

Annual  
report  
2012

# Annual report 12



**AMISTSUPER**   
AUSTRALIAN MEAT INDUSTRY SUPERANNUATION TRUST



# Annual report 12



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Australian Company Number (ACN): 002 981 919  
 Trustee Australian Business Number (ABN): 25 002 981 919  
 Fund Australian Business Number (ABN): 28 342 064 803  
 Superannuation Fund Number (SFN): 268997940  
 AMIST Super Hotline 1800 808 614 [www.amist.com.au](http://www.amist.com.au)  
 Superannuation Product Identification Number (SPIN): AMI0100AU  
 Australian Financial Services Licence (AFSL): 238829  
 Registrable Superannuation Entity Licence (RSEL): L0000895  
 Registrable Superannuation Entity Registration (RSER): R1001778

# Chairman's message

On behalf of the Board, it gives me great pleasure to present the 2012 AMIST Super Annual Report.

As members will be aware, global financial markets continued their turbulence throughout the 2011 – 2012 financial year. Driven in particular by continued uncertainty in Europe and additionally fuelled by a disappointing US performance and a slowdown in China, investors became more risk-averse resulting in falls on share markets everywhere.

While the impact of these conditions is naturally felt across all investment vehicles—including superannuation—the effect on AMIST Super's investment options was contained. Our lower risk options continued in positive territory and while our higher risk options sustained some set backs, the three-year and ten-year returns across our more established options continue to be particularly sound.

This year's returns are another reminder that superannuation is a long-term investment. Putting your money into a super fund like AMIST Super, where the focus is on member benefits means that it will grow over time, providing for a more secure future in retirement.

During the year, Mr James Thomas was appointed Chief Executive Officer of the fund. Mr Thomas brings with him extensive experience in the superannuation industry and has already demonstrated effective leadership through this past challenging year. He has also been instrumental in ensuring the fund is correctly poised for the introduction of the Federal Government's MySuper and Super Stream initiatives.

To better serve our members, we have recently expanded our Member Services resources, bringing our team now to five. Remember our Member Services team is here to help you get the most from your super, so please feel free to contact them. During the next few months they will also be conducting full day sessions at some of our larger employer sites, so stay tuned for details.

Finally, I would again like to extend my sincere appreciation to the members of AMIST Super for your support and loyalty to the fund. I would also like to convey my thanks to my fellow directors and the management team here at AMIST Super for another successful and rewarding year.

**Mr. Kevin Cottrill, Chairman**  
AMIST Super



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Since joining AMIST Super earlier this year, I have been impressed by the dedication and expertise of our small, but highly experienced management team.

Despite the continual roller coaster of events in global financial markets, AMIST Super continues to offer a solid level of investment performance, value-for-money as well as member benefits that are the envy of many larger funds.

This happens because AMIST Super is the premier meat industry fund. We strive to understand what our members want, what our employer organisations need and how we can deliver benefits, efficiently and cost-effectively. Recent examples of this include the introduction of automatic Income Protection insurance, financial advice over the telephone and enhanced online functionality for both members and employers.

In more recent times, we have been gearing-up for the imminent changes to super announced by the Federal Government. One of these changes is the introduction of MySuper, a new default option that will be offered in all workplaces. The main features of a MySuper option are low fees, simple investment options and basic insurance cover.

AMIST Super is currently in the process of applying for a MySuper license, to ensure that our members can stay with us for life. That's because default funds for SG contributions must be MySuper compliant from 1 January 2014.

The other major change we are working on is the introduction of SuperStream. SuperStream is all about improving the processing of everyday superannuation transactions. The Government's intention with this is to use technology to streamline the processing of contributions while improving the quality of the information within the superannuation system. A key component of this will be the use of individual's tax file numbers (TFN) as the primary account identifier. (Another very good reason to give us your TFN if you haven't already done so). Employers with 20 staff or more will need to have adopted SuperStream's mandatory data standards by July 2014.

As a further testament to our commitment to providing excellent value to our members, AMIST Pension has again received the Canstar Cannex award for outstanding value.

In conclusion, I would like to thank my team here at AMIST Super for their diligent contribution to the fund as well as the invaluable guidance from our Board.

**James Thomas, Chief Executive Officer**  
AMIST Super



# Investments

options

## How has my investment with AMIST Super performed?

The following tables show the crediting rates to members' accounts for the year ending 30 June 2012, and information regarding the long-term returns of the various investment options.

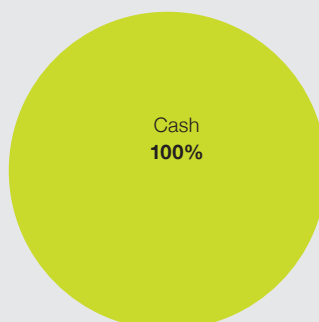
AMIST Super has five different investment options in which members can invest providing members with flexibility on the investment of their retirement savings. Members can invest in one option or across several options, and can choose to have future contributions invested in a different manner to their current account balance.

### Secure

The objective of the Secure Option is to achieve a return that exceeds the Reserve Bank cash rate over rolling three year periods. The Secure option is invested in cash. The Trustee expects that there will not be a negative return.

Year Ending:	Superannuation Earning Rates (%)	AMIST Super Crediting Rates %	AMIST Personal Division Crediting Rates %	Consumer Price Index (%)	AMIST Pension Earning Rates %	AMIST Pension Crediting Rates %
30 June 2008	5.2	5.1	5.1	4.5	6.0	6.1
30 June 2009	4.4	4.4	4.4	1.5	5.2	5.2
30 June 2010	3.6	3.6	3.6	3.1	3.7	3.7
30 June 2011	4.8	4.8	4.8	3.6	5.5	5.5
30 June 2012	5.45	5.45	5.45	1.2	5.84	5.84
5 Year Net Compound Average	4.69	4.67	4.67	2.77	5.24	5.26
10 Year Net Compound Average	4.84	4.86	N/A	2.77	N/A	N/A

Asset Class	30 June 2011 (%)	30 June 2012 (%)
Cash	100	100



## Asset Allocation

The following tables show the percentage of the assets of each investment option invested in each asset class. Please note that the assets of each investment option are invested identically for AMIST Super (Employer Sponsored Division), AMIST Super Personal Division and AMIST Pension.

