SUPER NEWS

AMISTSUPER
AUSTRALIAN MEAT INDUSTRY SUPERANNUATION TRUST

SEPTEMBER 2011

Weekly crediting rates introduced from March 2011

Prior to March 2011, earnings on your investments were calculated using **monthly** crediting rates. This meant that if you received a benefit payment or made a switch between investment options, the earnings were based on the last available set of crediting rates. But because monthly crediting rates were often declared three weeks after the end of the month, they did not always reflect the current investment performance of the fund.

From March this year, however, the Trustee has moved to declaring crediting rates on a weekly basis, providing a much more current view of investment performance. So now, if you make a withdrawal from the fund, switch your balance between investment options or simply want to know the balance of your account, the earnings will be more closely aligned with current market movements and investment performance.

For more information on crediting rates, visit our website at **www.amist.com.au /inv_ weekly.html** or call the **AMIST Super Hotline** for details and a fact sheet.

BPAY personal contribution campaign a huge success

Over the past six months, AMIST Super has run a campaign designed to encourage members to boost their super savings while taking advantage of the Government Co-contribution scheme.

The way the co-contribution scheme works is that if a member is eligible and makes a personal, after-tax contribution to their super account before 30 June, the Government may match the contribution dollar for dollar up to the value of $1,000. It's a great way to help your super grow and get assistance from the Government at the same time.

For the year ending 30 June 2011, AMIST Super and BPAY teamed up to offer a prize draw for members who made a personal after-tax contribution via BPAY by 30 June.

Many AMIST Super members clearly saw the value in making these personal contributions.

John Neilson with his prize from AMIST Super'.

The prize was won by John Neilson of Templestowe in Victoria, who made a BPAY contribution to his AMIST Super account in May. Our congratulations go to John for his win.

Many employees in the meat industry easily qualify for the Government Co-contributions scheme. All members should see if they do too by downloading a fact sheet from our website. It's money for nothing, after all, and it's available every year.

Income Protection

The insurance that keeps on giving, just when you need it.

Last year, AMIST Super introduced automatic Income Protection insurance for all members, with no questions asked. And since then, it has proven a real lifesaver for quite a few members.

Remember Jordan Saufoi who featured in the last issue of *AMIST Super News*? To recap, Jordan sustained a multiple break of his left ankle in December last year on his way home from footy. The injury required pinning, which meant Jordan was off work until mid-April 2011. Once past his 30 day waiting period, Jordan's Income Protection cover kicked in giving him a before tax income of $2,000 per month to live on while he recovered.

Jordan Saufoi

But when he returned to work, the ankle continued to give him grief, so he went back to the doctor. An x-ray revealed that the pins were not sitting correctly, so poor old Jordan went back into hospital for another round of surgery and another six weeks off work.

As soon as this happened, Jordan's Income Protection payments started once again and continued until he was able to return to work.

Because Jordan had not even been back at work a month, there was no further 30 day waiting

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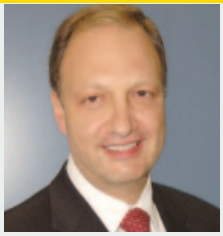
Hop on the web!

For all the latest information about AMIST Super, log onto www.amist.com.au. Get the latest news and results, view fact sheets and download forms. It's all there to make your super easier to understand.

www.amist.com.au

From the CEO



As you will see from your statement, your investments have performed well for the year ended 30 June 2011. However we entered 2011 with Queensland experiencing severe weather conditions, a horrendous earthquake in Japan and more recently, an unprecedented downgrading of the US debt. The volatility in the financial markets make it easy to focus on the daily changes in prices and worry about their effects.

The financial markets often behave as if they were filled with 'animal spirit', and at times the prices shown are far away from 'fair value'. Our portfolios are positioned for long term growth, and often, when everyone is losing their heads, the opportunities come up for those that are patient and long term investors. Superannuation is a long term investment and most of our portfolios invest not just in shares, but also in Australian Offices and Shopping Centres, Australian Government bonds, in Cash and other securities.

So, regardless of this short-term potholes in our economy and in the financial markets, our investment portfolios have showed their resilience in the past, and we believe they are positioned to show resilience in the future.

As long as we appreciate that 'animal spirits' sometimes take over…

Since the last edition of *AMIST Super News*, there have been some significant new developments here at AMIST Super. First, our Pension product has just been named as one of the top ten for outstanding value by independent financial research firm Canstar Cannex. This is great news and a further endorsement of our aim to look after our members not only through their working lives but in retirement as well.

