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# Questions and Answers

Superannuation Annual Members' Meeting  
Financial year 20/21



Thanks very much to those members who asked questions about their AMP super or pension for the superannuation Annual Members' Meeting (AMM).

## What's in this document

The answers included below are in response to questions submitted by members on the day of the AMM, plus questions submitted beforehand, that weren't addressed in the AMM.

Many of the questions are about similar topics, so to make it easier to find the answers, we've grouped related themes and topics together. We've also included some examples of specific questions from members, which appear exactly as they were sent to us.

As the meeting was held for members of two different funds – the AMP Superannuation Fund and the Wealth Personal Superannuation and Pension Fund – this document includes questions from members of both funds. Most answers are generic to both funds, but for those that are specific to a fund; we've made this clear in the answer.

Please check the **contents page** to find the topic you asked about or are interested in.

## Find personalised tailored help

For privacy reasons, we haven't answered any personal super questions here. Instead, we've tried to get in touch with these members to discuss their super or pension questions needs separately.

Here's where you can access support:

### Book a super health check

If you have an AMP super account and would like to know more about your super, book a complimentary 20-minute super coaching session. These 1:1 appointments can help you get financially fit and understand your super better.



Book now at [ampcorpsuper.i-events.info/super-health-check](https://ampcorpsuper.i-events.info/super-health-check)

### Simple super advice

Complimentary simple phone-based advice on select topics at no extra cost. Available to AMP Super Fund members and limited to advice about your super within the fund.



Book now at [amp.com.au/financial-advice/simplesuper-options](https://amp.com.au/financial-advice/simplesuper-options)

### Your adviser

If you have an adviser, they can help with broader financial questions by considering your personal circumstances.



Find an adviser at [amp.com.au/financial-advice](https://amp.com.au/financial-advice)

Any advice and information provided is general in nature, hasn't taken your circumstances into account, and is provided by N.M. Superannuation Proprietary Limited, which is part of the AMP group (AMP). It's important you consider your personal circumstances, read the product disclosure statements and financial services guides and consider speaking to a professional before deciding what's right for you. The super health check is provided by AWM Services and is general advice only. It does not consider your personal circumstances. Simple super (intrafund) advice is provided AWM Services to eligible members of the AMP Super Fund. AWM Services is a wholly owned subsidiary of AMP.

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CATEGORY	ABOUT INVESTMENTS
<b>Question 1</b>	<b>How have Dynamic Asset Allocated funds performed during the market volatility?</b>
Example question:	<ul style="list-style-type: none"> <li>➤ In light of the market volatility over the past few years (due to Covid19 etc) have the Dynamic Asset Allocated funds delivered on their goal of better managing such market volatility?</li> </ul>
Answer	<p>Market volatility caused by the COVID-19 pandemic has produced a favourable investment environment and opportunities for active management of funds. This has meant that AMP's Dynamic Asset Allocation (DAA) investment team has been able to improve risk-adjusted return outcomes for members. We are continuing to enhance the DAA investment model, taking greater advantage of quantitative indicators and signals to make investment decisions.</p>
<b>Question 2</b>	<b>What is AMP's strategy to offer cryptocurrency as an investment option?</b>
Example questions:	<ul style="list-style-type: none"> <li>➤ What is the current position on cryptocurrency, and does it have a place in superannuation?</li> <li>➤ Competitors are soon deploying new features allowing customers to hold digital cryptocurrency assets. Are there any plans for AMP Super fund customers for a portion of their super to be invested in cryptocurrency?</li> <li>➤ Would crypto funds with legit digital assets with potential growth be included soon in the 'Investment Options' within the existing Plan Offerings at AMP? If yes, by when tentatively?</li> <li>➤ Would members / customers be given an opportunity to choose % Allocation towards 'Crypto Investments' within their 'Portfolio Investment Mix'?</li> <li>➤ Is there or are there any plans for an investment product that makes money during a market correction?</li> </ul>
Answer	<p>We'll continue to closely watch the crypto market as it's evolving rapidly, and we recognise increasing interest from many of our members.</p> <p>We're mindful of the speculative and volatile nature of cryptocurrency as an investment. We have a responsibility on behalf of our members to carefully assess risk and screen investments for this volatility, to make sure funds are properly protected.</p> <p>For our master trust products, we're investigating cryptocurrency with an open mind future member and adviser needs. We've also recently added crypto-based investment options to our platform offer.</p> <p>Before investing in cryptocurrency, we encourage investors to speak with their adviser. To learn more about the crypto market, our Chief Economist Shane Oliver discusses on it in one of our Simplifying Investing podcast series, available <a href="#">here</a>.</p>

## Question 3

## What is the investment allocation between shares and property in SignatureSuper?

Example question:

➤ How is the investment allocation between shares and property determined & why so varied between the two asset classes?