### Option

### Historic Crediting Rates

### Asset Allocation

### Asset Allocation at 30 June



Option

Capital Stable

The objective of the Capital Stable Option is to achieve a return that is at least 1% pa above inflation measured over rolling three year periods. This option invests in a diversified range of assets with an emphasis on defensive rather than growth assets. It is estimated that the probability of a negative return is 1.5 out of every 20 years.

Historic Crediting Rates

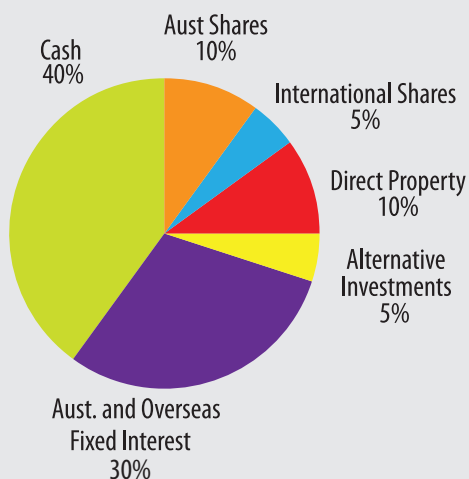
Period:	Superannuation Earning Rates (%)	AMIST Super Crediting Rates %	AMIST Personal Division Crediting Rates %	Consumer Price Index (%)	AMIST Pension Earning Rates %	AMIST Pension Crediting Rates %
30 June 2010*	0.6	0.6	0.6	0.6	0.6	0.6
30 June 2011	6.6	6.6	6.6	3.6	7.5	7.5
30 June 2012	5.41	5.41	5.41	1.2	6.04	6.04
5 Year Net Compound Average	N/A	N/A	N/A	N/A	N/A	N/A

\* The Capital Stable Option was introduced on 1 April 2010; therefore the return for the year ending 30 June 2010 represents the return for the three months since inception (April, May and June 2010).

Asset Allocation

Asset Class	Target Range	30 June 2011 (%)	30 June 2012 (%)
Australian Shares	5% - 15%	10	10
International Shares	0% - 10%	5	5
Direct Property	5% - 22%	10	10
Alternative Investments	0% - 10%	5	5
Australian & OS Fixed Interest	25% - 65%	30	30
Cash	Balance	40	40

Asset Allocation at 30 June



Note: The crediting rates for the Secure, Capital Stable, Growth and High Growth Options are based on the exact asset allocation shown for each investment option. The asset allocation of the Balanced Option (in which the majority of the Fund's assets are held) are invested within the strategic ranges shown.

# Investments

## options

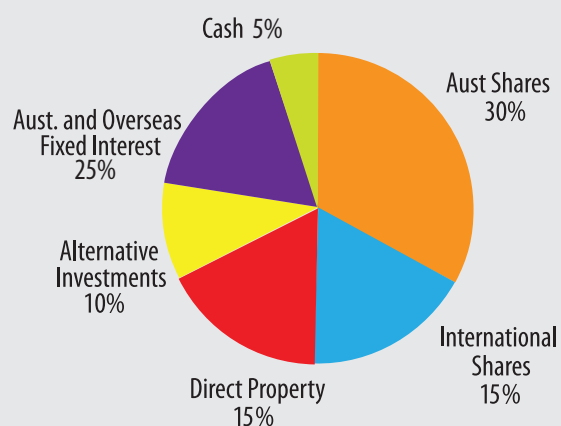
### Balanced (Default Option)

The Balanced Option is the default option in which a member's account balance and contributions are invested unless they select otherwise.

The objective of the Balanced Option is to achieve a return that is at least 2% pa above inflation measured over rolling five year periods. The assets in the Balanced Option are invested in a diversified mix of investments that include Australian and International shares, fixed interest and property. On average, this strategy may produce a negative return in 3.7 out of every 20 years.

Year Ending:	Superannuation Earning Rates (%)	AMIST Super Crediting Rates %	AMIST Personal Division Crediting Rates %	Consumer Price Index (%)	AMIST Pension Earning Rates %	AMIST Pension Crediting Rates %
30 June 2008	-4.1	-4.2	-4.2	4.5	-4.2	-4.3
30 June 2009	-13.2	-13.2	-13.2	1.5	-14.8	-14.8
30 June 2010	10.3	10.3	10.3	3.1	11.4	11.4
30 June 2011	9.7	9.7	9.7	3.6	10.5	10.5
30 June 2012	0.88	0.88	0.88	1.2	1.59	1.59
5 Year Net Compound Average	0.32	0.30	0.30	2.77	0.41	0.39
10 Year Net Compound Average	6.51	6.46	N/A	2.77	N/A	N/A

Asset Class	Target Range	30 June 2011 (%)	30 June 2012 (%)
Australian Shares	23% - 40%	33	30
International Shares	12% - 25%	17	15
Direct Property	10% - 22%	13	15
Alternative Investment	0% - 13%	10	10
Australian & OS Fixed Interest	10% - 32%	14	25
Cash	Balance	13	5



### Option

### Historic Crediting Rates

### Asset Allocation

### Asset Allocation at 30 June



Option

Growth

The objective of the Growth Option is to achieve a return that is at least 4% pa above inflation measured over rolling five year periods. The returns achieved by this option are likely to be highly volatile. On average, this strategy may produce a negative return in 5 out of every 20 years. The assets of the Growth Option are invested primarily in Australian and International shares, with some investment in fixed interest and property.