In keeping with our drive to make our member statement packs more relevant to the individual, we have again provided tailored, age-specific information. This information provides helpful hints on how to grow super as well as ways to protect the ongoing financial security of members and their families. Naturally, if you have any questions about the information provided, please call the AMIST Super Hotline. You may also wish to take advantage of our telephone financial advice service which is now provided by our newly appointed in-house financial planner, David Sengchansavang.

In the next few months, we will be conducting telephone research amongst our members to establish your level of satisfaction with AMIST Super. We do this periodically so that we can receive feedback and constructive criticism about the ways in which we interact with you and develop processes to improve our level of service. We look forward to receiving your views.

Finally, in recognition of the fact that a good proportion of our members are not of English speaking backgrounds, we have commenced a process of publishing key fund information in foreign languages. The first of these documents is our fact sheet on Income Protection insurance which is now available in Chinese, Portuguese, Vietnamese, Urdu and Korean.

Until next time…

John Livanas | Chief Executive Officer

Need some advice? Call David S.

AMIST Super has recently appointed David Sengchansavang of Money Solutions as our permanent in-house telephone advice specialist.

David is an experienced adviser with an Advanced Diploma in Financial Services (Financial Planning). He has worked at Money Solutions since 2007 and recently joined AMIST Super as the Fund's dedicated Personal Money Coach.

David is available to give members advice on any area of super over the phone. So if you have questions about making extra contributions, consolidating your super, retirement options or you want investment or insurance advice, David can help you.

"What I like to do is show members comparisons of where they are now and where they could be if they changed a few things around," David says. "It's much more meaningful if I can show them a projection or an outcome using their actual details, rather than generalised data. That way, the member can make a decision based on the facts."

"And once the member decides what they want to do, I can also help them to put the new arrangements in place, whether it's switching an investment or increasing insurance cover," he says.

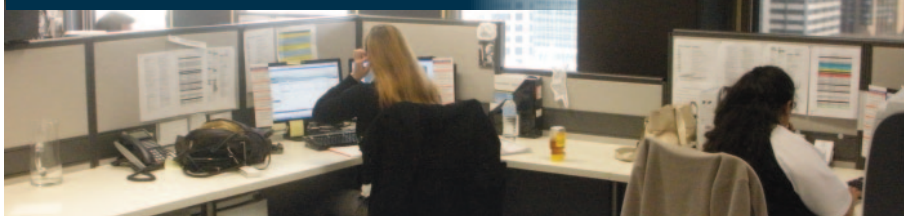
As a specialist in retirement planning, David can also provide advice on the Age Pension, superannuation pensions and Transition to Retirement (TTR) strategies.

> "What I like to do is show members comparisons of where they are now and where they could be if they changed a few things around..."

David is married and has an 18 month old son. He enjoys sports generally, but particularly those associated with wheels, engines and petrol.

To get in touch with David, simply call the **AMIST Super Hotline** on **1800 808 614** and ask to be put through to him. Getting David's advice over the phone will cost you nothing as this service is part of your membership of the fund.

In-house Hotline means increased service



In order to continue improving service to members, AMIST Super has brought its call centre in-house. Now based in our Sydney CBD head office, the new AMIST Super Hotline is headed by Peter Zhang.

Peter has over seven years call centre experience, the last 3 as a team leader.

> "Members should feel comfortable about giving us a call... after all, it's our job to help them."

"The AMIST Super Hotline staff are all experienced operators with a thorough knowledge of superannuation," Peter says. "Members should feel comfortable about giving us a call about anything to do with their super. After all, it's our job to help them."

So if you have any questions about your AMIST Super membership, you can call the Hotline anytime between 8am and 8pm Monday to Friday. And remember if it's financial advice you're after, ask to be put through to our resident telephone adviser, David S.

Pushing 50 can be exercise enough.

If you're in your late 40s, it's a very good time to think about making some personal contributions to your super. Statistics show that Australians are fitter and healthier than ever before and are therefore living longer. So, adding to your super will help it grow and leave you with more money to play with in retirement. After all, super really is the most tax-effective place to put your money, so now's the time to make a concerted effort.

Consider topping up your super.

There's a couple ways to do this.

