

Annual report

For the financial year ending 30 June 2017
AMP Superannuation Savings Trust

SignatureSuper®
SignatureSuper Select
SignatureSuper Allocated Pension
CustomSuper®
SuperLeader®
Flexible Lifetime® – Super
Flexible Lifetime – Allocated Pension
Flexible Lifetime – Term Pension
AMP Flexible Income Plan
AMP MultiFund Flexible Income Plan
Investment Linked Superannuation Plan
Investment Linked Personal Superannuation Plan
Investment Linked Personal Superannuation Bond
Personal Superannuation Plan
Portfolio Plan
AMP Super Rollover Plan – Personal Superannuation Bond
AMP MultiFund Superannuation Bond
AMP/PAK Personal Superannuation Plan
Investment Account Superannuation Bond
Whole of Life
Endowment
Flexible Lifetime – Protection (Superannuation)
Term Life Insurance Superannuation
Yearly Renewable Term
Guaranteed Super Pension
AMP Retirement Savings Account

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Welcome

Thank you for choosing AMP to help you achieve your financial goals.

This annual report for the financial year ending 30 June 2017 will help you understand more about your super and investments. You'll find information on fund performance and management, recent developments in superannuation and an outlook on local and international markets.

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 131 267.

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This document is issued by AMP Superannuation Limited ABN 31 008 414 104, AFS Licence No. 233060, the trustee of the AMP Superannuation Savings Trust ABN 76 514 770 399.

Keep track of your super

We've made it easy to find your forgotten super by offering AMP customers a free super search which includes details of where they hold super monies. If you're interested in securing a free super report, go to amp.com.au/supersearch.

Manage your finances

The My AMP app is an easy way to keep track of your finances and manage your money anytime and anywhere. You can view your AMP portfolio and add other providers for a complete view of your banking and wealth all in one place. Download the app from the iTunes App Store or go to Google Play for Android.

Our annual report

For information on significant changes to SignatureSuper, SignatureSuper Personal, SignatureSuper Allocated Pension, CustomSuper, SuperLeader, Flexible Lifetime – Super, Flexible Lifetime – Allocated Pension and Flexible Lifetime – Term Pension that may impact your plan, please refer to the 2017 **annual product update** for your product, which you received from us. This is also available online at amp.com.au/edocs.

This annual report applies to all members of the AMP Superannuation Savings Trust.

Additional information, which forms part of this annual report, has been prepared for members of some employer plans. If your plan requires that you receive this additional information, it will be sent to you with your annual product update.

In this annual report unless specified otherwise:

- 'AMP Bank' means AMP Bank Limited (ABN 15 081 596 009, AFSL No. 234517)
- 'AMP Capital' means AMP Capital Investors Limited (ABN 59 001 777 591, AFSL No. 232497)
- 'AMP Life' means AMP Life Limited (ABN 84 079 300 379, AFSL No. 233671)
- 'we', 'us', 'our' and 'the trustee' mean AMP Superannuation Limited
- 'you', 'your' refers to the member of the plan or holder of the account
- 'fund' means the AMP Superannuation Savings Trust
- AMP Superannuation Savings Trust 'plan' refers to your plan or your account in the fund.

This annual report is issued by AMP Superannuation Limited, a wholly-owned subsidiary of AMP Limited.

No other company in the AMP group nor any of the investment managers of the investment options:

- is responsible for any statements or representations made in this annual report, or
- guarantees the performance of the trustee's obligations to members nor assumes any liability to members in connection with the fund.

Neither the trustee, any other company in the AMP group or any of the investment managers of the investment options guarantees the performance of the fund or the investment options or any particular rate of return. The repayment of capital is not guaranteed, unless expressly stated.

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.

If there is a question over how the fund should operate, we will look to the governing rules in the trust deed and the terms set out in the life policy document. The rules set out in these documents will take precedence over all other representations concerning the fund. If you have a complaint about any aspect of your plan, our internal and external dispute resolution processes are detailed in the **Other important information** section later in this report.

The year in review section is prepared based on information provided by AMP Capital. While care has been taken in the preparation of this section, AMP Capital makes no representation or warranty as to the accuracy or completeness of any statement in it, including without limitation, any forecasts. Past performance is not a reliable indicator of future performance.

The **policy committee** section in this annual report should be read together with the policy committee information in your 2017 annual member statement (if applicable).

Changes to personal details

Please let us know of any changes or corrections to your personal details. You can do this by logging into **My AMP** or calling us on 131 267.

Providing your tax file number

We are unable to accept your personal after-tax contributions (including spouse contributions made for you) if we do not have a record of your tax file number (TFN).

Also, no-TFN tax of 32% will apply to concessional contributions if we do not have your TFN. No-TFN tax is calculated and deducted at the earlier of 30 June each year and when you leave your plan. No-TFN tax may be refunded if you provide us with your TFN within four financial years from when the contribution is made.

Your latest annual member statement will show if you have supplied your TFN. If you haven't given us your TFN, you can simply let us know by:

Email: askamp@amp.com.au

Phone: 131 267

Information within this annual report covers a number of different products held within the fund. Those products are listed on the front page.

Please refer to your 2017 annual member statement if you are unsure as to which product you hold. If you have any queries regarding this please contact us on 131 267.

