

Solid. Strong. Yours.

September 2017



Bill Parker

**REAL LIFE**

## Income protection keeps Bill comfortable after heart attack.

On 7 October 2016, Bill Parker was working at JBS Dinmore at his usual slicing station when he had a minor heart attack. While he wasn't in pain, he was unable to do anything physical. He was helped from the floor and a short time later was in the back of an ambulance heading for Ipswich Hospital.

After three days at Ipswich, Bill was transferred to Princess Alexandra Hospital where he underwent an angiogram to establish the location of any blocked arteries that had caused the attack.

The doctors found not one, but three narrowing arteries and consequently, a triple by-pass was performed on 17 November 2016. The following six months saw Bill recovering and he returned to light duties at Dinmore on 4 May 2017, feeling much improved, but still regaining his health. Sensibly, Bill no longer smokes and is starting to regain the taste of food.

*"...as the wait was over, the money started flowing in."*

Bill submitted his claim for his income protection benefit early in the 30-day waiting period and as soon as the wait was over, the money started flowing in. He was extremely grateful to have this financial support during the time he had off work and fortunately, he had increased his cover to 7 units well before he suffered the heart attack.

Bill said the claim form was "fairly cruisey" to complete for the most part.

## Good planning puts Bill in good stead.

Nearly a year before his heart attack, Bill Parker started a Transition to Retirement (TTR) pension. Under the TTR rules, you can top up your income by converting part of your existing super to an Account Based Pension. This facility then pays you a regular income, or pension, which in turn allows you to put a larger part of the salary from your job back into your super.

*"...you can top up your income by converting part of your existing super to an Account Based Pension."*

So your super grows through salary sacrifice, but your lifestyle is maintained because you live on the combination of the Account Based Pension income plus the balance of your salary. This is exactly how it worked for Bill and allowed him to increase his total super balance significantly over the following 12 months.

# Knowing when to retire (and when not to).

When you think about when to retire, many people's minds turn straight to finances.



And while this is a major consideration in your retirement decision, it isn't everything; there are other considerations such as health, responsibilities outside your career and the lifestyle you want to achieve.

"The first question is, can you retire? Not only financially, but in making that adjustment after all, retirement is one of the big stressors in life," says retirement author Jill Weeks. Research found in the SuperFriend report, Planning for a Mentally Healthy Retirement, tells us that the level of control you have over your decision to retire can impact your mental health well into retirement, so planning well is an important aspect.

There are a number of additional questions to ask yourself as you determine when will be the right time to retire. Is it a choice? Being able to make the choice to retire is the ultimate aim, however this isn't the case for many Australians.

Maybe your health has forced you to retire, or you've been retrenched, the death of a spouse has impacted your decision or selling a business can make that choice for you," Weeks says of the factors that can remove the level of choice. "That's a very difficult thing." If you're struggling with a retirement decision that has been made for you, or you feel forced into it suddenly, you may need to be mindful of your mental health while you adjust. Seek support from your family and friends, or call Beyond Blue for advice.

## What are the pull factors?

If you're headed towards retirement with some options ahead of you, you could be experiencing some pull factors. These are the things pulling you towards wanting to retire – such as wanting to spend time with family and friends, pursuing interests and hobbies, or undertaking caring responsibilities – and they can be really

positive reasons to kickstart this next stage of your life.

Many people say they want to be doing something fulfilling, not just time filling," says Weeks. That might mean taking on new interests, expanding on previous hobbies, doing volunteer work, or taking a non-traditional retirement path such as a part-time job.

## What is your situation at home?

You may have people around you – your partner, family or friends – with whom you'll discuss your thoughts about retirement. Their points of view might influence your decision, including things like whether you'd like to travel together, whether your partner is retired, and any caring responsibilities you have towards younger or older family members.

*"If you're struggling with a retirement decision that has been made for you, or you feel forced into it suddenly, you may need to be mindful of your mental health while you adjust"*

## Is this what you want?

Remember that it's okay to not feel ready to retire, even when those around you are suggesting you should, as long as your physical and mental health are taken into consideration with that decision.