Answer

In almost all portfolios, there will typically be higher allocations to equities (shares) than to property. There are few reasons for this, including:

- Equities generally have a higher return profile than property.
- Equities offer a much broader and diversified universe of securities.
- Equities typically have a much better liquidity profile than property.
- Due to the breadth of the equities on offer, there are more opportunities for active managers to add value in equities compared to property.
- Australian equities offer investors the benefit of franking credits.

Also, many super members own (or would like to buy) their own home, which can be a large investment. Because the member is likely to have invested in property themselves, super funds tend to not invest huge sums in residential property in particular, because that would result in too much exposure to a single asset class for the member in terms of their overall investment portfolio, which could be risky.

## Question 4

## Are you investing more in health, communication and logistics companies SignatureSuper?

Example question:

➤ Should we look at investing more in health-related industry leaders, communication companies like Samsung, Apple, etc and logistics like transport companies as online retail has and will continue to increase?

Answer

This is something considered by the managers we appoint for some of our funds and would be based on long-term trends in industries and specific company fundamentals.

## Question 5

## Do you invest in gold in SignatureSuper?

Example question:

➤ Would you consider using gold in a superannuation portfolio? Either physical gold or a gold account.

Answer

Gold can be a good diversifier in times of volatility and at times when there is high inflation, but we're conscious that gold does not produce any income. Some funds we manage can make allocations to gold. In AMP MySuper, we get exposure to gold indirectly through gold miners, as determined by the underlying equity managers.

In 2021, Cryptocurrency took some of the positive growth away from gold, as inflation expectations were rising (although this has reversed slightly recently because of the war in Ukraine).

## Question 6

## What are your international and 'other' investments in SignatureSuper?

Example question:

➤ What kind of investments are made in the 'international investments' and 'other' categories?

Answer

In the **international investment category**, we invest in international shares.

In the **other investment category** we invest in alternative assets – those outside traditional listed markets (such as equities and fixed interest) and are typically managed, structured, and accessed differently to traditional assets.

Alternative assets tend to perform differently to traditional markets as their sources of return and risk profile are highly differentiated, and so provide important diversification benefits that can lower overall portfolio volatility. The risk profile of these types of alternative assets is dominated by things like manager skill, asset specific and other unique risks eg liquidity. Growth-oriented alternative assets may include private equity, sub-investment grade credit, infrastructure, private debt and absolute return strategies. Defensive alternative assets may include high yield credit, bank loans and absolute return strategies.

## Question 7

## Is our super invested in AMP Limited?

Example question:

➤ Is any of our super invested in AMP Limited and if not, could it please be considered?

Answer

Yes, but it depends on the investment strategy. Stock selection within AMP MySuper is executed by our expert underlying managers in order to best explore dislocations and opportunities in markets, enhancing overall risk and return at the total fund level. Using the MySuper 1960s investment option as an example, at the diversified level, the fund holds a less than 0.1% direct exposure to AMP Ltd Shares.

## Question 8

## What type of business are AMPs super funds invested in?

Example question:

➤ How is Super invested? Which type of businesses?

Answer

We invest in a wide variety of businesses across an array of asset classes. In the Australian share market this would include banks, telcos and resource companies. In global markets, there is a greater selection of companies in technology and healthcare. Through our private equity program, we invest in start-up companies and businesses looking to expand and grow, whilst in infrastructure, we invest in airports and toll roads, social infrastructure, and utilities.

The common factor that our investment managers are looking for, are companies that have profitable, sustainable, and growing businesses, and who consciously strive to make positive contributions to their shareholders, their community, and their employees.

## Question 9

## Maximising super as a self-employed person?

Example question:

➤ How best to use super and maximise investment potential as a self-employed person?

Answer

Members of the AMP Super Fund who are looking to review their super account to make the most of their super, can have a complimentary chat with an AMP super coach.