Fund compliance

The AMP Superannuation Savings Trust ABN 79 514 770 399 (the fund) is registered with the Australian Prudential Regulation Authority (APRA) and is a resident regulated superannuation fund within the meaning of the Superannuation Industry (Supervision) Act (SIS Act). The fund is a complying superannuation fund for the purposes of the Income Tax Assessment Act, constituted under a deed dated 1 July 1998 (as amended) (AMP Superannuation Savings Trust Deed). It is authorised to offer a MySuper product which can be accessed via SignatureSuper[®]. MySuper was introduced by the Australian government to provide a low cost and simple superannuation for members who are not actively engaged in their superannuation and have not chosen an investment option.

The fund can accept transfers and rollovers as permitted by the trust deed and rules of the AMP Superannuation Savings Trust. 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.

The Trust Deed of the AMP Superannuation Savings Trust 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 fund and/or the trustee for any kind of non-compliance during the 2016/17 year. The trustee is not aware of any matter that would cause the fund to lose its complying status and expects to continue to comply with all relevant registration.

The trustee

All the products listed on the front page are part of the fund during the period of this report. The fund is registered with the Australian Prudential Regulation Authority (APRA).

AMP Superannuation Limited (ASL) is the trustee of the fund and is a wholly-owned subsidiary of AMP Life. The trustee has been granted a licence by APRA to act as trustee of the fund.

The trustee:

- is responsible for all aspects of the operation of the fund
- is responsible for ensuring that the fund is properly administered in accordance with the trust deed and policy documents, and
- ensures that the fund complies with relevant legislation, that all members' benefits are calculated correctly and that members are kept informed of the operations of the fund.

The trustee may amend the trust deed of the fund following changes to the law or to introduce new features. The trustee can only amend the trust deed of the fund with the consent of AMP Life. For a copy of the trust deed of the fund please contact us, or download from amp.com.au/trusteedetails.

The trustee 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 relationship between the trustee and other service providers

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

Companies in the AMP group are related to us.

AMP Life

All contributions we receive and all of the fund's assets are invested in life policies issued to the trustee by AMP Life, backed by the AMP No.1 and No.2 Statutory Funds. AMP Life invests contributions received with AMP Bank, managed investment schemes operated by companies related to AMP Capital, or managed investment schemes outside the AMP group.

Some SignatureSuper employer plans, have life policies issued by other registered insurers.

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, 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.

AMP Bank

The AMP Super Cash and AMP Term Deposits (which are available under some plans) invest in banking products issued by AMP Bank Limited, trading as AMP Bank. AMP Bank manufactures, distributes and services lending products to retail customers and deposit accounts to both retail and wholesale customers. AMP Bank is a subsidiary of AMP Limited and therefore is a company related to us.

AMP Capital and AMP Bank

AMP Capital and AMP Bank have only been involved in preparing sections that apply to them.

The auditor

The trustee has appointed Ernst & Young as auditor of the fund.

The board of directors

The directors of AMP Superannuation Limited are also directors of N.M. Superannuation Proprietary 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.

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.

AMP Superannuation Limited – Board meeting attendance 12 months to 30 June 2017		
	Held while member	Attended while member
Rick Allert	5	5
Michelle Dolin	5	5
Louise Dudley	5	4
Darryl Mackay	5	5
Brian Salter	5	5

Financial information

Detailed financial information is not included in this annual report as the benefits paid to members are wholly determined by reference to life policies.

The value of total fund assets at 30 June 2017 was \$55,329,525,000.

We expect the audited accounts and auditor's report for the fund for the financial year ending 30 June 2017 to be available after 1 October 2017.

You can obtain a copy of these documents after this date by calling us on 131 267.

The assets of the fund (except for reserves and certain amounts – such as provisions for tax – which are set aside to meet the expenses) are fully allocated to the plans of members and participating employers.

Our liability to pay benefits to members (except defined benefit members) is always equal to (or less than), the assets allocated to their plans.

At the date of preparation of this report, we do not have any information that leads us to believe there has been any material change in the financial position of the fund over the reporting period for the financial year ending 30 June 2017.

Reserves

Additional information, which forms part of this annual report, has been prepared for members of some employer plans. If your plan requires that you receive this additional information, it will be sent to you.

General Purpose Reserve

A reserve was established in the fund as a result of the demutualisation of the AMP Society. The reserve, known as the General Purpose Reserve, may be used by the trustee for various expenses incurred in the administration, operation or management of the fund.

The General Purpose Reserve is invested in life policies owned by the trustee and issued by AMP Life. The following table indicates the approximate closing balances of the reserve for the financial years ending 30 June.

The reserves that were held for the former AMP Personal Superannuation Fund and the former AMP Self Employed Persons Superannuation Fund were transferred and continue in the fund on the same terms and conditions.