For more information on retirement wellbeing, refer to SuperFriend's Planning for a Mentally Healthy Retirement report.

### RESEARCH

Retiring suddenly: email provided by SuperFriend with statistics from Dr Jo Earl.

SuperFriend report: Planning for a Mentally Healthy Retirement Healthy retirement literature review, provided by SuperFriend.

(Case study's name changed at her request).

# 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.



**Steve Fleming,**  
National Manager,  
Client Services on  
0419 160 293 or  
[stevef@amist.com.au](mailto:stevef@amist.com.au)  
for NSW and WA.



**Catherine Chadwick,**  
Client Liaison Manager  
on (07) 3233 6668 or  
[catherinec@amist.com.au](mailto:catherinec@amist.com.au)



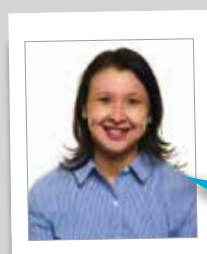
**David Ashton**  
on 0434 043 785 or  
[davida@amist.com.au](mailto:davida@amist.com.au)  
for QLD.



**Royston Bennett**  
on 0437 697 737 or  
[roystonb@amist.com.au](mailto:roystonb@amist.com.au)  
for WA, VIC, SA and TAS.



**Leisa Sheffield**  
on 0407 919 796 or  
[leisas@amist.com.au](mailto:leisas@amist.com.au)  
for QLD and NT.



**Justine Young**  
on 0407 907 408 or  
[justiney@amist.com.au](mailto:justiney@amist.com.au)  
for NSW.

Hi, I'm new to the team!

# Investment Portfolio changes over the past 12 months

Murray Rutherford. Head of Investments



**Over the past twelve months the AMIST Super investment team has been actively seeking to enhance long-term returns across all investments within our portfolio to benefit our members.**

To do this, we have worked on three key processes:

## 1. Review of investment objectives

AMIST Super has delivered strong long-term results for members, that have been in-line with other funds and well-above investment objectives. But can we do better? We think so.

After a thorough review of investment objectives, we have increased the return objective for the Balanced, My Super, Growth, and High Growth options by 1% each per annum. This increase is the result of our continued focus on member outcomes, strong results, and our expectations for the future performance from our investment managers. Also, we have recognised our size and stable member-base is a competitive advantage which allows us the opportunity to access markets and investment strategies that are under-utilised by other funds.

## 2. Review of Strategic Asset Allocation

As members, it is important for you to know that your super is in good hands. It should be well-managed by a high quality team, it should meet your retirement objectives and compare favourably with other funds.

One of the primary drivers of good long-term performance is asset allocation. As a result of our review in this area, we have reconfirmed the long-term asset allocation for each investment option. These allocations remain appropriate for the investment objectives in each option and are in line with other industry super funds. Within the Balanced, My Super, and Growth options, there is slightly more investment in Property and slightly less in Infrastructure when compared to the industry average. Recently this has served us well, given strong property price increases.

## 3. Review of underlying investments and managers

The majority of our work toward enhancing member outcomes has occurred by repositioning several individual investments. Whilst all current manager allocations remained suitable, under our review, we identified opportunities for upgrades in three areas:

- The introduction of new managers who are considered to have higher return potential in certain areas
- Increasing geographic diversification of our investments to take advantage of asset pricing in other parts of the world; and
- Increasing exposure to private markets that offer compelling return potential relative to public market options.

Over the past 12 months, AMIST Super has invested in 6 new managers for a total of \$558 million (approximately 30% of total funds) committed to new strategies.

We have upgraded our global credit strategy to gain additional yield through

an illiquidity premium. (This is where an asset cannot be sold immediately, without a potentially significant impact on price, so a premium is paid to the investor as compensation for tying up their capital.)

We have upgraded our Global Bond allocation to allow more diversity and flexibility.

We have upgraded our infrastructure holdings to introduce privately held assets around the world. And, we have upgraded our international equity holdings to separate accounts to reduce fees and increase control.

