

## PROTECTING YOUR SUPER

The *Protecting Your Super* legislation comes into effect on 1 July 2019 and introduces a number of changes that have been designed to protect superannuation savings from unnecessary erosion by fees and insurance costs.

The following table explains the changes and how they may apply to you.

WHAT IS CHANGING	HOW THIS CHANGE MAY APPLY TO YOU
<b>INACTIVE ACCOUNTS</b>	
<b>Insurance cover ceases on inactive accounts unless an election is made</b>	<p>From 1 July 2019, insurance cover will cease where the member has had no contributions for 16 months. The inactivity period is retrospective and includes any continuous period of inactivity where no contributions are received <b>prior</b> to 1 July 2019.</p> <p>Where an account has been inactive for 9, 12 and 15 months, we will advise the member and provide an 'Insurance Election Form' so that they may elect to continue with their insurance cover even if their account is inactive for a period of 16 months. The 'Insurance Election Form' is a permanent election that applies to continue insurance cover if the account is or becomes inactive.</p> <p>Where premiums have been paid for a period of insurance cover, the member's right to be covered is not affected until the end of that period.</p>
<b>Inactive low-balance accounts transferred to the Australian Taxation Office (ATO)</b>	<p>From 1 July 2019, inactive accounts with a balance of less than \$6,000 will be transferred to the ATO. This applies to accounts where the member has had no contributions for 16 months and where the member has NOT:</p> <ul style="list-style-type: none"> <li>• made changes to their investment option(s);</li> <li>• made changes to their insurance cover;</li> <li>• made or amended a binding beneficiary nomination; or</li> <li>• given notice that the account is not to be treated as an inactive low-balance account. This notice is valid for 16 months only.</li> </ul>
<b>FEE CAP ON LOW BALANCES</b>	
<b>Fee cap on low balances</b>	<p>From 1 July 2019, the total amount of administration fees, investment fees and prescribed costs that can be charged annually are 3% of the balance of the account held by the member, where the balance of the account is less than \$6,000 at the end of the income year or at the time of account closure.</p> <p>If the total amount of fees charged to your account are determined to be in excess of 3%, a refund of the fees above 3% will be credited to your account.</p>

Perpetual's Select Superannuation Fund (ABN 51 068 260 563 RSE R1057034) (Fund) includes Perpetual Select Super Plan (Super Plan), Perpetual Select Pension Plan (Pension Plan) and Perpetual MySuper (MySuper). Insurance offered through the Super Plan and MySuper is issued by AIA Australia Limited (the Insurer) ABN 79 004 837 861 AFSL 230043 and is administered by Perpetual Superannuation Limited (PSL) ABN 84 008 416 831, AFSL 225246, RSE L0003315 as the trustee of the Fund. All of the insurance cover offered by the Super Plan and MySuper is provided under and is subject to the terms and conditions in the relevant Policy Document. While every effort has been made to ensure that the information contained in this document is accurate, the terms and conditions in the relevant Policy Document will prevail to the extent that they are inconsistent with the information contained in this document. You are able to obtain a copy of the relevant Policy Document for your insurance by contacting us on 1800 003 001.

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