Closing balance as at 30 June of each year				
2013	2014	2015	2016	2017
\$ 4,319,000	\$4,384,000	\$4,383,000	\$2,678,000	\$326,000

Policy Committee Expense Reserve

The Anglican National Super plan has a Policy Committee Expense Reserve ("PCER") which has been set up to meet certain expenses (allowable by superannuation law) as agreed between the Policy Committee and the trustee. If the PCER Account balance grows to more than 0.1% of plan assets, then the trustee may distribute the excess to member accounts. The PCER Account balance will change with the addition of investment earnings. Investment earnings for the PCER Account are crystallised on 31 December each year. The PCER Account is held in the AMP Cash Plus Option. The balance of the PCER Account for the plan is:

Closing balance as at 30 June each year			
2014	2015	2016	2017
\$28,640.69	\$60,818.59	\$54,816.97	\$45,933.40

Understanding your investment

Trustee's investment objectives and strategy

The investment objective is to offer a range of investment choices to suit various members' risk return profiles depending on your account or plan. These include:

- employer-sponsored plans (including default investment options)
- individual personal plans
- investment-linked benefits with access to a range of investment choices to suit various members' risk return profiles and may include diversified and single sector investment options
- investment-linked benefits with no investment choice
- insurance and investment benefits within a Whole of Life or Endowment insurance policy
- insurance cover within a superannuation fund but no investment-linked benefits, or
- a retirement income stream.

Detailed investment strategies are implemented either through holding group superannuation policies issued by AMP Life (policies) that provide access to a range of investment options or through holding life policies issued by AMP Life that provide one of the above benefits or insurance cover for each member.

The trustee also monitors the investment performance of all investment options to ensure investment objectives are met.

Investment option aims and strategies

For details of the investment options available for each product, including their aims and strategies, please see the fact sheets (where applicable) on amp.com.au or go to **My AMP**. For the aims and strategies of closed products and investment options, please see the **investment report** on amp.com.au/edocs.

The year in review

This market/economic overview is prepared based on information provided by AMP Capital.

The 2016/17 financial year provided strong returns for diversified investors. Of course, cash and bank term deposits continued to provide poor returns and a backup in bond yields, as deflation and global growth fears faded, resulted in poor returns from bonds and investments that are sensitive to rising bond yields such as real estate investment trusts. But improving global growth and profits along with still easy monetary policy buoyed share markets with global shares continuing to outperform Australian shares. And real assets like unlisted (or direct) commercial property, infrastructure and Australian residential property continued to perform well, although there was a huge range across Australia in terms of the latter with Perth depressed and Sydney and Melbourne still booming.

What happened in the market

Global shares

Global shares performed well in 2016/17 underpinned by an improving growth and earnings backdrop, continued central bank support through easy monetary conditions and positive investor sentiment. Geopolitical risks were a lingering concern throughout 2016/17. The year was characterised by continuous speculation about policy announcements from the US Trump administration. Markets started pricing in the chance of US tax reform and infrastructure spending very early after the US election, which was later met with disappointment as healthcare reform looked uncertain and numerous staff changes to Trump's administration made investors sceptical about the ability to pass through legislation. Towards the end of the 2017 financial year, Emmanuel Macron's victory in the French Presidential election buoyed investor sentiment because of his reform-orientated policies and because it signalled less support for populist parties which is positive for European Union integration.

Australian shares

Australian shares had an overall solid year, in line with the improvement in global equities and growth along with a lift in Australian company profits, driven by resources. Apart from the improvement in resource prices (and companies as a result), many Australian businesses however are still struggling to achieve top-line growth, and are finding it difficult to reinvest in order to internally compound profits at reasonable rates of return on equity (and thus creating meaningful value appreciation for shareholders). There were also continued concerns around the risk of a property downturn, corporate loan serviceability and falling return on equity due to increased capital holding requirements. Momentum in the equity market started waning towards the end of the financial year with underlying concerns in regard to banks and their reliance on the residential property sector, as well as the treatment of banks from the federal Government (as well as some state governments) in regard to tax. The South Australia Government added to these concerns during the month by announcing its own bank tax which would be charged on top of the recent federal bank levy.

Australian bonds

Returns from Australian bonds were low as bond yields moved higher. The Reserve Bank of Australia cut the cash rate in August 2016, in an effort to lift inflation back into the central bank's 2-3% target band. However, bond yields moved higher over the financial year as global sentiment improved and lifted risk assets. But, the expectation of a continued low cash rate in Australia because of below-trend growth and low inflation helped to keep a lid on bond yields.

Global bonds

Global bonds provided a poor return in 2016/17 as bond yields lifted. Improving investor confidence along with better growth and earnings and higher US interest rates saw investors shift their portfolios into growth assets. Global bond yields remained capped by some disappointment in inflation outcomes over the year, easy monetary policy around the world and geopolitical tensions.

Australian listed property

Australian listed property had a negative year of returns as the market was driven lower by rising bond yields. There was also concern at the end of the financial year about the impact of Amazon's physical retail offering in Australia. Amazon aims to capture 25% of online sales, some 3% of total market share, by 2025, which is anticipated to represent a A\$14 billion business. Falling sales at retail mall tenants is likely to exert further downward pressure on rental levels.

Market outlook

Global shares

Shares remain vulnerable to a short term pull back given high returns recently and with risks around North Korea and central bank exit talk. But, the trend in shares is likely to be up thanks to attractive valuations against bonds, moderate global growth and rising profits and easy monetary conditions.

Australian shares

A rising trend in shares globally and low interest rates will help Australian equities to move higher. But Australian shares are likely to underperform global equities as growth is still likely to remain sub-trend and numerous risks around consumers and the property market.