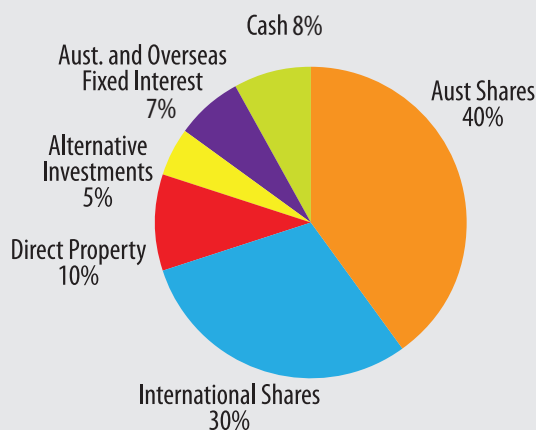
Historic Crediting Rates

Year Ending:	Superannuation Earning Rates (%)	AMIST Super Crediting Rates %	AMIST Personal Division Crediting Rates %	Consumer Price Index (%)	AMIST Pension Earning Rates %	AMIST Pension Crediting Rates %
30 June 2008	-6.5	-6.7	-6.7	4.5	-6.7	-6.8
30 June 2009	-20.9	-20.9	-20.9	1.5	-22.0	-22.0
30 June 2010	13.0	13.0	13.0	3.1	13.9	13.9
30 June 2011	11.6	11.6	11.6	3.6	12.9	12.9
30 June 2012	-1.19	-1.19	-1.19	1.2	-0.59	-0.59
5 Year Net Compound Average	-1.62	-1.66	-1.66	2.77	-1.43	-1.46
10 Year Net Compound	5.62	5.57	N/A	2.77	N/A	N/A

Asset Allocation

Asset Class	Target Range	30 June 2011 (%)	30 June 2012 (%)
Australian Shares	35% - 45%	40	40
International Shares	25% - 35%	30	30
Direct Property	5% - 15%	10	10
Alternative Investments	0% - 10%	5	5
Australian & OS Fixed Interest	5% - 18%	7	7
Cash	Balance	8	8

Asset Allocation at 30 June



Note: The crediting rates for the Secure, Capital Stable, Growth and High Growth Options are based on the exact asset allocation shown for each investment option. The asset allocation of the Balanced Option (in which the majority of the Fund's assets are held) are invested within the strategic ranges shown.

# Investments (cont.)

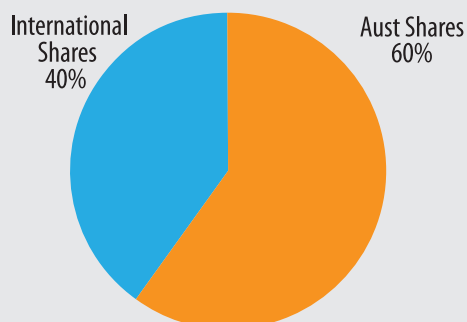
## High Growth

The objective of the High Growth Option is to achieve a return that is at least 5% pa above inflation measured over rolling five year periods. The assets in this option are totally invested in shares (60% Australian Shares, 40% International Shares) and therefore the returns achieved by this option are likely to be extremely volatile. On average, this strategy may produce a negative return in 6 out of every 20 years.

Period:	Superannuation Earning Rates (%)	AMIST Super Crediting Rates %	AMIST Personal Division Crediting Rates %	Consumer Price Index (%)	AMIST Pension Earning Rates %	AMIST Pension Crediting Rates %
30 June 2010*	-9.7	-9.7	-9.7	N/A	-10.9	-10.9
30 June 2011*	14.6	14.6	14.6	3.6	15.8	15.8
30 June 2012	-4.28	-4.28	-4.28	1.2	-5.12	-5.12
5 Year Net Compound Average	N/A	N/A	N/A	N/A	N/A	N/A

\* The High Growth Option was introduced on 1 April 2010; therefore the return for the year ending 30 June 2010 represents the return for the three months since inception (April, May and June 2010). Past performance should be used as a guide only and cannot be taken as an indication of future performance.

Asset Class	Target Range	30 June 2011 (%)	30 June 2012 (%)
Australian Shares	50% - 70%	60	60
International Shares	30% - 50%	40	40
Direct Property	0%	0	0
Alternative Investments	0%	0	0
Fixed Interest (Aust & O/S)	0%	0	0
Cash	Balance	0	0



## Option

### Historic Crediting Rates

### Asset Allocation

### Asset Allocation at 30 June

Note: The crediting rates for the Secure, Capital Stable, Growth and High Growth Options are based on the exact asset allocation shown for each investment option. The asset allocation of the Balanced Option (in which the majority of the Fund's assets are held) are invested within the strategic ranges shown.

# investments

## Investment Policy Statement

The AMIST Super Trustee has an Investment Policy Statement (IPS) that details the policies adopted by the Trustee in investing the fund's assets. The IPS details the Trustee's approach to investing including: the asset classes each investment option can invest in; the characteristics of each investment option; rebalancing; the use of derivatives; policies on voting of shares and on lending stocks; benchmarks used; and the policy relating to the Allocation of Earnings.

The IPS is available to members on request.

## Socially Responsible Investments

The Trustee generally does not take into account labour standards or environmental, social or ethical considerations for the purposes of selecting, retaining or realising an investment. The primary focus of the investment managers is on economic and financial outcomes. However from time to time, labour standards and environmental, social or ethical considerations may be taken into account where the Trustee becomes aware that such standards or considerations may have a material influence on the financial value of an underlying investment.

## Investments that exceed 5% of the fund's assets

The Trustee is required to disclose whether any individual investment (such as shares in a company) exceeds 5% of the fund's assets. At 30 June 2012, there were no individual investments that exceeded 5%.

# Investments (cont.)

## Derivatives

Investment Managers engaged to invest the assets of AMIST are permitted to use derivatives for hedging purposes only. All investment managers are required to submit copies of their risk management statement to AMIST to ensure that they comply with this requirement.

## Reserving Policy

The Reserving Policy is that the Trustee will distribute all earnings to members at 30 June each year, less a contingency reserve that will be maintained as a provision for taxation and operating expenses of the fund. The reserves will remain the property of the trust, with any excess to be included in the distribution of members at the following 30 June.

The Trustee, in consultation with the Fund's Investment Consultant or Actuary will determine the amount to be held in reserve at the time that the Crediting Rate is declared. The Trustee has discretion to determine the amount that is to be retained.

The amount of reserves held over the last five years was:

Year Ending 30 June	Reserve Amount	Percentage of Assets
2012	\$6.4 million	0.62%
2011	\$4.7 million	0.48%
2010	\$6.3 million	0.61%
2009	\$4.9 million	0.65%
2008	\$5.1 million	0.62%

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## How are earnings applied to members' accounts?

### Interim Crediting Rate

The Trustee declares the Final Crediting Rates for the year ending 30 June after the end of each financial year. The final rates are based on audited tax statements from investment managers who manage the assets of the fund. At this time earnings are applied to all member accounts for the year ending 30 June.

