

Important changes to your super



Changes in legislation

New rules and regulations for super from the Australian Government came into effect on 1 July 2019, which may affect your account with Cbus.

Inactive low account balance transfers

Super funds are now required to transfer the accounts of certain members to the ATO. This could apply to you if:

- you don't have insurance through your super
- your account balance is less than \$6,000
- during the past 16 months your account hasn't had a contribution or rollover*, changes to insurance cover, changed investment options, or made/renewed a binding death benefit nomination.

When accounts are transferred to the ATO, they attempt to unite them with other super accounts you may hold.

Three ways to keep your super with Cbus

You should consider your personal financial circumstances, including the impact of fees on your account balance, but if you decide you wish your super to remain with Cbus, here are three simple things you can do:

1. Combine any other super you have into your Cbus account.
2. Make a personal contribution to your account – even as little as \$5.
3. Tell us you want to keep your account with Cbus by completing the *Inactive low-balance accounts form* available at cbussuper.com.au/forms in the *Choice of super fund* section.

Fee cap and refund



A fee cap of 3% now applies to certain accounts. You might be eligible to receive a fee cap refund at the end of the financial year or when you exit Cbus if you have:

- less than \$6,000 invested in the Growth (Cbus MySuper) investment option, and/or
- less than \$6,000 in total invested in all other investment options.

The fee cap includes the total combined amount of administration fees, investment fees and other costs not directly charged to members as a fee and which relate to the administration or investment of the assets of Cbus.

Exit fees abolished

Super funds will no longer be able to charge exit fees. You can withdraw your money or consolidate super funds without paying exit fees to access your money.

Opt in to retain your insurance through Cbus

Unless you opt in to retain your insurance cover, existing death and TPD and income protection cover may stop if, in the past 16 months:

- your account hasn't received any contributions, or

- you haven't rolled over or consolidated another account into Cbus.

This will happen regardless of your account balance, which is a change particularly for Cbus Industry Super members, who used to keep insurance cover until their balance went down to \$1,200. Full details can be found in your Cbus insurance guide at: cbussuper.com.au/forms

Depending on your membership category, in some circumstances, some or all of your cover may restart if contributions start again. Visit cbussuper.com.au/changes-to-your-super for details.

Consider what insurance cover is right for you and how insurance premiums can affect your account balance. To opt in, visit cbussuper.com.au/opt-in to keep your insurance.

Why insurance through Cbus?



- Cbus death and TPD insurance is designed for workers in the building and construction industries, including those working at heights and in hazardous environments.
- Eligible members receive automatic death cover until age 70.
- In 2017/18 Cbus paid out over \$244 million in insured benefits.

*For transfers to the ATO, this means that you have less than \$6,000 invested in the Growth (Cbus MySuper) or other investment option which has not received a contribution or rollover in 16 months.

"Surprise! You're \$46,000 richer"

With the help of a Cbus Coordinator, Garry McMinn managed to find \$46,000 in super he didn't know he had.



Changes in Cbus

We have also made some changes to our policies, procedures and the way we do things at Cbus.

Transfer to an Eligible Rollover Fund (ERF)

Cbus' policy on when some low-balance accounts will be transferred to an ERF has changed. An ERF is an account designed to receive super benefits of lost members and those with low account balances who are no longer receiving contributions.

Your super may be transferred to an ERF after 16 months of inactivity if you have less than \$6,000 in your account and no insurance cover.

This could happen if your account hasn't had a contribution or rollover, you haven't changed investment options or insurance cover, or you haven't made or renewed a binding death benefit nomination within a 16-month period. Cbus will write to members with inactive accounts before transferring them.

For more information about ERFs, visit cbussuper.com.au/forms and search for the fact sheet *How super works*.

Cbus member Garry McMinn is great at his job – he was awarded the 2018 delegates choice award for the CFMEU delegate of the year, was given the 2019 Unions ACT May Day Award for Activist of the year and was also named the runner-up health and safety representative of the year.

He loves his role as the elected Union Delegate for the CFMEU, and the elected site representative for Workplace Health and Safety.

"My favourite part of the job is helping the workers on this site get home safely," said Garry. "I help make sure that they're getting things like their super, ACIRT (Redundancy Trust) and other entitlements paid."

But when you're looking after others, it's important to make sure you look after yourself as well. "I needed to get all my other super accounts tidied up and didn't know the best way to go about it. So I called my local Cbus Coordinator and asked him to come and see me on site."

"People should keep an eye on their accounts so they don't end up like me having super out there that they're not aware of!"

"I thought I only had one other fund, which I wanted to consolidate into my Cbus account. However, after running a search for lost super I found out that I also had another fund which had over \$46,000 in it."

Consolidating it all into Garry's Cbus account was quick and easy, and now he has a clear picture of what he can expect to have for his retirement. "Now that I'm on top of my mortgage, I've decided to start doing a bit more for my retirement savings by putting extra in through salary sacrifice."

These days, Garry doesn't hesitate when anybody asks him for super advice. "People should keep an eye on their accounts so they don't end up like me having super out there that they're not aware of!"



For advice on making the most of your super, call us on **1300 361 784** option 4.