**In summary, all of the changes have been made to ensure that the AMIST Super portfolio remains diversified, and in a position to provide strong returns to members while maintaining an appropriate risk profile across investment options. While risk will always exist in the marketplace, AMIST Super remains well positioned to weather storms and participate in the upside through exposure to high quality assets and active investment managers.**

## Rolover and relax - on the phone!



It makes sense to have all of your super in the one place. So consolidate your super today. Call **1800 808 614** and we'll do it for you.



**REAL LIFE**

## TTR puts Rob on the road to a dream retirement

**Recently, AMIST Super Client Service Manager, Leisa Sheffield, called into the Bundy Chop Shop and heard a great testimonial service story she wanted to share with our members.**

More than a year ago, Leisa was at the Bundy Chop Shop and explaining the transition to retirement strategy to a few members of staff. This strategy involves setting up a pension account and accessing up to 10% of the pension balance each year, while salary sacrificing to build retirement savings.

Robert Watson was one of the staff members who attended the session, but at

the time it wasn't a strategy he wanted to implement.

But earlier this, year Rob decided he wanted to slow down a bit and start the all-Australian retirement dream – to travel around and do some part-time work whilst on the road.

Rob needed to access some of his super to set his plans in motion and remembered that there was a strategy he'd heard about from Leisa when she had last visited the shop. This could be the way, he thought.

Rob was a bit apprehensive about setting up the strategy by himself and was concerned it would take months. So he

called the AMIST Super Hotline to see what assistance was available and how long it would take.

Rob could not praise the AMIST Super Hotline staff more highly. In his words, "they took the time to explain the strategy in my language and arranged to send out the relevant paperwork". Once he received the paperwork, Rob called the Hotline again to ensure he completed everything correctly. Rob told Leisa that the process from his original call to receipt of his first pension payment took way less time than he'd imagined.

Look out for Rob on the road as he starts his retirement journey.

## Have you checked your income protection cover lately?

**If you earn more than \$32,000, chances are you're under-covered.**

As a member of AMIST Super, if you are under the age of 70, you have automatically received 4 units of income protection insurance as part of your membership. Income protection pays up to the lesser of 75% of your wages, or the equivalent of \$2,000 per month for up to two years if you become unable to work due to sickness or injury.

What does this mean? Members with 4 units of cover, earning less than \$32,000, and making a successful claim will receive the equivalent of \$2,000\* per month or up to 2 years (payments stopping when returning to work).