Salary Sacrifice

With salary sacrifice, you make regular contributions to your super from your pre-tax salary. Salary sacrifice works to your advantage in a couple of ways. First, because the super contribution comes from your pre-tax income, it is only taxed at 15% as it enters your fund. This may be way less than your usual rate of income tax. Secondly, because an amount of your salary has been deposited into your super, this reduces the amount of your remaining income that will need to be taxed. So, you've saved tax by making the contribution and you've saved tax by reducing your income, and you have more money invested for your retirement. It's a win/win situation.

After-tax Contributions

You can also make additional contributions to your super, either regularly or occassionaly, from your after-tax income. This will also help you grow your retirement savings. Indeed the Government actively encourages people to do this by offering their Co-contribution Scheme. This is where the Government could match your additional after-tax contributions dollar for dollar. Certain eligibility criteria apply and depending on your age, there are limits to the total amount of additional contributions you can make in a year using either method.

Want to know more?

For more information on how you can boost your retirement savings, see the fact sheets on our website or call the **AMIST Super Hotline** on **1800 808 614**. Better still ask for some advice from our resident expert, David S. He can help you map out a plan that will greatly improve your retirement .

TRANSLATORS AVAILABLE

AMIST Pension scores five star rating!

AMIST Pension has been awarded a five star rating for outstanding value by Canstar Cannex. This is the first time Canstar Cannex has undertaken a star rating for account-based pensions. Over 70 pension funds were analysed and AMIST Pension was one of 10 to receive the top honour of 5 stars. It's just another demonstration that AMIST Super can truly look after its members for life.

Stronger Super. MySuper. AMIST Super. We're ready to roll

The Government has introduced the concept of "Stronger Super", a proposal that seeks to improve the efficiency and management of the Australian Superannuation System. A number of reports have been commissioned and the recommendations of several working groups are currently under consideration.

The main theme of a master plan, due for release at the end of August, will be the establishment of "MySuper", a proposal for a simple, cost-effective super product. "MySuper" will be designed to suit the vast majority of Australian workers who are presently in the default option of their current fund.

At AMIST Super, we're well positioned to provide a "MySuper" product for our members. And we feel it's important to do so.

We will however continue to offer choice options that allow members to keep the same flexibility that they currently enjoy.

The other feature of Stronger Super is "Super Stream". This is a proposal designed to further drive down the costs of super to members by allowing superannuation funds and employers to work together to make the most of modern technology such as e-commerce.

We will keep you up to date with developments in this area through our newsletter and on our website. And if you would like to talk to us about this or any other super related topic, just call our **Hotline** on **1800 808 614.**

AMIST Super Performance:

July 2010 to June 2011

Another twelve months of extremely pleasing returns. Our newer investment options, Capital Stable and High Growth, have also settled down with very promising results.

OPTION	AMIST Super	AMIST Pension*
Secure	4.8%	5.5%
Capital Stable	6.6%	7.5%
Balanced	9.7%	10.5%
Growth	11.6%	12.9%
High Growth	14.6%	15.8%

* AMIST Pension earnings are not subject to tax.

If you have a question about anything to do with AMIST Super, why not ask it via email? Our email address for any enquiries is

service@amist.com.au

Changes to Superannuation

In the 2011 Federal Budget the Treasurer announced a number of changes to superannuation. These changes are outlined below:

1) Concessions for members with "excessive" contributions

In 2007 the Federal Government introduced limits to the amount of contributions that can be made by or on behalf of a member to a superannuation fund during a financial year. Where the limits are exceeded, the Australian Taxation Office will impose additional taxation on the member which may either be deducted from their superannuation account or paid as part of their personal income tax assessment.

It was identified that a number of people were inadvertently subject to the additional taxation due to circumstances of which they were unaware (e.g. the timing of their employer actually remitting contributions to their superannuation fund).

As a one-off "amnesty" the Government will allow members assessed as having excessive "concessional" contributions after 1 July 2011 to have excess contributions of up to $10,000 removed from their superannuation fund and treated as assessable income (taxed at their marginal tax rate). Concessional contributions are contributions against which a tax deduction may be claimed (e.g. Superannuation Guarantee, Salary Sacrifice, contributions by a self-employed person that claims a deduction for those contributions).

This concession may only be claimed once and only applies to concessional contributions. Where the non-concessional contribution cap (e.g. voluntary after-tax contributions) is exceeded the additional taxation will be applied without exception.