If you leave the fund or switch between investment options prior to the declaration of the Final Crediting Rates, earnings are applied to your account using Interim Crediting Rates.

### How are Interim Crediting Rates determined?

At the end of each week the Fund's custodian provides a net valuation of the assets of each investment option at the close of business from the preceding Tuesday. The net valuation is the value of the assets invested in each option (in accordance with pre defined methods of valuing the assets), minus an allowance for taxation and fees. A further amount the equivalent of 0.30% per annum is deducted as a contingency (as investment managers only provide audited tax statements after 30 June each year).

The fluctuation in the value of the assets held for each investment option is used to determine the rate at which earnings (which may be positive or negative) are applied to members' accounts.

For example, if the net value of assets held in the Balanced option increases from one week to the next by 1.5%, then any amount invested in the Balanced option will have earnings applied for that week at the rate of 1.5%. Similarly, if the value of the assets decreases by 1.5% then a crediting rate of minus 1.5% would be applied (meaning that the value of the balance and contributions invested in the Balanced Option would decrease by 1.5%).

# Investments (cont.)

## How are earnings applied where Interim Crediting Rates are used?

If you switch between investment options, switch between divisions of the fund (i.e. transfer part of your balance to the AMIST Pension), or receive a full or partial benefit payment, earnings are applied using the Weekly Interim Crediting Rates available at that time. If the current week's rate is not available then the previous week's rate will apply.

## Final Crediting Rate

After 30 June each year, AMIST Super receives audited investment statements that contain the final after tax and fees return for each investment option. Following receipt of that information, the Trustee determines the final crediting rate for each investment option. Investment earnings are then allocated to the accounts of all fund members for the previous year ending 30 June.

Member Statements and the AMIST Super website show the Final Monthly Crediting rates for each investment option for each financial year.

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## Manager weightings (all investment options)

The following table shows the amount of the Fund's assets held by each Investment Manager at 30 June 2012, and the amount that they held at 30 June 2011 if applicable.

Manager Name	Asset Class	30 June 2011	30 June 2012
Ausbil Dexia Limited	Australian Shares	15.80%	11.20%
BT Investment Management Ltd	Australian Fixed Interest	7.80%	8.50%
Colonial First State Investments Limited	Credit	2.80%	2.60%
Cooper Investors Pty Limited	Australian Shares	6.10%	5.70%
Delaware Investment Advisers	International Shares	0.00%	1.70%
Deutsche Asset Management (Australia) Limited	International Shares	3.30%	2.90%
GMO Australia Limited	Global Absolute Return	2.00%	2.20%
Industry Funds Management Pty Ltd	Infrastructure	2.70%	2.80%
ISPT Pty Ltd	Unlisted Property	11.80%	13.30%
LaSalle Investment Management	Unlisted Property	1.00%	1.10%
Apostle Asset Management Limited	Credit	0.00%	2.10%
MLC Limited	International Shares	4.30%	4.10%
Marathon Asset Management LLP	International Shares	3.40%	3.10%
ME Portfolio Management Pty Ltd	Credit	0.20%	0.20%
National Australia Bank Limited	Cash	15.20%	12.60%
RARE Infrastructure Limited	Infrastructure	2.40%	2.40%
Rogge Global Partners Plc	International Fixed Interest	5.40%	5.80%
State Street Global Advisers	Australian Shares	10.00%	0.00%
T. Rowe Price Global Investment Services Limited	International Shares	1.90%	1.80%
Vanguard Investments Australia Ltd	International Shares	3.90%	6.90%
VINVA Investment Management Limited	Australian Shares	0.00%	9.00%

# AMIST Super's financial position

The financial statements below are the abridged audited financial statements of the Australian Meat Industry Trust (which includes AMIST Super Employer Sponsored Division, AMIST Super Personal Division and AMIST Pension). If you require a copy of the full audited accounts, they will be available after 31 October 2012. Please contact the AMIST Super Hotline on 1800 808 614 to obtain a copy.

<b>Australian Meat Industry Superannuation Trust</b>		
<b>Statement of Financial Position – as at 30 June 2012</b>		
	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
<b>Cash Assets</b>		
Cash at bank	6,911,373	7,579,572
<b>Receivables</b>		
Contributions Receivable	5,218,371	8,625,647
Distributions Receivable	5,860,956	3,783,130
Net GST Receivable	111,780	97,261
Prepayments and Other Receivables	48,371	39,417
<b>Investments</b>		
Cash & Short Term Deposits	76,714,714	50,928,886
Other Interest Bearing Securities	255,058,272	262,643,032
Australian Equities	249,707,585	304,805,849
International Equities	204,365,973	162,201,460
Property	141,678,978	122,799,974
Other	73,407,308	67,400,147
Derivatives	239,169,930	185,927,399
<b>Tax Assets</b>		
Deferred Tax Assets	16,681,189	11,304,251
<b>Fixed Assets</b>		
Property Plant and Equipment	57,203	39,699
<b>TOTAL ASSETS</b>	<b>1,274,992,003</b>	<b>1,188,175,723</b>
<b>LIABILITIES</b>		
<b>Payables</b>		
Group Life Insurance Premiums Payable	1,636,479	1,117,321
Sundry Creditors	549,870	799,440
Benefits Payable	6,393,457	3,726,803
No TFN Contributions Tax Payable	122,160	394,949
<b>Financial Liabilities</b>		
Derivatives	234,898,520	185,113,531
<b>Tax Liabilities</b>		
Income Tax Payable	1,395,218	4,603,013
Deferred Tax Liabilities	1,095,771	1,369,624
<b>TOTAL LIABILITIES</b>	<b>246,091,475</b>	<b>197,124,681</b>
<b>NET ASSETS AVAILABLE TO PAY BENEFITS</b>	<b>1,028,900,528</b>	<b>991,051,042</b>
<b>Represented by:</b>		
<b>LIABILITY FOR ACCRUED BENEFITS</b>		
Allocated to members' accounts	1,024,121,832	982,407,309
Not yet allocated	(1,646,522)	3,900,745
Reserves	6,425,218	4,742,988
	<b>1,028,900,528</b>	<b>991,051,042</b>



