

SUPER



Keep up to date
with the latest buzz
on your superannuation

September 2014

Solid. Strong. Yours.

AMIST Super Hotline **1800 808 614**

Income Protection helps Josh off the canvas.

REAL LIFE



Josh underwent two rounds of surgery

Josh Eldridge is a 24-year-old boner who works on the slaughter floor at Gundagai Meat Processing. A keen boxer, Josh was dismayed when his local gym in Tumut closed down, so he set up his own work-out facility at home. While doing some bag work, Josh broke his left forearm in a simple, yet surprising accident, given that he was wearing wraps and gloves at the time, and has extensive experience in this form of training.

Josh had every expectation that after a period of time in a plaster cast, he'd be back to fighting condition. But when the cast was removed some months later, he knew he was far from recovered.

Josh was eventually referred to a specialist in Sydney who ordered the highest intensity form of MRI scan. This revealed previously undiagnosed injuries, including a partial dislocation, which had been there since an earlier fracture some 11 years prior as well as a break in the tip of his ulna (elbow bone). A considerable level of specialised surgery by a leading Sydney surgeon was then required.

Originally, Josh had expected to be back at work within three months. But by the time this second diagnosis had been completed, he had already been away for more than six—three months of which was spent waiting for access to the specialist care he needed, due to the complexity of his injuries.

Josh underwent two rounds of surgery. The first to fit a plate and six screws to his radius bone and when that failed to solve the problem completely, the bone was shortened and a further thirteen screws were inserted. Josh's future remains uncertain and he may never recover fully.

Despite AMIST Super offering automatic income protection insurance to all members—which provides financial support when these kinds of accidents happen—Josh initially didn't realise he even had this cover. Fortunately, the default level of cover that all members receive provided him with some much needed funds to live on.

"I'm very grateful that I had this insurance to help me get by financially. My only regret is that I didn't increase my level of cover. That would have made things even more comfortable", he said.

Josh also says he has appreciated the support AMIST Super's insurer has provided

Consumer advocate puts AMIST Super in top 11

Consumer advocacy group, Choice (www.choice.com.au), has named AMIST Super as one of the eleven funds with the lowest fees in Australia. But not only that, of the eleven funds named in this list, AMIST Super is the only one that also appears as one of the top 10 funds for investment returns (based on the Balanced Option). **This confirms that AMIST Super truly offers low fees and solid returns.**



AMISTSUPER 
Your industry fund



Your choice of investment option can make a big difference

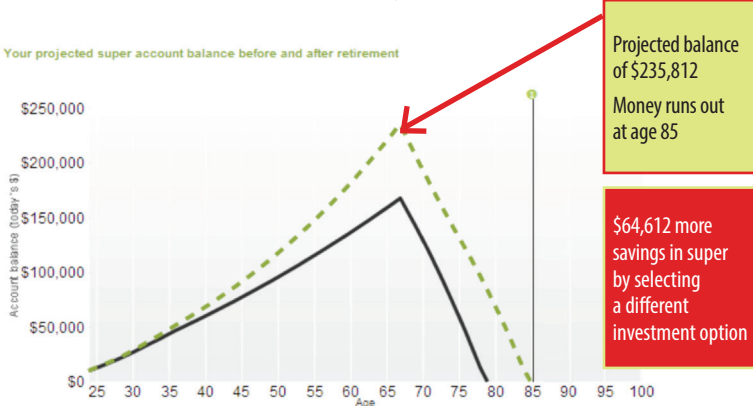
Your retirement is obviously a long way off, but choices you make now can have a huge impact on how much money you have in retirement. Let's look at an example of this.

Tony is 24 and works in a butcher's shop. He earns \$25,000 per year and is a member of AMIST Super, with a current balance of \$10,000. Tony's employer set up the account a number of years ago but he's has not really given much thought to his super. He didn't make an investment choice at the time so his super is invested in the default "MySuper" option.



Helen, on the other hand, works in meat processing plant. She is also 24, earns \$25,000 per year and has an AMIST Super account with a \$10,000 in it.