Global bonds and Australian bonds

Core inflation remains low which is keeping a cap on yields. Low starting point yields and a gradual rising trend in bond yields mean low expected medium term returns. However, bonds retain their diversification value.

Australian listed property

Property and infrastructure are likely to continue benefiting from the ongoing search for yield, but rising bond yields may cap these gains. Demand for higher yield assets will wane as bond yields eventually trend higher over the medium term.

How earnings are allocated to your account

The value of your investment is reflected in your account.

Unitised options

The value of your investment in a unitised investment option is equal to the number of units held for you, multiplied by the unit price at that time. Separate unit prices are calculated for each unitised investment option. Unit prices will generally rise and fall with movements in the value of the underlying assets. AMP Life generally calculates unit prices at least once each Sydney business day.

AMP Life has processes in place to check the accuracy of unit prices. You will be compensated directly into your account for any errors equal to or greater than 0.30% that affected the value of your transaction.

If you have closed your account, AMP Life will:

- pay compensation directly into another of your AMP accounts
- if your benefit is not preserved, send you a compensation payment if the payment is above a dollar minimum set by the trustee, or
- roll the compensation into the AMP Eligible Rollover Fund.

If we are unable to contact you or the payment is below a dollar minimum, the compensation will be paid into the fund on an unallocated basis.

The trustee, acting in members' interests, and AMP Life may agree to make other adjustments, as appropriate.

Crediting rate options

Some investment options have a crediting rate instead of a unit price.

AMP Term Deposits will normally be accepted at the advertised crediting rate on the day the term deposit starts. The interest will be credited to your account either monthly or annually and/or at maturity.

For all other investment options with a crediting rate the following applies:

- the crediting rate can change at any time without notice, and
- the investment return based on the crediting rate is calculated daily and credited to your account annually or when you withdraw from the investment option.

Crediting rates information for capital guaranteed participating products

The capital guaranteed life policy issued by AMP Life is a participating policy in AMP's No.1 Statutory Fund. Participating policies are administered in accordance with the *Life Insurance Act 1995*. Under the Act, an annual profit is determined for each class of participating policies and shared between the policy owner and the life office. At least 80% of that profit must be allocated to the participating policyowner(s).

For the Retirement Savings Account Policy, 92.5% of the annual profit is allocated to the policy owner (the trustee) through the declared crediting rates and 7.5% is allocated to AMP Life.

How the crediting rates are determined

AMP Life declares crediting rates on members' accounts following an actuarial review based on:

- recent investment returns with the AMP No. 1 Statutory Fund
- an allowance for management costs, taxes, transaction and operational costs, and
- an assessment of future investment returns.

The actuarial review allows AMP Life to ensure that it can continue to fund its guarantee from its AMP No. 1 Statutory Fund reserves. AMP Life may smooth the profit distribution, holding back some profit in good years and distributing more in bad years. This is so that crediting rates are less volatile than returns the AMP No. 1 Statutory Fund experience on the underlying assets.

How the crediting rates are applied

The crediting rates that apply may depend on the size of your account balance and will apply to the total daily account balance. Interest is credited annually as at 30 June each year (or on withdrawal). Crediting rates can be 0% but will not be negative for capital guaranteed participating products, however, for some investment options the crediting rate may be negative. Any interest accrued on a member's account to date is not affected by any future changes to crediting rates.

Whole of Life and Endowment bonuses

For **Whole of Life** or **Endowment** policies, the explanation of how earnings are allocated is 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 Statutory No.1 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 bonus rates, the actuary not only considers the recent investment performance, but also likely future investment returns, estimated future rates of mortality, assumed rates of taxes, fees and other expenses. There are two types of bonuses. They are **annual bonuses** and **terminal 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 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 (ie usually on death or maturity).

Terminal bonuses

Terminal bonuses are currently paid in addition to annual bonuses on maturity, death or disability claims (where appropriate) on plans that have been in force for five years or more. Terminal bonuses are currently allotted as a percentage of attaching annual bonuses.

They are a means of passing on a greater level of capital appreciation, usually from growth oriented assets, such as equities and property. While there is still some smoothing there is a greater recognition of underlying market values, and terminal bonus rates are more volatile than annual bonuses.

Terminal bonuses are not guaranteed and may be increased or decreased at any time based on movements in underlying markets relative to policy values.

Derivatives

Derivatives can be used for many purposes, including hedging to protect an asset against market fluctuations, reducing transaction costs, achieving a desired market exposure and maintaining benchmark asset allocations. Derivatives can also be used to implement the investment objective of the investment option.

The trustee does not invest directly in derivatives for the fund. However, investment managers may use derivatives such as options, futures, swaps or forward exchange rate agreements. The use of derivatives by investment managers is permitted provided it is in accordance with the guidelines of the investment strategy, the objectives of the investment option, and the relevant risk management processes on the use of derivatives.

Securities lending

Securities lending is an arrangement where the holder of securities agrees to provide its securities to a borrower for a specified period of time and the borrower is to return equivalent securities at the end of that period, in return for a fee. The borrower is required to post collateral as security for the borrowing. The aim of securities lending is to generate positive investment returns but this is not guaranteed. There are a number of risks involved in securities lending. These include the borrower failing to repay the securities lent and failing to pay calls for collateral.

