

Redundancy and your future



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Redundancy – the next steps

If your role is made redundant it can be an uncertain time, raising issues and questions about the future and, particularly, your financial security.

While we can't make those issues go away, we can give you the information, support and advice to help you find the answers. This can give you the reassurance you need to confidently plan your future and clarify your immediate, medium and long-term objectives.

What redundancy means for your super is one question we can confidently answer – you can stay a TelstraSuper member for life.

This means you can keep the many benefits that being a member of Australia's largest corporate fund provides:

- strong investment performance
- a broad range of investment choices to meet your needs
- sound insurance cover
- competitive fees
- support and advice.

We can help

A key benefit of your TelstraSuper membership is access to a team of professional financial advisers who can help you set up your finances for your future.

See page 10 to find out more.

What to consider

There are a number of issues to consider when facing redundancy. Some of these will require immediate attention, while others can wait for a while. Don't feel you need to rush into making decisions - gather information, do your research, talk to the TelstraSuper Financial Planning advisers, take your time and make sure you make the right choices for you.

We're here to help guide you through this time. Your employer will also provide support in certain areas, as will Centrelink.





When we can help





The table on the next page explains where we can provide assistance.

Everyone's situation is different. You might want to give us a call when you first hear of the possibility of redundancy, and again when you know how you'll be affected. By then you'll have the details of your payments. Whenever you choose to contact us, rest assured we'll be here to help. Call us on **1300 033 166**. Visit **telstrasuper.com.au** for useful information and resources.

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Issues to consider and how we can help

Issue		Consider	How we can help
	Payments	Understand your Employment Termination Payment - how it's made up and the tax implications.	<p>Check the details at telstrasuper.com.au</p> <p>Call us and we'll explain the components - redundancy payment, annual leave and long service leave - they're taxed in different ways.</p>
	Budget and cashflow	<p>Work out your cashflow and carefully plan your budget.</p> <p>Stay financially flexible as you consider your next steps.</p>	<p>Check out the budget planner at www.moneysmart.gov.au</p> <p>We can help you review your budget, set objectives and tailor it to your current and future situation.</p>
	Debt	Work out the full picture of what you owe - mortgage, car loan, personal loans, credit card debt.	We can help you understand your debt position and, if needed, help you develop strategies to better manage your debt.
	Superannuation	Your super will be automatically transferred to <i>TelstraSuper Personal Plus</i> . We'll send you a Welcome Kit with your new product and insurance details. You'll keep the same member number and online account login.	You can stay with TelstraSuper for life. We can explain the different options, including income streams, to determine what's best for your needs.

Issue		Consider	How we can help
	Insurance	Your previous level of base Death and Total & Permanent Disablement insurance will transfer to <i>TelstraSuper Personal Plus</i> . Premiums will be deducted from your account at the end of each quarter. If you had income protection cover, it will also transfer across and will be maintained when you provide details of your salary, occupation and Super Guarantee contributions from your new employer. See page 6 for further details.	Review your insurance needs to make sure you have the right cover to protect you and your family into the future. Visit telstrasuper.com.au for more information on how to assess your needs and use our insurance calculator to determine the cost.
	Future employment	Centrelink offers job search programs – visit www.humanservices.gov.au	Check if your employer offers assistance such as outplacement programs and help in finding a new job. Remember, if you decide to keep working, your future super contributions can be paid into your TelstraSuper account.
	Centrelink entitlements	Check if you're entitled to any Centrelink payments such as the Newstart Allowance at www.humanservices.gov.au Be aware that your redundancy payment may impact any Centrelink payments you currently receive.	We can explain your entitlements, any waiting periods and help you apply.
	Retirement	You might be ready to retire but it's important to consider the funds you'll need, your eligibility for Centrelink entitlements, such as the age pension, and retirement income stream options.	We can help you understand your options to create a sustainable retirement income.

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Your super - what will change

TelstraSuper is your fund for life.

- You can stay with TelstraSuper no matter where you work and into retirement. Your super balance will automatically be transferred to *TelstraSuper Personal Plus*. Regardless of what organisation you work for or what your future new job may be, we can accept contributions from your new employer.
- There may be some changes to any insurance cover you hold within your TelstraSuper account.
- If you're currently in the Defined Benefit fund you'll need to make some investment choices.

What you need to do

Exactly how your super will change depends on the membership category. You may have already received a letter from us or, if not, you will soon. The letter explains what will happen to your super and how we can help.

You may not need to do anything about your super now but there will be some actions concerning insurance cover and investment choices you'll need to take.

Q&As

Visit telstrasuper.com.au for answers to frequently asked questions about redundancy.

What you need to know

Your super will automatically be transferred to our personal super product, *TelstraSuper Personal Plus*.