Helen's employer set up the account a number of years ago, but when completing the application forms, Helen decided to select the High Growth option. She did this because she knew her super would be locked away for over 40 years and wanted to increase her chances of a better return over the very long-term.



If you compare the two, you can see that a different choice of investment options means Helen retires with \$64,612 more in her super*.

Do you know what is the best investment option for you? No?

For advice and assistance with ways to help your super grow, call the **AMIST Super Hotline** and ask to speak to one of our qualified financial advisers. Advice over the phone is a service that's included in your AMIST Super membership, so it will cost you nothing to have a chat with an adviser. But it could put you a lot of extra money into your super over the long-term.

Of course investing in the High Growth option won't suit all members. Some people prefer more conservative options as they don't like investment volatility, that is, the ups and downs of the sharemarket. The important message here, however, is that you consider what you want to invest in. Make a choice that suits you best. Call the Hotline today and get some advice.

*Based on the following assumptions:

| Investment Option | MySuper |
|-------------------|---|
| Asset allocation | 70% growth 30% defensive |
| Fees | Investment Management Fee 0.53% |
| | Admin fee \$88.70 |
| | Expense recovery fee 0.07% |
| Returns | 6.3%pa after tax and fees over 43 years |

| Investment Option | High Growth |
|-------------------|--|
| Asset allocation | 100% growth |
| Fees | Investment Management Fee 0.62% |
| | Admin fee \$88.70 |
| | Expense recovery fee 0.07% |
| Returns | 7.65%pa after tax and fees over 43 years |

This article contains general information only and does not constitute personal advice. It does not take into account your financial situation or particular needs. Accordingly, you should seek professional advice that takes account of investment objectives, financial situation, and particular needs before making a decision in relation to any of the matters covered in these examples.

*Money Solutions Pty Ltd (AFSL 258145). Money Solutions personnel are not representatives of the Trustee. Any financial product advice given by Money Solutions is provided under the Money Solutions AFSL. The Trustee does not accept liability for any loss or damage incurred by any person as a result of using products or services provided by Money Solutions. Fees apply and will be charged to you if you require advice beyond the scope of the AMIST paid for advice on the impact the deeming rule changes could have on your financial position.

How your money is invested. Part 1: Australian Equities

It's well known that AMIST Super has a reputation for the consistent delivery of solid returns over the long-term, but have you ever wondered exactly how they decide where to invest your money? We spoke to Chief Investment Officer, Megan Pham, to find out, firstly about Australian Equities.



Chief Investment Officer, Megan Pham

"... We look for a range of things, such as growth and regular income."

Buzz: So what exactly are Australian Equities?

Megan Pham: Australian Equities are essentially shares in Australian companies that are listed on the Australian Stock Exchange. Anyone can buy shares in any listed company and the idea is that they will rise in value to provide a positive return to the investor. Shares generally provide a better return than other areas a super fund can invest in over the long-term. Of course there will be times when shares can actually lose value as well.

B: So how does AMIST Super decide what companies to invest in?

MP: We select quality investment managers to do this for us. These managers have different strategies for choosing companies. Our role is to select the managers that we think will do the best for our members. Importantly, we have a vigorous and documented selection process that guides our decisions.

B: So how do you select the investment managers?

MP: To assist us in this process, we use a specialist asset consultant, JANA. They have staff who research investment managers in Australia and around the world. We generally then interview prospective managers and assess them on their ability to provide long-term returns. We consider their experience, their track record and the length of time they've been operating. Naturally, different investments require different skills, so we're not necessarily looking for exactly the same things from each of our managers. We provide detailed guidelines about investment style to each manager and we support them based on their on-going performance.

B: What kind of things would be included in your investment style?

MP: We look for a range of things, such as growth and regular income, but we also consider other things offered by the investment managers such as inflation protection, risk profile and value for money in terms of competitive fees.

B: So can you tell us the names of some of the companies AMIST Super has invested in? Are they companies the members would recognise?

MP: Yes, definitely. We have invested in the four major banks, CBA, Westpac, NAB and ANZ, plus Woolworths, JB Hi-Fi, Telstra and mining giants BHP Billiton and Rio Tinto, just to name a few.