The trustee itself does not engage in securities lending. However through the Life policies the trustee holds with AMP Life, it offers a variety of investment options whose fund managers (including AMP Capital) may lend a portion of their securities as part of their investment strategy. AMP Life and AMP Capital have risk management processes in place that require each borrower to provide collateral for at least 100% of the value of the securities loaned. The costs incurred for securities lending are paid by agreement with the lending agent and/or AMP Capital whereby the lending agent and/or AMP Capital retain a portion of the gross revenue.

Changes to investment options and managers

To ensure that the range of investment options we offer continues to suit the investment needs of our investors, we regularly monitor our investment options and investment managers.

We may add, close or terminate investment options, replace or add new investment managers to an investment option, as well as change the aim and strategy, individual asset classes, and asset class benchmarks or ranges of an investment option at any time, without prior notice to you.

From time to time, the asset class allocations stated for each investment option may also be temporarily outside the stated asset class benchmark and ranges.

If an investment option is terminated, we will switch your money invested in that investment option to another investment option, which will generally be of a similar risk/return profile.

We will notify you of any material changes to the investment options or investment managers. If it is important for you to know who the individual investment managers are, you should contact your financial adviser or us on 131 267.

Additional information on investment options

Important information about AMP Secure Growth and AMP Secure Choice

AMP Secure Growth (only available in Flexible Lifetime – Super, Flexible Lifetime – Allocated Pension, Flexible Lifetime – Term Pension and AMP MultiFund Flexible Income Plan) and **AMP Secure Choice** (only available in CustomSuper) are both closed to new investors.

Members in AMP Secure Growth can transfer their investment in this option if they transfer their account to the AMP Flexible Super® Retirement Account. For these members no additional money can be invested in this option.

The AMP Secure Growth and AMP Secure Choice investment options have no unit price. Investment earnings are credited using a declared annual crediting rate. AMP Life ensures that this rate will never be negative. The crediting rates should generally show less variation than the returns experienced by a market linked investment backed by the same assets.

Interest is calculated daily and credited to your plan annually or when you withdraw from the investment option. The crediting rate can change at any time without notice.

The AMP Secure Growth and AMP Secure Choice investment options are participating policies in AMP Life's No.1 Statutory Fund. This means that the net investment returns are shared between AMP Life and the policyholders. The AMP Life share is limited to a maximum of 20% in accordance with the *Life Insurance Act 1995*.

The crediting rate for the AMP Secure Growth and AMP Secure Choice investment options will be determined after an actuarial review based on:

- recent investment returns of the AMP Life No.1 Statutory Fund which back the option, after allowance for fees, taxes and any other expenses, and
- an assessment of future investment returns.

Assurances for AMP Secure Growth in Flexible Lifetime – Super, Flexible Lifetime – Allocated Pension and AMP MultiFund Flexible Income Plan

If you only use your investment in the AMP Secure Growth investment option for the purposes of drawing pension payments (within the government set limit(s)) and never withdraw or switch out of the option, AMP Life will always pay:

- your initial investment in the AMP Secure Growth investment option
- plus any interest credited to the plan, and
- less pension payments, taxes and fees, over the term of your investment.

Also, if you die, AMP Life will always pay the full dollar balance as at the date of notification of death. The dollar balance is equal to your initial investment in this option plus interest, less pension payments, withdrawals, switches, fees and taxes.

For withdrawals and switches out we will pay the full dollar balance if you have given us 12 months' notice of your withdrawal or switch.

For this purpose, transfers between your account and either Flexible Lifetime – Allocated Pension or the AMP Flexible Super Retirement Account (including using the Pension Refresh facility) will not be considered a withdrawal or switch. That is these assurances are not affected by such transfers.

Assurances for AMP Secure Choice in CustomSuper

Investment earnings are credited as a crediting rate in much the same way as interest is credited to a savings account. The crediting rate is guaranteed never to be negative. In addition, once credited, the amount of interest earned is also guaranteed. These guarantees are provided by AMP Life and apply even though the return that the AMP Secure Choice earns on its assets may be very volatile and even negative. On withdrawal from AMP Secure Choice, AMP Life guarantees to pay 100% of a member's accumulated account balance if the member:

- ceases to be an employee of the employer
- is retired
- has died, or
- is totally and permanently disabled.

When assurances do not apply

Assurances do not apply if you give us less than 12 months' notice for a withdrawal or switch. In this case:

- we may delay payment for 12 months. We will pay the full dollar balance at that time. We may declare a crediting rate on these delayed payments which is lower than that prevailing on the AMP Secure Growth or AMP Secure Choice investment option, or
- you can close your AMP Secure Growth or AMP Secure Choice investment option immediately, but the amount we pay may be less than the dollar balance.

This provision protects members remaining in AMP Secure Growth or AMP Secure Choice if the assets (especially shares and property) backing these investment options fall in value.

Any payment will be approved by the AMP Life Board on the advice of the Appointed Actuary.

We will pay the full dollar balance if the value of the underlying assets backing the AMP Secure Growth or AMP Secure Choice investment option is more than the total of all member balances in this option.

