

# Important changes to your super

from 1 July 2015

Qantas Super is run entirely for the benefit of members – we do not profit from our members.

To meet rising costs, from 1 July 2015, we will be increasing the administration fees deducted from your super account (including the administration fee cap).

The cost of your Standard Cover for temporary disablement and any Voluntary Cover you may have with Qantas Super is also increasing from 1 July 2015. (There is no change to the cost of Standard Cover for death and total and permanent disablement (TPD). We're changing the timing of when certain deductions are made from your account and introducing a new retained benefits offer. We're also working on an enhanced retirement solution and enabling members to choose more than one investment option at a time. For more information, please read the information below and the May 2015 *Super Update* that came with this notice.

## Changes to fees\*

An administration fee is deducted from your super account balance to cover the cost of administering your account. From 1 July 2015, we'll be increasing the administration fee and the annual cap on this fee to meet increasing costs. The administration fee was last increased in July 2013 and the new fees have been set to meet expected expenses for the next three years.

The APRA fee component of your administration fee, which is a contribution towards a compulsory levy paid to APRA<sup>1</sup>, will remain unchanged. The APRA fee was actually reduced from 0.03% pa to 0.02% pa of your account balance effective from 1 July 2014.

From 1 July 2015, administration fees will be deducted from your super account monthly in arrears or when you leave Qantas Super. For more information, please read the May 2015 *Super Update* that came with this notice

	Administration fee before 1 July 2015	Administration fee from 1 July 2015
What the fee covers	The fee covers the administration costs of Qantas Super, including the cost of a levy paid by all regulated super funds to APRA <sup>1</sup>	The fee covers the administration costs of Qantas Super, including the cost of a levy paid by all regulated super funds to APRA <sup>1</sup>
Amount you pay	<b>0.30% pa<sup>2</sup></b> of your Superannuation Salary <sup>3</sup> <i>plus</i> <b>0.02% pa<sup>4</sup></b> of your account balance (APRA fee)	<b>0.34% pa<sup>2</sup></b> of your Superannuation Salary <sup>3</sup> <i>plus</i> <b>0.02% pa<sup>4</sup></b> of your account balance (APRA fee)
Annual cap	An annual cap of <b>\$1,100</b> applies to your administration fee (excluding the APRA fee)	An annual cap of <b>\$1,200</b> will apply to your administration fee (excluding the APRA fee)

<sup>1</sup> APRA means the Australian Prudential and Regulation Authority. APRA is the government body responsible for supervising the superannuation sector and to fund the costs of this supervision, APRA collects a compulsory levy from all regulated super funds.

<sup>2</sup> This part of your administration fee is capped. On 1 July 2015, this cap will increase to \$1,200.

<sup>3</sup> Superannuation Salary is generally your annual basic rate of salary (full-time equivalent) as advised by your employer and determined under the Qantas Super Trust Deed.

<sup>4</sup> The rate of 0.02% pa may change over time. We will notify you of any changes as required by law.

\* Fees are inclusive of any applicable GST payable by Qantas Super.



### What you need to do

Please read and keep this document as it sets out material changes being made to your super, reasons for the changes and how the changes will impact you. The changes will automatically apply to your super from 1 July 2015.

## Changes to insurance premiums

The rising costs faced by insurers has resulted in an increase in the cost of Qantas Super offering income protection (total but temporary disablement) benefits for our members. Standard Cover for income protection in Division 6 provides replacement income (at 75% of your Superannuation Salary) to members who are temporarily unable to work for short periods of time due to sickness or injury.

Over the last five years Qantas Super has supported nearly 600 members with replacement income while they were temporarily unable to work, at a cost of more than \$20 million dollars.

Due to the cost of providing this important benefit for members, from 1 July 2015 the premiums deducted from your account for your Standard Cover for income protection will increase.



There is no change to premiums for your Standard Cover for death and total and permanent disablement (TPD). However, if you have Voluntary Cover for death only or death and TPD, premiums for this Voluntary Cover will also be increasing from 1 July 2015. Please read the May 2015 *Super Update* that came with this notice for the new premium rates that will apply for Voluntary Cover.

	Premium before 1 July 2015	Premium from 1 July 2015
Annual premium for every \$1,000 of Standard Cover you have for income protection.	\$1.85*	\$7.63*

\* Inclusive of stamp duty.

## Contact us



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The information in this document is of a general nature and is not intended to constitute personal financial product advice as it has not been prepared taking account of your objectives, financial situation or needs. The Trustee recommends that before acting on any information contained in this document, you consider its appropriateness and seek financial advice tailored to your personal circumstances from a licensed financial adviser.

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