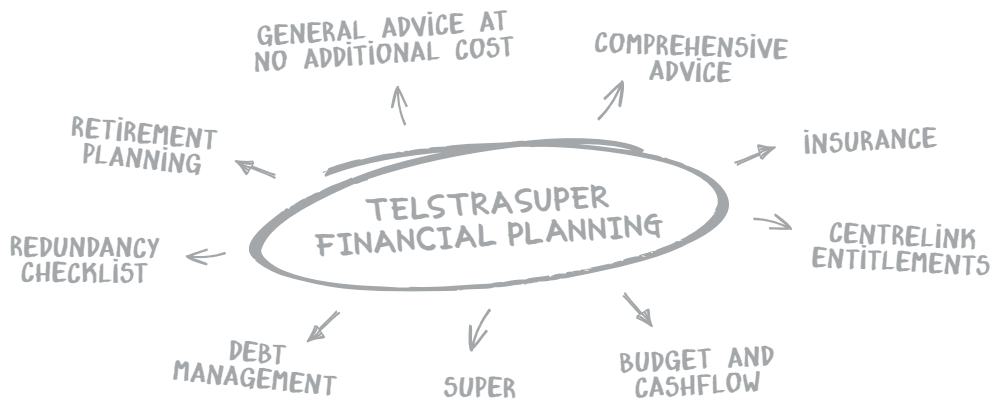
If you're currently a member of *TelstraSuper Corporate Plus* this is what will happen:

Insurance

If you have insurance cover within your TelstraSuper account, your current base level Death and Total & Permanent Disablement (TPD) insurance will transfer across to your *TelstraSuper Personal Plus* account and be split between age-based cover and top-up cover to the same total value. Premiums are payable for this cover and will be deducted from your account quarterly. You can opt-out of the cover within 30 days of receiving your *TelstraSuper Personal Plus* welcome letter. If this occurs, your insurance cover will be cancelled and you will not pay any premiums.

You can also reduce your level of cover if you wish.

If you have Income Protection insurance this will also transfer to your *TelstraSuper Personal Plus* account.



To retain your cover you'll need to provide us with a Superannuation Guarantee (SG) contribution from your new employer, along with details of your new salary and occupation, using the **Continuing Income Protection TelstraSuper Personal Plus** form within 120 days of leaving your previous employer. You should be aware that you won't be covered by your Income Protection insurance if you're unemployed.

A change of jobs can be a good time to review your insurance needs and make sure you have the right amount of cover to protect yourself and your family.

Visit telstrasuper.com.au for information on assessing your insurance needs and use our insurance premium and cover calculator to determine the cost. Or give us a call and we can help you work it out.

Investments

Your current investment choice will automatically transfer to your *TelstraSuper Personal Plus* account.

If you're currently a member of *TelstraSuper Division 2, TelstraSuper Division 5* or *Sensis Super Plus Defined Benefit* this is what will happen:

Insurance

Your current base level Death & TPD insurance will transfer to your *TelstraSuper Personal Plus* account and be split between age-based cover and top-up cover to the same total value. Premiums are payable and will be deducted from your account quarterly. You can opt-out of this cover within 30 days of receiving your *TelstraSuper Personal Plus* welcome letter and not incur premiums. You can also reduce your level of cover if you wish.

If you're in *TelstraSuper Division 2*:

You can apply for Income Protection cover in your new *TelstraSuper Personal Plus* account if you're continuously employed and working at least 15 hours per week.

If you're in *TelstraSuper Division 5* or *Sensis Super Plus Defined Benefit*:

Your Income Protection cover will also transfer across to your *TelstraSuper Personal Plus* account. To retain your cover you'll need to provide a SG contribution from your new employer, along with details of your new salary and occupation, using the **Continuing Income Protection TelstraSuper Personal Plus** form within 120 days of leaving your previous employer. You should be aware that you won't be covered by your Income Protection insurance if you're unemployed.

A change of jobs can be a good time to review your insurance needs and make sure you have the right amount of cover to protect yourself and your family. Visit **telstrasuper.com.au** for information on assessing your insurance needs and our insurance premium and cover calculator to determine the cost. Or give us a call and we can help you work it out.

Investment choice

If you have a Voluntary Accumulation Account (VAA), your balance will transfer to your *TelstraSuper Personal Plus* account and continue to be invested in the same option(s) as it was before.

Your defined benefit balance will also transfer to your *TelstraSuper Personal Plus* account and will be invested in the Cash option for the first 90 days, unless you've already made an investment choice. If after 90 days you haven't made a choice, your defined benefit balance will be automatically moved into the same investment option(s) you chose for your VAA or into the relevant TelstraSuper MySuper investment strategy for your age (if you didn't have a VAA).

It's important to make sure you make the right investment choices for your personal situation. We can help guide you through your options.