For information about AMIST Super investment options, see our *Investment Guide* booklet which is available by calling the **AMIST Super Hotline**, or download it from the website.

Investment returns: 12 month returns to 30 June 2014

| AMIST Super investment options | 1 Year Crediting Rate | 5 Year Net Compound Average Crediting Rate | 10 Year Net Compound Average Crediting Rate |
|--------------------------------|-----------------------|--|---|
| Secure | 3.10% | 4.14% | 4.77% |
| Capital Stable | 7.67% | N/A* | N/A* |
| MySuper | 12.90% | 9.35% | 7.51% |
| Balanced | 12.90% | 9.35% | 7.51% |
| Growth | 15.94% | 10.99% | 7.52% |
| High Growth | 20.55% | N/A* | N/A* |

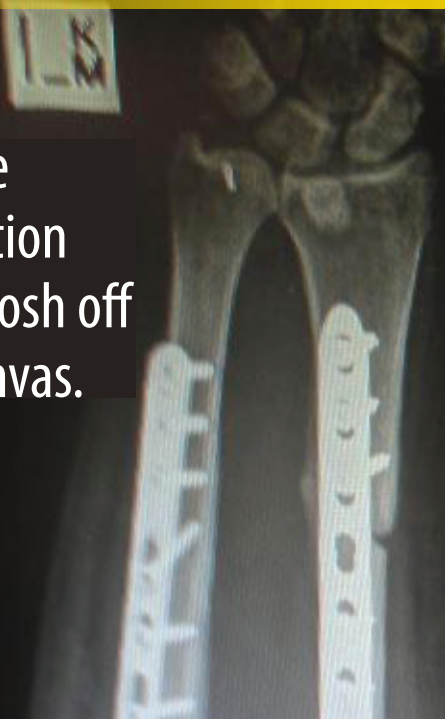
If you have never made an investment choice your account balance and contributions will be invested in the MySuper option.
*The AMIST Super Capital Stable Option and the AMIST Super High Growth Option were introduced on 1 April 2010.

Herd about Super?

Have you seen our new video that explains super in a nutshell? Just go to the website and click on the "play video" button

Play video

Income Protection helps Josh off the canvas.



I'm very grateful that I had this insurance to help me get by financially. My only regret is that I didn't increase my level of cover to match my actual income.

→ continued from front cover

and praises their assistance in arranging his specialist medical appointments.

To find out more about income protection insurance and matching your level of cover to your income, visit www.amist.com.au or call the **AMIST Super Hotline** on **1800 808 614**.

A duck walked into a bakery one day and asked for a pork chop.

The baker said, "we aren't a butcher; we don't sell meat here."

So the duck left.

The following day the duck went back and asked again.

This time the baker said, "no, if you come here again I will nail your feet to the floor."

The following day the duck returned and asked, "have you got any nails?"

The baker replied, "no." And the duck said, "well, I'll have two pork chops then."



My choice of fund.

Your details **1**

Member name:

Date of Birth:

Payroll/Employee No if applicable:

AMIST Super member No:

Sign and date **2**

Signature:

Date:

Employer information

Chosen fund payment methods

If you are a registered AMIST Super employer (that is, you already pay contributions to AMIST Super on behalf of other members), you can simply continue using your current payment method for your contributions.

If you are not a registered AMIST Super employer, you can:

- 1) **Become a registered employer** by contacting AMIST Super on 1800 808 614 or visiting www.amist.com.au. You will then be able to enjoy additional flexibility in making payments such as direct debit or BPAY®.
- 2) **Use an existing payment process you have in place** to forward payments to super funds, for example, a clearing house.
- 3) **Provide payments via BPAY** without registering with AMIST Super. Taking this option will mean you will not have access to AMIST Super's range of employer services.
- 4) **If you would like to offer AMIST Super** at your company, please contact Catherine Chadwick on (07) 3233 6668 or at catherinec@amist.com.au

If you change jobs, you don't have to change your super.



If you're changing jobs, there will be lots of new things ahead for you. One thing you can be sure of is that you can take your AMIST Super membership with you wherever you go. Even if you leave the meat industry altogether.

Just complete this form, tear it off and give it to your new employer.