**Australian Meat Industry Superannuation Trust  
Operating Statement – for the Year Ended 30 June 2012**

	2012 \$	2011 \$
<b>INVESTMENT REVENUE</b>		
Interest	13,537,694	10,340,174
Dividends	8,590,004	12,407,362
Distributions	23,189,034	23,668,904
Other Investment Income	856,201	694,321
Changes in Net Market Value	(36,282,280)	44,977,122
	<b>9,890,653</b>	<b>92,087,883</b>
<b>CONTRIBUTIONS REVENUE</b>		
Employer	98,299,643	94,983,861
Member	5,844,023	5,967,956
Rollovers	21,788,520	15,349,708
	<b>125,932,186</b>	<b>116,301,525</b>
<b>OTHER REVENUE</b>		
Group Life Insurance Proceeds	8,568,380	7,863,490
Other Income	12,395	114,545
	<b>8,580,775</b>	<b>7,978,035</b>
<b>TOTAL REVENUES FROM ORDINARY ACTIVITIES</b>		
	<b>144,403,614</b>	<b>216,367,443</b>
<b>INVESTMENT EXPENSES</b>		
Direct Investment Expenses	2,184,289	1,872,437
<b>GENERAL ADMINISTRATION EXPENSES</b>		
Administration Expenses	3,066,358	2,736,186
Audit Fees	80,487	109,087
Group Life Insurance Premiums	17,270,308	12,423,298
Operating Expenses	4,134,899	4,093,695
No TFN Contributions Tax Expense	130,063	394,949
Superannuation Contributions Surcharge	(2,548)	(585)
<b>TOTAL EXPENSES FROM ORDINARY ACTIVITIES</b>	<b>26,863,856</b>	<b>21,629,067</b>
<b>BENEFITS ACCRUED AS A RESULT OF OPERATIONS BEFORE INCOME TAX</b>		
	<b>117,539,758</b>	<b>194,738,376</b>
<b>INCOME TAX EXPENSE</b>		
	<b>7,649,553</b>	<b>18,740,529</b>
<b>BENEFITS ACCRUED AS A RESULT OF OPERATIONS AFTER INCOME TAX</b>		
	<b>109,890,205</b>	<b>175,997,847</b>

# Fees and costs for AMIST Super

The following information is provided in a format prescribed by the Australian Securities and Investments Commission (ASIC). This format has been developed, and is required to be used by all providers of financial products to allow you to make a direct comparison between AMIST Super and other superannuation funds that you may be eligible to invest with.

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your account, from the returns on your investment or from the fund assets as a whole.

Taxes and insurance costs are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for particular investment options are set out on page 17.

Type of Fee and Cost	Amount	How and When Paid
<b>Fees when your money moves in or out of the fund</b>		
<b>Establishment Fee</b> The fee to open your investment.	Nil	
<b>Contribution Fee</b> The fee on each amount contributed to your investment – either by you or your employer.	Nil	
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment.	\$50.00	Deducted from any benefit payment that you receive from AMIST Super.
<b>Termination Fee</b> The fee to close your investment	Nil	
<b>Management costs</b>		
<b>Investment Management Fee</b> The fees and costs for managing your investment. The actual percentage payable for each investment option appears on page 17.	0.06% to 0.57% The actual percentage depends on which investment option your assets are invested in. Refer to the table on page 17.	These fees are deducted from the investments of the Fund. The investment return declared is the return after these fees have been deducted.
<b>Administration Fee</b> The fees and costs for management of your account.	\$1.70 per week	Deducted at the end of each month from your account balance. (The average charge is \$88.70 per annum).
<b>Expense Recovery Fee</b> The Trustee is entitled to recover from the Fund expenses that cannot be met from the administration or investment fees.	Estimated as 0.07% of member assets, with a cap of 0.10% of member assets.	The Expense Recovery Fee is deducted before earning rates for each investment option are determined. It is therefore reflected in the value of the assets of the fund.
<b>Master Custodian Fee</b> The fee charged to AMIST by its Custodian for managing the Fund's assets.	This fee is incorporated in the Investment Management Fee	
<b>Other Investment Related Fees</b>	These fees are incorporated in the Investment Management Fee	Please note however, that some investment managers may be entitled to receive performance based fees in the indicative range of 0.05% to 0.15% p.a.
<b>Service fees</b>		
<b>Investment Switching Fee</b> The fee to switch your investment between investment options.	\$35.00* per switch	*The first investment switch is free if exercised within 12 months of joining the Fund. After that time, a fee of \$35.00 is chargeable for each switch.
<b>Family Law Fees</b> The fees payable where information is requested, or a payment split is made under the Family Law Act 2001.	<ol style="list-style-type: none"> <li>1. Family Law payment split fee \$100.00 (\$50.00 payable by the AMIST Super member and \$50.00 payable by their spouse),</li> <li>2. Family Law request to provide information (Family Law Form 6) from an AMIST Super member – fee payable \$50.00 (no GST payable),</li> <li>3. Family Law request to provide information (Family Law Form 6) from a non-member spouse – fee payable \$55.00 (incl. GST).</li> </ol>	<ol style="list-style-type: none"> <li>1. Deducted from the payments at the time of the split,</li> <li>2. Deducted from the member's AMIST Super account,</li> <li>3. Payable by a non-member spouse prior to the information being provided by AMIST Super.</li> </ol>

# Fees and costs

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the fund assets as a whole.

There may also be deductions from members' accounts for life insurance and/or income protection insurance premiums (both insurances are offered to members as a default, but may be cancelled at any time). Full details of insurance cover offered by AMIST Super and premiums payable appear in the AMIST Super Member Guide/Product Disclosure Statement.

Taxation is deducted from members' accounts where applicable. In some cases members may be entitled to a tax rebate. Please refer to the "Taxation" section of the AMIST Super Member Guide/Product Disclosure Statement.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Fees and costs for particular investment options are set out in the table below.

Management costs other than the Administration fee are expressed as a percentage and are referred to as the "Indirect Cost Ratio" (ICR). The ICR for AMIST Super is the total of the fees charged to AMIST Super for the investment of the fund's assets and the Expense Recovery fee to cover the costs of the fund which are not recovered from the Administration fee. These fees are passed on to members by way of adjusting the return for each of the investment options to take into account the payment of these fees.

