannuation by calling us on contact numbers listed over the page or by visiting our website [amp.com.au](http://amp.com.au).

Account balance and investment information:	<a href="http://amp.com.au">amp.com.au</a> to login or register for your online account
Investment option performance, unit prices, crediting rates and reports:	<a href="http://amp.com.au">amp.com.au</a>
Market updates:	<a href="http://amp.com.au/marketupdates">amp.com.au/marketupdates</a>
Forms:	<a href="http://amp.com.au/forms">amp.com.au/forms</a>

## Enquiries and complaints

If you need any additional information about the operation or management of your account, or if you have a concern or complaint, then please contact your financial adviser or us on the contact details below:

Product	Contact number	Address for correspondence
Super Directions Personal Super Plan Retirement Directions Allocated Pension Plan Flexible Income Plan Flexible Pension Plan Retirement Bond Personal Superannuation Bond Life Protection Superannuation Plan Life Insurance Superannuation Plan Income Insurance Superannuation Plan Conventional Superannuation Lifestyle Protection Plan Superannuation Annual Renewable Term	131 267	Customer Service Centre PO Box 14330 MELBOURNE VIC 8001
Accelerator Personal Superannuation Plan Flexipol Personal Superannuation Goldline Personal Superannuation Plan Provider Personal Retirement Plan Provider Top Up Retirement Plan Retirement Security Plan Superannuation Life Protection Plan	1300 300 798	
Super Directions for Business Super Directions for Business Rollover Section Simple Super Simple Super Rollover Plan Tailored Super Tailored Super Rollover Plan	133 056	Customer Service Centre PO Box 14669 MELBOURNE VIC 8001

Our customer service officers are available to answer your enquiries and respond to your complaints. We will try to resolve your enquiry or complaint as quickly as possible. To help us do this, please give us as much information as possible about your enquiry or complaint.

We have established procedures to deal with any complaints. If you make a complaint, we will:

- acknowledge its receipt and ensure an appropriate person properly considers the complaint, and
- respond to you as soon as we can.

If your complaint cannot be resolved at first contact, then we will keep you advised at regular intervals of the status of your complaint.

If we cannot resolve your complaint to your satisfaction or you have not had a response from us within 90 days, then you may have the right to lodge a complaint with the Australian Financial Complaints Authority (AFCA).

The AFCA scheme has replaced the Superannuation Complaints Tribunal (SCT), Financial Ombudsman Service (FOS) and Credit and Investments Ombudsman (CIO). AFCA will provide fair and independent financial services complaint resolution that is free to consumers and will accept customer complaints from **1 November 2018**.

AFCA is an independent tribunal set up by the Australian government to resolve most complaints that members, former members (or beneficiaries in relation to death benefits) have with their superannuation funds.

AFCA reviews the decisions of superannuation trustees as they affect an individual member. It is independent from us. Even so, please try to resolve your complaint directly with us before contacting AFCA.

Contact details for AFCA are:

Web: [afca.org.au](http://afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Telephone: 1800 931 678 (free call)

Mail: GPO Box 3, Melbourne VIC 3001

### Time limits on making complaints to AFCA

Time limits apply to certain complaints to AFCA. If you have a complaint, you should contact AFCA immediately to find out if a time limit applies.