Access to your super

Under superannuation legislation, most of your super is preserved until you reach your preservation age, which will be between 56 and 60, depending on when you were born, and have permanently retired from gainful employment. You can check your preservation age at **telstrasuper.com.au**

The preserved part of your super benefit will generally represent what your employer has paid (including any pre-tax contributions made as part of your salary package). Since 1 July 1999, all contributions, including investment earnings, are preserved. From 1 July 2004, all Employer Termination Payments are also preserved.

Depending on how long you've been working and contributing to your super, you may also have some unrestricted non-preserved benefits available, which can be accessed at any time.

If you change employers, any restricted non-preserved benefits you may have become unrestricted non-preserved and can be accessed.

Although you can access these benefits, there may be tax implications. You should carefully consider the consequences of withdrawing these benefits.

In limited circumstances, on the grounds of severe financial hardship, and certain compassionate grounds, you may be able to withdraw your preserved benefits.

Visit **telstrasuper.com.au** for information on financial hardship release and visit www.humanservices.gov.au for information on compassionate grounds release.

We can help you understand your entitlements and the implications of accessing your benefits.

Direct your new employer contributions to TelstraSuper

If you decide to keep working, simply provide your new employer with a **Super Choice** form, available from our website, so they can contribute to your *TelstraSuper Personal Plus* account. You can even print the form or email it straight to your employer.

Keeping all of your super with TelstraSuper means your entire super balance can benefit from our strong investment returns and competitive fees. It also helps you avoid paying multiple fees for multiple super accounts or losing track of any of your accounts.

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Advice – how we can help

Did you know that advice about your TelstraSuper account is available over the phone from TelstraSuper Financial Planning at no additional cost as part of your membership? Simply call 1300 033 166 to talk to an adviser who is an expert in TelstraSuper's products.

TelstraSuper Financial Planning provides two advice services to help you achieve a financially secure future.

Simple advice

TelstraSuper Financial Planning provides general and simple personal advice about your TelstraSuper account over the phone.

Simple personal advice includes advice about making contributions, investment choice and insurance cover within TelstraSuper.

Getting the right advice at this time can make a real difference to your financial future.

While the prospect of redundancy can make you focus on decisions you need to make immediately, talking to an adviser from TelstraSuper Financial Planning can help you look to and plan for the future.

Comprehensive advice

TelstraSuper Financial Planning provides comprehensive personal advice about your TelstraSuper account, superannuation and other authorised financial products on a broad range of topics including:

- your investment options (including TelstraSuper's Direct Access option)
- defined benefit accounts (including TelstraSuper's defined benefit accounts)
- super consolidation
- life insurance products
- annuities and income streams
- investment bonds
- retirement planning
- retirement adequacy
- social security strategies
- wealth accumulation

Importantly, it can also give you the support you may need to help you avoid making any costly mistakes during a period of uncertainty.

The experienced advisers at TelstraSuper Financial Planning can discuss the many aspects that are important if you're facing redundancy, from helping you understand the tax implications to reviewing your insurance cover to ensure it continues to meet your needs.

Accessing advice

General and simple personal advice about your TelstraSuper account is available over the phone at no additional cost as part of your membership.

Comprehensive personal advice is available on a one-off basis or as part of an ongoing advice service in a face to face appointment or by video chat.

An ongoing advice service includes regular proactive contact and meetings with a dedicated adviser to help ensure that your financial plan remains relevant and appropriate as your personal circumstances change.

An advice fee is payable for all comprehensive personal advice.

One-off advice

The advice fee for one-off comprehensive personal advice ranges from \$550 to \$2,500 (plus GST) where applicable depending on the nature and complexity of the advice required.

Ongoing advice service

TelstraSuper Financial Planning provides two ongoing advice services:

TelstraSuper Financial Planning Super on Track	\$1,400 p.a. (plus GST where applicable)
TelstraSuper Financial Planning Life on Track	\$2,200 p.a. (plus GST where applicable)

If the personal advice you receive relates to superannuation, the advice fee (or part of it) may be able to be deducted from your TelstraSuper account. In all other cases, the advice fee is payable to TelstraSuper Financial Planning directly by you.

The initial meeting with an adviser is about understanding what your advice needs are and is an opportunity for you to decide whether you'd like to proceed with a financial plan that is tailored to your relevant personal circumstances.

The adviser will inform you of the advice fee payable to obtain comprehensive personal advice and seek your consent to proceed before preparing your financial plan.

TelstraSuper Financial Planning operates on a fee-for-service basis and does not receive or pay commissions or other benefits which may influence the advice provided to you.

For further information about the advice services offered by TelstraSuper Financial Planning please see their Financial Services Guide available at telstrasuper.com.au/fsg or call 1300 033 166.



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