## Investment Management Fees

The Investment Management Fees (IMF) are charged to AMIST Super by investment managers for investing the assets of the fund. These fees vary depending on the type of investment. Some of the investments of the Capital Stable, Balanced, Growth and High Growth options also have Performance-Based Fees, where the investment manager receives a bonus if the investment return exceeds certain targets. The table below shows the average fee for each investment option for the year 2011/2012.

Option	Investment Management Fee (Average)
Secure	0.06%
Capital Stable	0.30%
Balanced	0.49%
Growth	0.52%
High Growth	0.57%

\* Investment Fees shown are based on Investment Fees (not including any performance based fees) that were paid during the year ended 30 June 2012. Performance based fees are payable to some investment managers where the return achieved exceeds the benchmark for their asset class by a defined percentage. Performance Based Fees range from 0.05% to 0.15%. The Investment Management fees also include the custodians cost and the asset consultants fees, both of which provide services to the Fund.

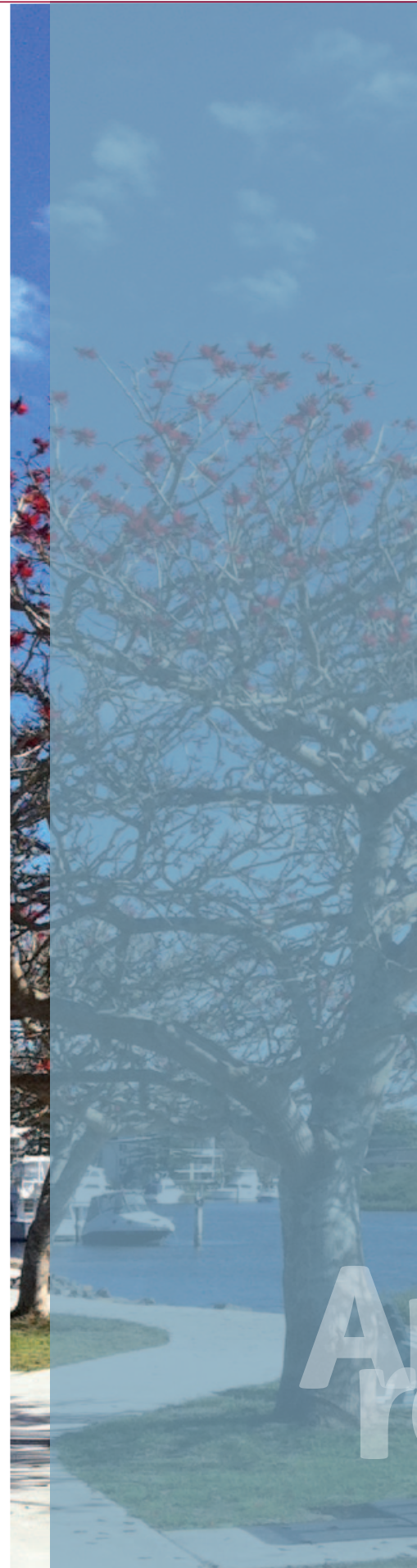
# Fees and costs for AMIST Super (cont.)

## Example of annual fees and costs for the Balanced investment option

This table gives an example of how the fees and costs in the balanced investment option for this product can affect your superannuation investment over a one-year period. You should use this table to compare this product with other superannuation products.

**EXAMPLE – BALANCED INVESTMENT OPTION**  
Based on an Account Balance of \$50,000 and Annual Contributions of \$5,000

Administration Fee	\$1.70 per week	Average charge per annum would be \$88.70
Contribution Fee	Nil	AMIST Super does not charge any fees for making contributions
Investment Management Fee	0.49% of account balance	For every \$50,000 you have in the fund you will be charged \$245.00 p.a.
Expense Recovery Fee	Estimated at 0.07% of member assets (with a cap of 0.10%)	For every \$50,000 you have in the fund you will be charged \$35.00 p.a.
TOTAL annual fees and costs		The total cost will be \$368.70 p.a.



## Explanation of Fees and Costs

### Fee changes

AMIST Super reserves the right to change the fees charged at any time. You will be notified of any change at least 30 days prior to that change taking effect.

### Dishonour Fee

If you make personal contributions to AMIST Super via Automatic Bank Transfer (Direct Debit), and your financial institution dishonours the transaction, any fees charged to AMIST Super as a result of that dishonour are deducted from your member account. You will be advised of this in writing.

### Family Law Fee

If you or your spouse request detail of your entitlements for Family Law Purposes, or your member balance is to be split between you and your spouse, additional fees apply. These fees are detailed in the table appearing on page 16.

### Protection of small accounts

AMIST Super protects the benefits of members with small account balances from erosion by administration fees. If your account balance is less than \$1,000, the administration fees applied in any year (1 July to 30 June) cannot normally exceed the total earnings applied to your account.

Where the administration fees collected by the Fund are greater than the net investment returns, the Trustee may elect to charge members with small account balances up to \$10.00 in administration fees, irrespective of their account balance.

### Indemnity insurance

The fund pays for trustee indemnity insurance to protect the fund and the trustee directors against the financial effects of any mistake that might occur in running the fund. This insurance may not cover penalties or fines for breaches of the Superannuation Industry (Supervision) Act 1993 [SIS] or other governing legislation.

### Unpaid contributions

Employers participating in AMIST are required to remit contributions on your behalf on either a monthly or quarterly basis. Where an employer does not pay the contributions on time, AMIST will contact the employer to advise them that the contributions are outstanding. The Trustee has employed a collection company, Industry Funds Credit Control (IFCC) to manage the process where AMIST is unable to obtain payment from an employer.

# Your Trustees

Your Trustee comprises of a company called Australian Meat Industry Superannuation Pty Limited (ABN 25 002 981 919), which is responsible for running AMIST Super.

The Trustee Board comprises three employer nominated and three member-elected representatives. The fund members elect member representatives every five years while the Australian Meat Industry Council nominates the employer representatives.

There are strict rules governing the election of member representatives. In July 2012 the Constitution was amended to adjust the term for member representative Directors from three years to five years with immediate effect. As a result the terms of the existing member representatives was extended to December 2014. A call for nominations for member representative Directors is scheduled to occur in September/October 2014. A copy of the election rules can be obtained from the CEO.