They will look at super investments, contributions and help with any insurance paid for through super. They can also explain the super account's benefits and features and how this works for those who are self-employed. Book a complimentary session with a super coach here: [ampcorpsuper.i-events.info/super-health-check](http://ampcorpsuper.i-events.info/super-health-check)

Members of one of AMP's platforms, should speak to their adviser before considering any investment.

## Question 10

## How are ESG funds classified?

Example question:

➤ Why are SRI/ESG funds hidden in "speciality" (on the North platform) and not in their own section making investment choices easier?

Answer

The North platform investment menus do not have an ESG filter, so managed funds are classified based on their strategy and classification by Morningstar, who compile a global investment industry database. We're working towards enhancing the view and filtering capabilities of managed funds offered by North platform products, so ESG funds can be more clearly referred to.



CATEGORY	AMP – GENERAL
<b>Question 11</b>	<b>What is the member impact of AMP's Fee for No Service Class Action?</b>
Example question:	<ul style="list-style-type: none"> <li>➤ What is AMP doing with regards to the Fee for No Service Class Action Lawsuit? And if the shareholders will be paying for the litigation costs?</li> </ul>
Answer	<p>AMP will continue to vigorously defend the class action and we remain confident we have a strong case.</p> <p>Class action litigation costs have no impact on money held in superannuation funds (unless the super fund is invested in AMP shares). Also worth noting, members' superannuation funds are held in a trust structure, with independent governance and oversight by the trustee board and won't be used for litigation funding purposes.</p>
<b>Question 12</b>	<b>Will you notify members about an AMP divestment?</b>
Example question:	<ul style="list-style-type: none"> <li>➤ Will AMP notify me if there is a change of company. If you sell this section of AMP?</li> </ul>
Answer	<p>Yes, members would be notified if that happens.</p> <p>Members should also be mindful that their super is managed through a trust that is legally distinct and separate from AMP. The nature of this structure means member funds are not linked to the performance of AMP group and members are protected against any change.</p>



CATEGORY	FEES
<b>Question 13</b>	<b>Employer super plan fees?</b>
Example questions:	<ul style="list-style-type: none"> <li>➤ How do the Woolworths Super Plan’s administration fees compare to average Industry Funds Administration fees?</li> <li>➤ As members of ESP, are we getting a reduced fee on our Superannuation accounts?</li> </ul>
Answer	<p>We can offer fee discounts to members of large employer plans (ESP plans), including Woolworths employees, because of their scale. The ATO has recently introduced the YourSuper comparative tool (<a href="https://ato.gov.au/Calculators-and-tools/YourSuper-comparison-tool/">ato.gov.au/Calculators-and-tools/YourSuper-comparison-tool/</a>) to help people compare performance and fees of MySuper products across the market.</p> <p>Members should note that although Woolworths Super and other employer discounted plans offered through the AMP Super Fund provide access to discounts on the administration and member fees, this won’t be automatically taken into account on the YourSuper comparison tool.</p> <p>For an accurate comparison, Woolworths Super members should use the fees from this link: <a href="https://woolworthssuper.amp.com.au/woolworths/why-woolworths-super">woolworthssuper.amp.com.au/woolworths/why-woolworths-super</a>.</p> <p>We’ve included a total fee for different balances, as the comparison sites use different balances too. You can find fee definitions related to the Woolworths Group Superannuation Plan in the AMP SignatureSuper product disclosure statement.</p>
<b>Question 14</b>	<b>Are there fee changes as a result of the demerger of AMP’s business?</b>
Example question:	<ul style="list-style-type: none"> <li>➤ Please discuss (fee) charges as a result of the (AMP de-) merger?</li> </ul>
Answer	<p>The demerger will not cause an increase in charges for members.</p> <p>On 1 October 2021, AMP simplified and revamped the SignatureSuper product, including refining the investment menu. This simplification saw reduced fees across the fund for most of its members. As we continue to simplify our products and processes, we will be able to make sure our services and fees are competitive.</p>

## Question 15

## Please explain how the administration fee is calculated

## Example questions:

- Can you tell me what the percentage admin fee is?
- If I've lost a job, will your administration fee be less? Can my voluntary contributions be tax-free in this case?
- Is there a possibility of waving fees, for after a certain age?

## Answer

Administration fees are standard across the industry and cover the general cost of managing a super or platform account, including the production of communication materials such as annual statements and services such as operating the contact centre. We are committed to making sure our administration fees remain competitive against the market for both our platform and master trust products.