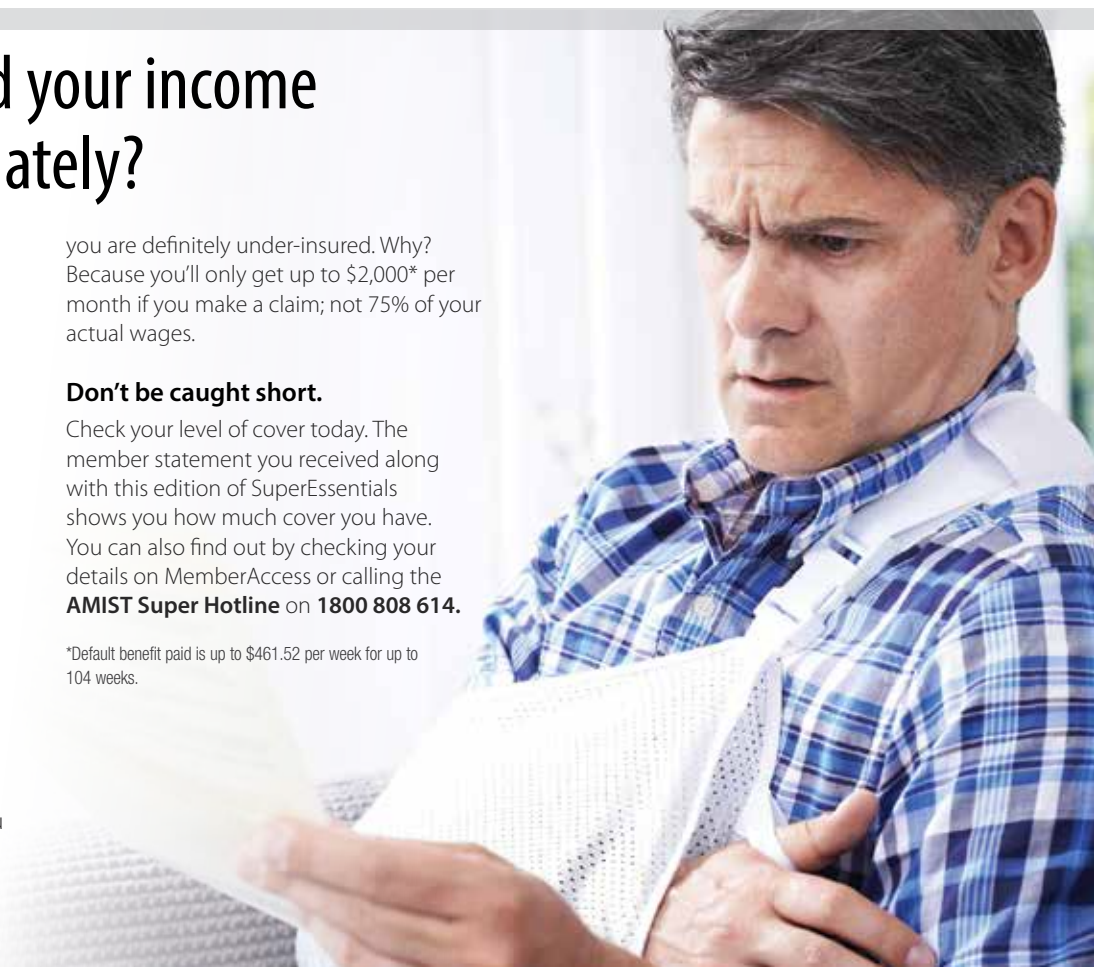
But if you earn more than \$32,000 and you are still on the default level of cover, then

you are definitely under-insured. Why? Because you'll only get up to \$2,000\* per month if you make a claim; not 75% of your actual wages.

### **Don't be caught short.**

Check your level of cover today. The member statement you received along with this edition of SuperEssentials shows you how much cover you have. You can also find out by checking your details on MemberAccess or calling the **AMIST Super Hotline on 1800 808 614.**

\*Default benefit paid is up to \$461.52 per week for up to 104 weeks.



## Meet the team behind the Hotline.

In the next in our series on the team behind the AMIST Super Hotline, meet Garfield Forbes. A seasoned professional in financial services, Garfield joined the AMIST Super Hotline team in February last year.

Prior to that, Garfield had extensive experience in client services, contact centre and administration roles. In fact he started working in the super industry way back

in 1994 and with that comes in depth knowledge of superannuation.

*"...It's a great feeling when you can tell the penny has dropped for the member".*

"What I really like about working for AMIST Super is that they focus on caring for their members," Garfield says. "When a member calls in and they're confused or concerned about something to do with their super, I get a great deal of satisfaction when I can explain the situation or allay their concerns. It's a great feeling when you can tell the penny has dropped for the member and his or her life has been enhanced."



Garfield Forbes

"I spent a long time working for retail super funds, where the ethos in member services is to sell up," Garfield says. "I was never comfortable with that. AMIST Super, on the other hand, is here to help members look forward to a better retirement."

Outside work, Garfield is currently studying for a Bachelors Degree in Criminal Justice. He's married and has a 15 year old son and a 13 year old daughter.

## AMIST Pension wins CANSTAR award again

Each year CANSTAR researches and rates account-based pension funds across Australia to determine which ones offer outstanding value for money. This year they looked at 66 different products from 59 superannuation providers with AMIST Super achieving a five star rating for outstanding value. This is the third occasion AMIST Pension has won this prestigious award.