The elected member representatives are:

- David Burns
- Keith Haslem
- Frank Raeside

The nominated employer representatives are:

- Kevin Cottrill of Australian Meat Industry Council.
- Gary Hardwick of Hardwick's Meat Works Pty Ltd.
- Gary Teys of Teys Bros Pty Ltd.

Directors meet on a regular basis to discuss investment strategy, government legislative changes to superannuation rules, new product developments and other matters.

AMIST Super also holds Australian Financial Services Licence No. 238829.

Kevin Cottrill, James Thomas and Jack Sullivan are the Responsible Managers under the Licence, which allows representatives of AMIST Super to give general advice about superannuation and product specific advice about AMIST Super.

The Trustee has engaged Money Solutions to provide members with simple single issue advice at no additional cost. Members may also obtain full financial planning services from Money Solutions; members are required to pay the cost of obtaining a full financial plan, however where the plan relates to their superannuation they may elect to have the cost deducted from their member account.

Please note that no representative of AMIST Super is authorised to give personal financial advice. The AMIST Super Trustee also holds Registrable Superannuation Entity Licence (RSEL) Number L0000895 and the Fund Registration (RSER) Number R1001778.



David Burns



Kevin Cottrill



Gary Hardwick



Keith Haslem



Frank Raeside



Gary Teys

Trustees

# Who provides services to AMIST Super?

Many of the activities of the Trustee are outsourced to service providers who are experts in their field. The Trustee aims to obtain the best possible service at a reasonable cost to the Fund. The Trustee employs a Secretariat who is responsible for managing and monitoring the performance of these providers on behalf of the Trustee, although the Trustee retains the ultimate responsibility.

## Administration

Australian Administration Services  
Pty Limited  
(ABN 62 003 429 114)

## Investment adviser

JANA Investment Advisers Pty Ltd  
(ABN 97 006 717 568)

## Custodian

National Australia Bank  
(ABN 26 000 485 487)

## General superannuation consulting

Deloitte Actuaries &  
Consultants Limited  
(ACN 092 651 057)

## Compliance consultant

Mercer Pty Ltd  
(ABN 32 005 315 917)

## Financial planning

Money Solutions  
(ABN 36 105 811 836)

## Legal advisor

Kemp Strang Lawyers  
(ABN 88 258 900 990)

## Auditor and tax agent

Ernst & Young  
(ABN 75 288 172 749)

## Credit control manager

Industry Funds Credit Control  
Pty Limited  
(ABN 85 071 737 856)

## Insurer (Group Life)

Colonial Mutual Life Assurance  
Society Pty Ltd (CommInsure) (ABN  
12 004 021 809)

## Insurer (Income Protection)

Lloyds of London, managed by  
Australian Income Protection Pty  
Ltd™ (ABN 88 096 636 412) a  
member company of Beazley  
PLC group UK

## Eligible Rollover Fund

Colonial Supertrace Services Limited  
(ABN 84 062 876 457)

## Investment Managers

The following Investment Managers  
have been engaged by the Trustee to  
invest the assets of the fund.

AMP Capital Investors Ltd  
(ABN 59 001 777 591)

Apostle Asset Management Limited  
(ABN 60 088 786 289)

Ausbil Dexia Limited  
(ABN 26 076 316 473)

Colonial First State Investments  
Limited  
(ABN 98 002 348 352)

Cooper Investors Pty Limited  
(ABN 26 100 409 890)

Delaware Investment Advisers  
GMO Australia Limited  
(ABN 30 071 502 639)

Industry Funds Management  
(ABN 67 107 247 727)

ISPT Pty Ltd  
(ABN 28 064 041 283)

LaSalle Funds Management Limited  
(ABN 76 849 606 305)

Longview Partners Investments

Members Equity Portfolio  
Management Limited  
(ABN 56 070 887 679)

MLC Ltd  
(ABN 90 000 000 402)

National Australia Bank  
(ABN 12 004 044 937)

RARE Infrastructure Ltd  
(ABN 84 119 339 052)

Rogge Global Partners PLC

T.Rowe Price Global Investment  
Services Limited  
(ABN 84 104 852 191)

Vanguard Investments  
Australia Pty Ltd  
(ABN 72 072 881 086)

Vinva Investment  
Management Limited  
(ABN 38 142 528 783)

The Service Providers employed by  
AMIST Super are correct as at  
10 October 2012. The Board however,  
reserves the right to change the  
Service Providers from time to time.

# Transfer of certain members to an Eligible Rollover Fund

AMIST Super have appointed Colonial SuperTrace eligible rollover fund to take over the superannuation coverage for AMIST Super members where contributions are no longer being received and the member has a small account balance.

Your account may be transferred to Colonial SuperTrace if it meets the criteria below:

1. The account balance is less than \$500, **and**
2. No contributions have been received for 6 months and your employer has advised us you have ceased employment, **or**
3. No contributions have been received in the last 12 months

You will be advised by AMIST Super if your account is transferred to Colonial SuperTrace.

You can contact Colonial SuperTrace at:

**Colonial SuperTrace**  
**Locked Bag 5429**  
**Parramatta NSW 2124**

**Telephone: 1300 788 750**

## What happens if your account is transferred to Colonial SuperTrace?

You will no longer be a member of AMIST Super, and therefore any

1. All insurance coverage with AMIST Super will cease, and
2. You will become a member of Colonial SuperTrace Eligible Rollover Fund.

A copy of the Product Disclosure Statement for Colonial SuperTrace Eligible Rollover Fund can be obtained by contacting Colonial on 1300 788 750. Please refer to this document for details of fees, charges, and earnings that apply to this product, as they are different to AMIST Super.

The Trustee reserves the right to change the criteria for the minimum account balance to be transferred to an Eligible Rollover Fund, from \$500 to \$1,000.

## LOST MEMBERS

If you are classified as a lost member, AMIST Super may be required to transfer your entitlements to the Australian Taxation Office (ATO) in certain circumstances. You will be classified as a lost member where any mail sent to you has been returned advising us that you are no longer living at the address that we have recorded. *It is therefore important that you let us know your new contact details whenever you change address.*

Lost member accounts that must be transferred to the ATO are:

- Lost member accounts where a member has reached age 65 years,
- Lost member accounts where the trustee becomes aware that a member has died and is unable to identify/locate a beneficiary,
- Lost member accounts with an account balance of less than \$200,
- Lost member accounts that have been inactive for a period of more than five years and where we do not hold sufficient details to confirm your identity.