Previously, the administration fee for master trust superannuation products was deducted daily from the assets of each investment option and reflected in the unit price or crediting rate when declared. It's now calculated on the member balance on the last day of the month. This will be deducted directly from a member's account, in arrears, on the first day of each month. It is a percentage-based figure – for example, 0.29% pa of the amount invested in a Choice investment option. Since it is percentage based, if you have lost your job, your administration fee is unlikely to increase, unless your account balance increases. We generally don't waive fees after a member reaches a certain age, but there are fee caps which apply for low balance accounts.

Platform administration fees are calculated as a proportion of the member's account value that is in each investment menu. We believe our fees are competitive, and we also offer family aggregation, client fee caps and family fee caps.

## Question 16

## How are adviser fees determined?

## Example question:

- Are agents fee increases governed by any regulatory or company-based formula, and are they uniform and based on performance?

## Answer

Financial advice fees vary depending on the financial adviser and the type of advice provided.

When someone first meets with a financial adviser, the financial adviser should provide a copy of their Financial Services Guide. This explains their fees, the services they offer and how they deal with complaints and, is a good way to compare fees between different advisers and negotiate a better deal. Moneysmart ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)), a website run by the Australian Securities and Investment Commission (ASIC), also provides useful information about financial advice fees.

Financial advice fees may include:

- **Statement of Advice (SOA) fee** – a one-off fee for preparing a SOA. This fee is either paid up-front and deducted from their client's investments or added to ongoing fees for service.
- **Fee to implement financial advice** – a one-off fee for implementing financial advice — for example, opening accounts and purchasing investments. This can be an up-front fee based on the value of a client's assets.
- **Fee for ongoing financial advice** – an ongoing fee for advice and services, like reviews, reports, phone calls, emails and newsletters. This is often a monthly fee.
- **Fee for review** – a one-off fee for reviewing a client's financial plan and implementing any changes — for example, changing investments to align with their goals.
- **Investment platform fee** – a fixed fee for the administrative financial platform used to manage their client's investments.
- **Hourly rate** – a fixed fee per hour to answer one-off questions that are not part of ongoing advice or services.
- **Fee for service** – a fixed fee for a service or a type of advice, for example, preparing a Statement of Advice (SOA).
- **Asset-based (portfolio percentage)** – a percentage fee based on the total value of the assets in your portfolio. The more assets a client has, the higher the fee. Clients pay this fee regardless of how well their investments perform.
- **Investment management fee (performance percentage)** – an additional percentage fee, based on the performance of a client's investments (usually measured by an agreed benchmark).

## Question 17

## Are SignatureSuper fees published?

Example question:

➤ Is there a schedule of fees and charges published that we could review (for AMP Super products)?

Answer

The fee structure for super accounts can be found in the SignatureSuper PDS and if you are a corporate super member (meaning you've joined AMP through your employer), this information would be captured in your plan summary – please contact us for a copy. You can find the latest PDS online: [amp.com.au/employer/manage-your-plan/pds-and-fact-sheets](https://amp.com.au/employer/manage-your-plan/pds-and-fact-sheets).

Fees and transactions can also be viewed through My AMP and on annual statements.

## Question 18

## Can we have more details on TPD insurance cover (in Signature Super) changes?

## Example question:

➤ Can we get more details about the changes to our TPD cover and the guaranteed renewable definitions?

## Answer

To improve the Total and Permanent Disablement (TPD) insurance in SignatureSuper plans, updates have been made which mean more members may be eligible to claim.

Prior to 1 December 2021, TPD was based on the number of hours worked. Now, as part of the improvements, insured members who make a claim will be classified as either 'employed' or 'unemployed':

- 'Employed' means working within the 16 months before the disability and includes full-time, part-time, and casual employment. This update means that no matter the number of hours worked, if a member becomes disabled from 1 December 2021, the claim is assessed on the chance of ever being able to return to work.
- 'Unemployed' means not working during the 16 months before the disability and being assessed on a new Everyday Working Abilities (EWA) definition. This new definition is broader than the old definition, which was based on the ability to live independently.

The new definition will also help members with debilitating conditions such as mental illness and musculoskeletal conditions, who may have found it hard to access a TPD payment under previous definitions.

**Please note:** If the date a member becomes totally and permanently disabled is before 1 December 2021, they will be assessed under the previous terms of their policy. If they become disabled on or after 1 December 2021, they'll be assessed under these new terms. Any existing insurance eligibility conditions that apply to the plan remain unchanged.