Account Based Pensions



## AMIST Super is on Facebook.

We regularly post about super and lots of other interesting things. So why not "like" us and "share" us amongst your workmates.

And don't forget to make a comment. We're always interested in your views.

## No more paper statements (unless you want them).

Members who are registered for our online account service, MemberAccess, have been automatically opted-in to receive their member statements online, rather than through the mail.

If you would prefer to continue receiving printed paper statements, you can opt-out at any time by changing your communication preferences within MemberAccess. Once you're logged into MemberAccess, "communications preferences" are located under "Personal details".



# Siona wins quiz prize.

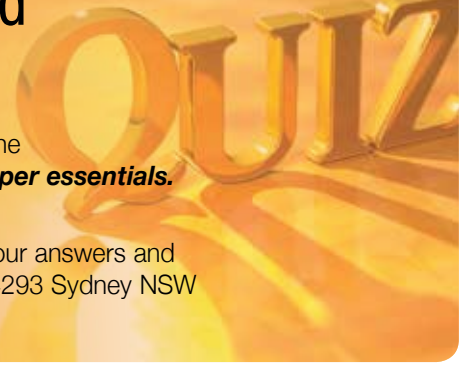
Congratulations to member **Siona Nunuimalo**, from Queensland, for correctly answering the quiz questions in the last edition. Siona wins the \$200 prize.



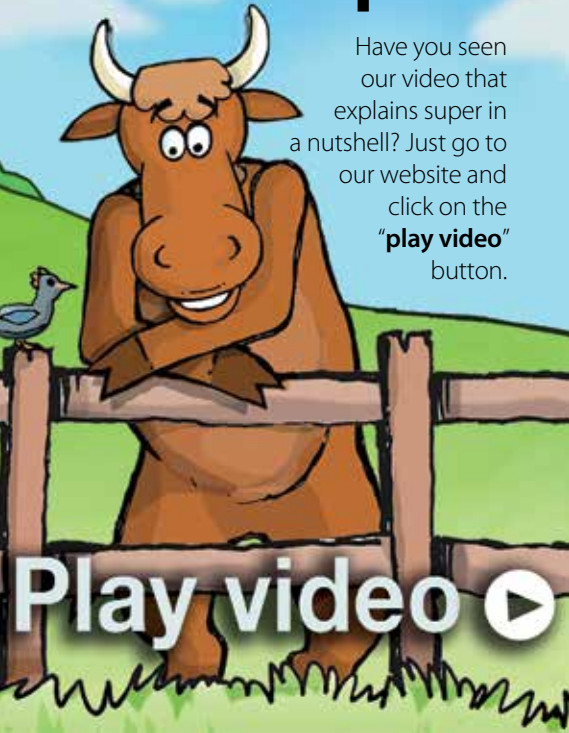
## Take our quick quiz and you could win \$200!

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

Entries close **30 November 2017**. Just send your answers and details below to: AMIST Super Quiz GPO Box 4293 Sydney NSW 2001 or Fax to: 02 9230 1111.



# Herd about Super?



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

**Play video**

1. Why was Bill Parker taken to hospital? .....
2. In what year did Garfield Forbes start working in the superannuation industry? .....
3. What type of insurance helped Bill Parker while he was off work? .....
4. Name the newest member of the AMIST Super Client Services Team. ....
5. What does TTR stand for? .....
6. What is the name of the SuperFriend report on retirement? .....
7. By how much has the return objective for the Balanced, My Super, Growth, and High Growth investment options been increased? .....
8. Where did Robert Watson work? .....
9. How many children does Garfield Forbes have? .....
10. Name one of the factors that could pull you towards retirement. ....

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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**MAILING ADDRESS**

### AMIST Super

Locked Bag 5390 Parramatta NSW 2124  
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)

### AMIST Pension

Locked Bag 5042 Parramatta NSW 2124  
AMIST Pension Hotline: 1800 255 521  
AMIST Pension Fax: 1300 663 844  
Email: [service@amist.com.au](mailto:service@amist.com.au)  
[www.amist.com.au](http://www.amist.com.au)

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