This will then enable your new employer to make contributions to your account. But don't forget to sign and date it!

My choice of fund

Complete this form in BLACK ink using BLOCK letters. Give this form to your employer. Do not send it to AMIST Super. Any request will be invalid if not signed and dated.

I would like to select AMIST Super as my choice of super fund.

I request that all my future employer super contributions are made to:

Fund name: Australian Meat Industry Superannuation Trust
 Fund ABN: 28 342 064 803
 Fund SPIN: AMI0100AU
 Fund Phone No: 1800 808 614

IMPORTANT: This form is for your employers records only - do not send it to AMIST Super.

This form can be used instead of completing Part A of the *Choice of superannuation fund — Standard choice form* which you may have received from your employer. Some employees may not be able to choose their own superannuation fund. Please speak to your employer for more information.

Compounding creates greater interest in super.

One of the best decisions you can make in life is to start investing in superannuation sooner rather than later. The reason? So you can take advantage of compound earnings—which can turn even small amounts of money into larger sums over time.

What are compound earnings?

Compound earnings means you're making money not just on the amounts you actually deposit in your super account but, as time goes on, also on the earnings those contributions generate. It's earnings on your earnings, in fact!

And the longer you invest, the greater the impact of compound earnings, so it really pays to get started as soon as you can. Let's look at how this could work.

Nick is a 21 year old butcher who earns \$577 a week. His employer is contributing the compulsory Superannuation Guarantee 9.5% of his gross income into super, which is \$55 per week. Assuming no adjustments to this rate of saving take place over the years, by the time Nick retires at age 67, he will have contributed a total of \$162,000 to his super. But based on an average earning rate of 7% per year*, Nick's account balance is more likely to be almost \$400,000.

That's over \$200,000 extra and all Nick did was contribute the absolute minimum compulsory amount to his super. Compound earnings and time did the rest.

But because Nick wants to ensure he enjoys a comfortable retirement, rather than relying on contributing the absolute minimum amount to his super, Nick decided to deposit an extra \$10 per week. As a result, his account balance leaps to over \$520,000.

So by topping up his super by just over \$10 a week, Nick could retire with an extra \$100,000. Thanks again to time and the effect of compound earnings.

It's true, getting started in super early really doesn't cost much but can make an enormous difference to your retirement savings and industry funds like AMIST Super charge low fees and return all profits to members, making them an even better value alternative.

If you want to know how to boost your super like Nick did, call the **AMIST Super Hotline** on **1800 808 614**.

*This is not representative of a guaranteed rate of return.





Chris wins quiz prize.

Congratulations to Victorian member **Chris Lyons** for correctly answering the quiz questions in the March edition. Chris wins the \$200 prize.

Client Services

Meet our team of service professionals.

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



Melinda Gibson, on 0407 919 796 or Melinda@amist.com.au
Manager of the Client Services team.



Royston Bennett on 0437 697 737 or roystonb@amist.com.au
Client Services Manager for Vic, SA and Tas.



David Ashton on 0434 043 785 or davida@amist.com.au
Client Services Manager for QLD and NT.



Steve Fleming on 0419 160 293 or stevef@amist.com.au
Client Services Manager for NSW and WA.

Take our quick quiz and you could win \$200!

How well do you know your super? You'll find the answers in this edition of *Super Buzz*.



Entries close 30 November 2014. Just send your answers and details below to: AMIST Super Quiz GPO Box 4293 Sydney NSW 2001 or Fax to: 02 9230 1111

1. What is the name of AMIST Super's Chief Investment Officer?
 2. What is an Australian Equity?
 3. True or false? Australian Equities generally provide a better long-term investment return than other investments.
 4. Name the specialist asset consultant AMIST Super uses to assist in selecting investment managers.
 5. Name three things that are included in the AMIST Super investment style.
 6. What was the High Growth Option's 12 month return to 30 June 2014?
 7. Name three of the high profile companies AMIST Super has invested in.
 8. True or false? AMIST Super members can choose the options that their money is invested in.
- Please be sure to write your name and contact details clearly.

Name: AMIST Super Member No:

Address:

State: Postcode: Phone:

Email:

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