Switching fee for AMP Secure Choice in CustomSuper

For switches out of AMP Secure Choice a 1.5% switching fee may apply. Currently this fee is being waived but it may be reintroduced at any time without notice.

Whole of Life and Endowment

Investment aim and strategy

The investment aim is to provide returns (after fees and before tax), which 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 your plan 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.

AMPAK and Investment Account Personal Superannuation Bond

Investment aim and strategy

The investment aim is to provide returns (after fees and before tax), which exceed inflation over the long 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 with a core of cash and bonds. 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 your plan are usually in the following ranges:

Shares and alternative investments	10%–30%
Property and infrastructure	0%–20%
Fixed interest and cash	50%–90%

AMP Retirement Savings Account

In AMP Retirement Savings Account, where balances are over \$2,500, the investment objective is to provide returns over the longer term exceeding those from cash with security of capital. For all account balances, returns are guaranteed by AMP Life not to be negative.

The investment strategy for AMP Retirement Savings Account is to invest in a group superannuation policy (Retirement Savings Account policy) that invests in a portfolio that is secure and has limited exposure to equities.

Other important information

Update on government legislation

Please be advised that whilst the following updates are provided by the government, not all are available or applicable to all products. For more information, please contact your financial adviser or AMP.

2016 Federal Budget measures

The 2016 Federal Budget contained a number of superannuation reforms with a start date of 1 July 2017. The reforms were covered in the 2016 and 2017 annual product updates and our product disclosure documents have been updated. The reforms are summarised as follows:

Reforms commencing on 1 July 2017:

- **Non-concessional contributions:** the non-concessional contributions cap is reduced to \$100,000 per annum and no cap is available in a year where your total superannuation balance, on 30 June in the immediate prior financial year, is \$1.6 million or more. This reform replaces the proposed lifetime cap on non-concessional contributions that was initially announced in the 2016 Federal Budget.
- **Concessional contributions:** the concessional contributions cap is reduced to \$25,000 per annum.
- **Transition to retirement:** earnings on assets backing Transition to Retirement income streams will now be taxable, in the same way that earnings from investments in the super accumulation phase are.
- **Tax deductions for personal contributions:** providing you meet the work test in relation to personal contributions, you will now be able to claim a tax deduction for them. The test requiring that an individual has to earn less than 10% of their income from employment related activities to qualify to claim a tax deduction for a personal super contribution has been removed.
- **Transfer balance cap:** Introduction of the Transfer Balance cap which limits the total amount of superannuation benefits (both accumulation and transition to retirement) that you can transfer into a retirement phase pension or income stream, where investment earnings are tax exempt. The cap is \$1.6 million for the 2017/18 financial year and is indexed.
- **Spouse contributions:** Extension of eligibility for the spouse contribution tax offset, whereby the maximum spouse contribution tax offset, of up to \$540, is available to the contributor when the receiving spouse's income is less than \$37,000 (up from \$10,800).

- **Division 293 tax:** The threshold for when Division 293 applies (the additional 15% contributions tax on high income earners) has been reduced to \$250,000.
- **Death benefits:** The anti-detriment benefit deduction on death benefit payments has been removed.
- **Death benefits:** For eligible beneficiaries, their superannuation death benefit income stream will now be able to be rolled-over to another product provider.
- **Low Income Super Tax Offset:** For low income earners, with adjusted taxable income up to \$37,000, a Low Income Super Tax Offset has been introduced, which will provide a payment to your superannuation account, an amount of up to \$500, based on the tax paid on your concessional contributions.

Reforms specifically impacting defined benefit accounts:

- **Capping the tax free income stream:** Introduction of a defined benefit income stream cap whereby 50% of income payments in excess of \$100,000 per annum will be included in the person's taxable income and taxed at their marginal tax rate. This is the alternative to the Transfer Balance Cap for defined benefit income streams.
- **Tax deductions for personal contributions:** In relation to the reform that extends the eligibility for individuals to claim tax deductions on personal contributions, the option for a trustee of a defined benefit fund to elect to not allow such tax deductions – which the trustee has made.

Reforms commencing on 1 July 2018:

- **Concessional contributions:** Ability to carry forward the portion of the concessional contributions cap not used in a year, for up to five years. In the year you make a concessional contribution that contains a carry forward unused cap portion, your total superannuation balance, on 30 June of the previous financial year, must be less than \$500,000.

Reforms from the 2016 Federal Budget that did not progress:

The following reforms were announced in the 2016 Federal budget and included in the 2016 annual product update but have subsequently not been proceeded with:

- Lifetime cap for non-concessional superannuation contributions
- Removal of work test to contribute to superannuation.

2017 Federal Budget measures

The 2017 Federal Budget also included some superannuation related measures. These are as follows:

Housing Package - First home super saver scheme – commencing 1 July 2017

From 1 July 2017, individuals can make voluntary contributions (including salary sacrifice, personal tax deductible and non-concessional contributions) of up to \$15,000 per year and \$30,000 in total, to their superannuation account to purchase a first home. These contributions, along with deemed earnings, can be withdrawn for a first home deposit from 1 July 2018. Withdrawals of concessional contributions and deemed earnings will be taxed at marginal tax rates less a 30% offset. Non-concessional contribution amounts will not be taxed when withdrawn. Voluntary contributions under this scheme must be made within existing superannuation caps.