2) Reduction in the Minimum Pension Payments for Account Based Pensions

People who are in receipt of a superannuation "account based" pension (such as AMIST Super Pension) are required to draw down a minimum percentage of their pension account balance each year. The percentage is based on the pensioner's age, for example a person between ages 55 and 65 years must take at least 4% of their pension account balance as a pension during a financial year.

In early 2009, in response to the "global financial crisis" the Federal Government announced a temporary amendment to reduce the minimum percentage by 50% (meaning that a person between ages 55 and 65 years was only required to draw down 2% of their balance). This concession originally applied for the year ending 30 June 2009 only, however it was subsequently extended to cover the years ending 30 June 2010 and 30 June 2011.

In the 2011 Federal Budget the Treasurer advised that for the financial year ending 30 June 2012, the minimum pension amounts would be reduced by 25%; meaning that a member aged between 55 and 65 years would be required to draw down at least 3% of their pension account balance (i.e. 4% reduced by 25%). The Treasurer advised that this concession will expire at 30 June 2012, after which the full pension minimum percentages will apply.

3) Continuation of reduction of co-contribution rate

The co-contributions is a scheme whereby the Federal Government will match after tax contributions of up to $1,000 made by members whose assessable income is below a certain amount (currently income under $31,920 and up to $61,920 per annum).

From 1 July 2009 the Federal Government announced a reduction in the rate of co-contribution from $1.50 for every $1.00 contributed, to $1.00 for every $1.00. Whilst this was originally intended as a temporary measure, the Government has kept the rate at $1.00/$1.00 for the 2010 and 2011 financial years.

In the 2011 Federal Budget the Government announced that the co-contribution will remain at $1.00/$1.00 at least up until the financial year ending 30 June 2013. The current proposal is that from 1 July 2013 the co-contribution will be $1.25 for every $1.00 contributed and $1.50 for every $1.00 from 1 July 2014 onwards.

Issued by Australian Meat Industry Superannuation Pty Ltd (ABN 25 002 981 919, AFSL 238829, RSE Licence L0000895) as Trustee of the Australian Meat Industry Superannuation Trust (ABN 28 342 064 803, RSE Registration R1001778). The material provided is for information purposes only and is not intended to be considered as advice. The Trustee has not taken into account your personal financial circumstances when developing this communication. Before making any decision regarding your superannuation it is recommended that you seek advice from a qualified financial adviser - so call our Hotline for help!

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Income Protection.

period required. The payments started immediately.

Having automatic Income Protection is a really valuable benefit that AMIST Super offers its members. But it is also important that you review your level of cover from time to time. Remember, your Income Protection insurance can cover up to 75% of your pre-injury or pre-sickness pay, so when your pay increases, you might want to increase your cover to match.

To get some advice on the level of Income Protection insurance that's right for you, why not give our in-house financial adviser David S a call. You can reach him through our Hotline number and he'll be happy to show you precisely what your options are and make some helpful recommendations.

Automatic Life Insurance for all

While all members of AMIST Super are provided with Life Insurance cover automatically when they join the fund, there was a group of members whose insurance had stopped some time ago due to conditions contained in the fund's insurance policy at that time.

This situation was rectified as of 1 July this year. This means that members who have been reinstated now have the automatic 2 units of insurance costing $3.00 per week.

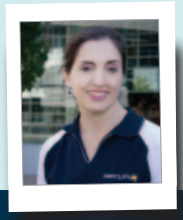
Naturally, you can increase your level of cover up to 20 units by completing a form contained in the back of our current member guide and sending it back to us.

Automatic Life Insurance is a valuable benefit offered to all members of AMIST Super and we are very pleased to have been able to reinstate cover for these members.

Member Services

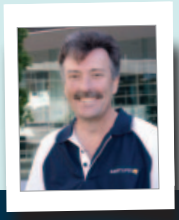
Meet our team of service professionals.

Remember our Member Services Managers are here to help you get the most from your super. Feel free to contact them.



The member services team is headed by **Melinda Gibson** who encourages you to call either of our Member Services Managers.

Royston Bennett on 0437 697 737 or roystonb@amist.com.au for Victoria, South Australia, Western Australia, Tasmania and southern NSW.



David Ashton on 0434 043 785 or davida@amist.com.au for Queensland, Northern Territory and northern New South Wales

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