In the event that your entitlements are transferred to the ATO, you or your beneficiary will need to contact the ATO on telephone 13 10 20.

NOTE: On 21 October 2012 the Federal Government announced that the criteria above will be changed effective 1 January 2013. These changes mean that a lost member account will be one where:

- the account balance is less than \$2,000, and
- it has been inactive for 12 months and the member cannot be identified.

These accounts will be transferred to the ATO.



## Enquiries and complaints

AMIST has arrangements in place to ensure your enquiries and complaints are dealt with speedily and efficiently.

All enquiries concerning your account and the operation of the fund should be directed to AMIST's administrator:

**By telephone:** 1800 808 614 (toll free from fixed lines within Australia\*)

**By mail:** AMIST Super  
Locked Bag 5390  
Parramatta NSW 2124

**By e-mail:** [amist@aaas.com.au](mailto:amist@aaas.com.au)

**By fax:** 1300 855 378

**From overseas:** +61 2 8571 5739

\* calls from mobile phones will incur costs charged by the caller's service provider. Calls from overseas are not toll free and you will be responsible for any costs incurred.

In the unlikely event that your matter is not resolved to your satisfaction, you can submit a complaint in writing to:

**AMIST Complaints Officer**  
Locked Bag 5390  
Parramatta NSW 2124

AMIST Super will always attempt to provide you with a response within 30 days. A more complex enquiry or complaint can take up to 90 days. If you are not satisfied with the way we handle your complaint or with the information you receive, you may refer your complaint to the Superannuation Complaints Tribunal (SCT). You can contact the SCT on 1300 884 114 (or +61 3 8635 5580 if calling from overseas) or visit their website at [www.sct.gov.au](http://www.sct.gov.au).

*Please note that your complaint must be dealt with by the AMIST internal complaints process prior to being escalated to the SCT.*

This SCT is an independent body set up by the Government to assist fund members and beneficiaries to resolve superannuation complaints. There is no cost charged by the SCT in dealing with your complaint. Any determination made by the SCT regarding a complaint is binding on the Trustee and the complainant. Both parties however, have the right of appeal to the Federal Court.

If you wish to contact the Trustee of AMIST directly, you can contact them at:

**Chief Executive Officer**  
Australian Meat Industry Superannuation Pty Ltd  
GPO Box 4293  
Sydney NSW 2001

or

**AMIST CEO fax:** 02 9230 1111

**e-mail:** [service@amist.com.au](mailto:service@amist.com.au)

## Obtaining copies of documents

If you would like a copy of documents relating to AMIST's operations, such as the Trust Deed, the audited accounts or the auditor's report, please write to the Administrator at the above address. You may also request copies of other documents, such as AMIST's Investment Policy Statement, rules for the election of member elected trustee directors and enquiry and complaints procedures.

# Changes to superannuation

## Concessional contributions cap reduced for over 50's

From 1 July 2012 the government has reduced the concessional contributions cap for those over age 50 from \$50,000 p.a. to \$25,000 p.a. This means that the total amount of employer contributions (e.g. Superannuation Guarantee, Salary Sacrifice and any additional contributions made by your employer cannot exceed \$25,000 p.a.) 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.

Please note that this cap does not apply to contributions from your after-tax income (which have an annual limit of \$150,000, or \$450,000 over three years if you are under age 65 years) unless you are self-employed and claim a tax deduction against after-tax contributions.

## Excess Concessional Contributions Tax Refund

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).

The Government will allow members assessed as having excessive concessional contributions in the financial year ending 30 June 2012 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).

This concession may only be claimed once in any financial year ending on or after 30 June 2012 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.

## Continuation of reduction in minimum pension payments

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. In the 2012 Federal Budget the Treasurer advised that for the financial year ending 30 June 2013, the minimum pension amounts would continue to be reduced by 25% as follows:

Age at start of pension (and 1 July each year)	In 2011/12 and 2012/13	From 1 July 2013
Under 65	3%	4%
65-74	3.75%	5%
75-79	4.5%	6%
80-84	5.25%	7%
85-89	6.75%	9%
90-94	8.25%	11%
95 +	10.5%	14%

## Reduction of co-contribution rate

The Government Co-Contribution is a scheme whereby the Federal Government will match after tax contributions made by members whose assessable income is below a certain amount. That maximum income has been reduced from \$61,920 per annum to \$46,920 per annum for the financial year commencing 1 July 2012, and the co-

contribution has also been reduced from a maximum of \$1,000 to a maximum of \$500.

In addition from 1 July 2012 the Federal Government announced a reduction in the rate of co-contribution from \$1.00 for every \$1.00 contributed, to \$0.50 for every \$1.00. So whilst the rate is reduced it still provides a boost to retirement savings.

## Low Income Superannuation Contribution (LISC)

In an effort to reduce the impact of the changes to the Co-Contribution scheme (above) on low income earners, the Government has introduced the LISC from 1 July 2012. If you have an adjustable taxable income of less than \$37,000 p.a. you may benefit from the LISC. Eligible members will receive a super contribution of up to \$500 which will effectively refund the 15% contributions tax you pay on the 9% compulsory Superannuation Guarantee contributions that your employer makes.

Eligible members will not need to apply for this benefit – after the annual taxation assessment is finalised, the Australian Taxation Office will make the payment to eligible members' superannuation funds.

## 30% contribution tax for very high income earners

From 1 July 2012 the Government has effectively increased the tax on concessional (before-tax) contributions from 15% to 30% for people who earn more than \$300,000 p.a.

At the time of writing the Government has not indicated how it intends to collect this additional taxation.



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.



AMIST Super Hotline: 1800 808 614  
AMIST Super Fax: 1300 855 378

Email: [service@amist.com.au](mailto:service@amist.com.au)  
[www.amist.com.au](http://www.amist.com.au)

**AMISTSUPER**   
AUSTRALIAN MEAT INDUSTRY SUPERANNUATION TRUST