Housing Package - Contributing the proceeds of downsizing to superannuation – commencing 1 July 2018

From 1 July 2018, people aged 65 and over will be able to make a non-concessional contribution into their superannuation of up to \$300,000 from the proceeds of selling their home. The existing voluntary contribution rules for people aged 65 and older (work test for 65-74 year olds, no contributions for those aged 75 and over) and restrictions on non-concessional contributions for people with balances above \$1.6 million will not apply to contributions made under this new special downsizing cap. This measure will apply to a principal place of residence held for a minimum of 10 years. Both members of a couple will be able to take advantage of this measure for the same home, meaning \$600,000 per couple can be contributed to superannuation through the downsizing cap. These new contributions will be in addition to any other voluntary contributions that people are able to make under the existing contribution rules and concessional and non-concessional caps. Though once the contribution is made, only individuals with remaining transfer balance cap space available can convert their contributions into a retirement phase pension account (where earnings are tax-exempt).

Increase in the Medicare levy and Medicare levy low income thresholds – commencing 1 July 2019

The government will increase the Medicare levy by half a percentage point from 2.0 to 2.5% of taxable income from 1 July 2019.

Low income earners will continue to receive relief from the Medicare levy through the low income thresholds for singles, families, seniors and pensioners, however these will be increased from the 2016/17 income year.

Other Government legislated changes

Superannuation Guarantee (SG) rate – no change

As communicated in 2014, the SG rate increased from 9.25% to 9.5% from 1 July 2014. The rate will remain at this level until 30 June 2021, and will then increase by 0.5% each year until it reaches 12% from 1 July 2025.

Employer contributions – SuperStream

Under SuperStream employers must make super contributions electronically. The contribution data is sent electronically to the super fund and the contribution payment is sent electronically through the banking system.

Your employer will require the unique superannuation identifier (USI) to make contributions on your behalf which comply with the standard. The specific USI information for your product is available on amp.com.au/usi.

This is for your information only and does not require any action.

Pension payments

If you receive a pension, we are required by law to pay you a minimum proportion of your account as pension payments each financial year.

As at 1 July 2017 the following minimum amounts will apply:

Your age at 1 July 2017	Minimum legislated pension amount (% of account)
Under 65	4.0
65 to 74	5.0
75 to 79	6.0
80 to 84	7.0
85 to 89	9.0
90 to 94	11.0
95 or older	14.0

Super thresholds for the 2017/2018 financial year

The following super and taxation threshold amounts apply during the 2017/2018 financial year. Please refer to your relevant product disclosure statement (PDS) and fact sheets for an explanation of each of these thresholds.

Threshold	From 1 July 2017
Standard concessional contributions cap (per annum)	\$25,000
Non-concessional contributions cap:	
– Standard (per annum) ⁽ⁱ⁾	\$100,000
– Bring forward (over 3 years) before age 65 ⁽ⁱⁱ⁾	\$300,000
SG maximum contribution base (per quarter)	\$52,760
Government co-contribution⁽ⁱⁱⁱ⁾ (per annum)	
– Lower income threshold	\$36,813
– Higher income threshold	\$51,813
Tax free part of bona fide redundancy and approved early retirement scheme payments (per payment)	
– Base limit	\$10,155
– Plus for each completed year of service	\$5,078
Low rate cap amount (lifetime limit)	\$200,000
(previously known as post June 1983 low tax threshold) Applies to the taxable component of taxed super fund benefits for members aged 55-59	
Untaxed plan cap amount	\$1,445,000
Applies to the taxable component of untaxed super fund benefits	
Employment termination payment cap (ETP) (per annum)	\$200,000
Capital gains tax (CGT) cap amount (lifetime limit)	\$1,445,000
Transfer balance caps	\$1,600,000
Defined Benefit income stream cap	\$100,000
Maximum adjusted taxable income for the full Government Low Income super tax offset	\$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.

(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.

Insurance update

As a result of market feedback and industry obligations, in the 12 months prior to June 2017, a number of enhancements and changes have been made to AMP's insurance offers. These changes are summarised below:

Date	Product update	Description	Products impacted
19 November 2016	Medical definitions update	<p>TPD insurance pays a lump sum where the insured person becomes totally and permanently disabled. We waive the 3 month qualifying period if the insured person is diagnosed with a specified condition. This is known as the Day 1 TPD Benefit.</p> <p>Effective 19 November 2016, TPD insurance plans and options will benefit from updated medical definitions under the Day 1 TPD benefit for:</p> <ul style="list-style-type: none"> – Alzheimer's disease and other dementias – Multiple sclerosis – Severe rheumatoid arthritis <p>The updated definitions are set out below.</p> <p><u>Alzheimer's disease and other dementias</u></p> <p>Alzheimer's disease and other dementias means an unequivocal clinical diagnosis of dementia (including Alzheimer's disease) by an appropriate medical specialist resulting in significant cognitive impairment.</p> <p>Significant cognitive impairment means a deterioration in the Life Insured's Mini-Mental State Examination scores to 24 or less.</p> <p><u>Multiple sclerosis</u></p> <p>Multiple sclerosis means the unequivocal diagnosis of multiple sclerosis confirmed by a consultant neurologist where there has been more than one episode of neurological deficit with persisting neurological abnormalities.</p> <p><u>Severe rheumatoid arthritis</u></p> <p>Severe rheumatoid arthritis means the unequivocal diagnosis of severe rheumatoid arthritis by a rheumatologist. To fulfil the criteria for severe rheumatoid arthritis there must be:</p> <ul style="list-style-type: none"> – diagnosis of Rheumatoid Arthritis as specified by the 2010 Rheumatoid Arthritis Classification Criteria¹, and – unresponsive to treatment for at least 9 months with disease-modifying antirheumatic drugs and biologic agents, and – symptoms and signs of persistent inflammation (swelling and tenderness) of multiple joints, and – due to rheumatoid arthritis, the insured must permanently satisfy two of the following criteria: <ul style="list-style-type: none"> – Dexterity – The inability to use hands and fingers to pick up and manipulate small objects such as cutlery, including being unable to write using a pen or pencil. – Lifting – The inability to lift, carry or otherwise move everyday objects by hand. Everyday objects include a kettle of water, a bag of shopping, an overnight bag or briefcase. – Bending – The inability to bend or kneel to pick up something from the floor and stand up again and the inability to get into and out of a standard car. – Mobility – The inability to walk a distance of 200 metres on flat ground, with or without the aid of a walking stick and without having to rest or experiencing severe discomfort. 	<ul style="list-style-type: none"> – Flexible Lifetime Protection (Superannuation) – Flexible Lifetime[®] – Super – Term life insurance – Whole of Life, Endowment
29 April 2017	Repricing	<p>To ensure we keep our customers protected with the highest quality products, we undertake regular reviews of premium rates. Flexible Lifetime – Protection premium rates were changed on 1 May 2017 with individual policy changes effective on plan anniversaries. Premium rate changes included both increases and reductions and are notified through annual renewal notices.</p>	<ul style="list-style-type: none"> – Flexible Lifetime Protection (Superannuation)

1 American College of Rheumatology and European League Against Rheumatism

Stronger Super Levy removed

SignatureSuper Allocated Pension
Flexible Lifetime – Allocated Pension
Flexible Lifetime – Term Pension

As part of the Stronger Super program, the government charged all superannuation trustees a levy to help fund the costs of these regulatory changes. In 2013, we announced that we would recover some of the costs associated by increasing the charges for our superannuation and pension customers.

The annual plan fee was temporarily increased from November 2013 by 0.01% pa. From 1 June 2017, we have removed this temporary Stronger Super fee for these products.

The temporary fee was removed because the Stronger Super costs allocated to these products had been recouped ahead of schedule. All impacted members are notified of the change on their annual statements detailing the fee reduction.

Transfers 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 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 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 \$6000 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.

Policy committee

Members of employer plans in SignatureSuper, CustomSuper, SuperLeader, Flexible Lifetime - Super and AMP Retirement Savings Account only

An employer-sponsored plan may have a policy committee. The role of the policy committee is to help a member or employer of the plan enquire about the investment strategy, performance and operation of the fund. The policy committee may also assist the trustee to obtain the views of members on these issues and in dealing with any enquiry or complaint.

We are required to take all reasonable steps to set up a policy committee where:

- an employer has 50 or more employee members, or
- an employer has at least five but less than 50 employee members and the trustee has received a written request to do so on behalf of at least five of those employee members.

There must be equal numbers of employer and member representatives on the policy committee. Employer representatives are appointed or removed by the employer. Employer representatives can also be removed as a result of specific events under superannuation law. Member representatives are generally elected and removed by members except when they are removed as a result of specific events under superannuation law (for example, when a member representative resigns from their appointment as a member representative).

Details of the policy committee arrangements (if any) for your plan are shown on your annual member statement.

For more details of the policy committee arrangements (if any) for the plan, including obtaining a free copy of our guide **how to set up a policy committee**, please contact us on 131 267.

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 online account at 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 AMP Superannuation Savings Trust on behalf of AMP Superannuation 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 amp.com.au/trusteedetails.

MySuper dashboards

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.

How you can stay informed

You can stay informed about your superannuation by calling us on 131 267 or by visiting our website amp.com.au.

- **Account balance and investment information:** amp.com.au to login or register for your online account
- **Investment option performance, unit prices, crediting rates and reports:** amp.com.au
- **Market updates:** amp.com.au/marketupdates
- **Forms:** amp.com.au/forms

Enquiries and complaints process

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 contact us on 131 267.

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 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 Superannuation Complaints Tribunal (SCT).

The SCT 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.

The SCT 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 the SCT.

Contact details for the SCT are:

Phone: 1300 884 114 Mon to Fri 9am - 5pm AEST
Web: www.sct.gov.au
Email: info@sct.gov.au
Mail: Locked Bag 3060, MELBOURNE VIC 3001

Time limits on making complaints to the SCT

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

Contact us

phone 131 267
fax 1300 301 267
web amp.com.au
email askamp@amp.com.au
mail AMP Customer Service
AMP Life Limited
PO Box 300
PARRAMATTA NSW 2124

AMP Superannuation Limited
Level 24, 33 Alfred Street, Sydney NSW 2000