Guaranteed renewable 'insurance inside of super' is the responsibility of the Trustee Owner of the policy. Changes can be made to the policy and any of the changes the Trustee makes are assessed as to whether they are in members best interests. This assessment is done at a group level, so whilst some members may be advantaged or disadvantaged – overall the change must benefit most members.

You can find more information about the definitions and changes on the SignatureSuper [Personal Insurance Guide](#) Fact Sheet.

## Question 19

## What is the impact of AMP's divestments on insurance policies?

## Example question:

➤ Has the sell-off effected our old life insurance policies that we are still paying into?

## Answer

The sale of AMP Life to Resolution Life hasn't specifically affected any of the insurance premiums or definitions in AMP super accounts. These are reviewed periodically and updated in line with regulatory change and the claims experience of the policies. Insurance only products continue to be managed by Resolution Life.

## Question 20

## Availability of endowment insurance?

Example question:

➤ Why is it that endowment insurance offerings are no longer available?

Answer

Endowment Insurance was closed to new business due to declining sales in the market (market-based decision). Another factor was the fees are 'bundled' meaning that it's difficult to separate the fees and costs of the plan for the member if they asked for a breakdown. Most products in the contemporary market can do this.

## Question 21

## Managing foreign exchange risks?

## Example question:

➤ How do you manage FX risk across investment products?

## Answer

Foreign exchange (FX) movements are a critical investment consideration. Exposure may have a significant impact on fund performance, given large portions of our funds are invested in assets with non-Australian dollar (AUD) denominated underlying currencies.

Fully hedging exposure to international assets is not optimal due to the diversification benefits foreign currency exposure provides.

Given the cyclical nature of the AUD, FX is an important defensive lever in distressed market conditions, often providing protection when growth markets decline in value. This is because historically, the AUD has been growth-sensitive and tends to be sold down when equity markets fall, and risk aversion increases. This, in turn, increases the value of foreign assets when held on an unhedged basis by Australian investors.

Looking at FX exposure this way allows Portfolio Managers to consider it in direct relation to its effect on the total portfolio. For simplicity, we consider and report this target in broad, 'FX' versus 'AUD' terms. Our FX exposure is generally comprised of international assets which remain unhedged and, if appropriate, individual currency positions may also be taken by the portfolio manager. Our FX positions are monitored daily by our portfolio management and exposure management teams with all positions executed by our specialist dealing team to best optimise any currency trades.



## Question 22

## Comparing fund performance?

## Example questions:

- How do I compare the performance of funds easily?
- How does the Woolworths Super Default investment returns over 3 and 5 years compare to similar funds?
- Can AMP consider publishing on a regular basis or yearly review on how its performing compared to the other super funds to give it members confidence it's the best in market to increase members confidence?

## Answer

You can compare fund performance of MySuper products across the industry by using the ATO YourSuper comparative tool ([ato.gov.au/Calculators-and-tools/YourSuper-comparison-tool/](https://ato.gov.au/Calculators-and-tools/YourSuper-comparison-tool/)) that was introduced last year.

Woolworths has their own tailored MySuper investment option for employees, which is aimed at providing moderate to high returns over the long-term via a diversified mix of investments – generally favouring growth assets, like shares. Please find the past performance of the Woolworths MySuper Future Directions Balanced option, noting that it's not a reflection of future performance: [woolworthssuper.amp.com.au/woolworths/investments](https://woolworthssuper.amp.com.au/woolworths/investments)

The ATO now has recently introduced the YourSuper comparative tool to help compare performance and fees of MySuper products between funds: [ato.gov.au/Calculators-and-tools/YourSuper-comparison-tool/](https://ato.gov.au/Calculators-and-tools/YourSuper-comparison-tool/)

This is the latest product performance for Woolworths: [woolworthssuper.amp.com.au/content/dam/amp/digitalhub/common/Documents/Minisites/Woolworths/wow-product-performance.pdf](https://woolworthssuper.amp.com.au/content/dam/amp/digitalhub/common/Documents/Minisites/Woolworths/wow-product-performance.pdf)

The performance results are reported every quarter, and the latest report is here: [woolworthssuper.amp.com.au/woolworths/investments](https://woolworthssuper.amp.com.au/woolworths/investments)

## Question 23

## Calculation of SignatureSuper fund performance?

## Example questions:

- How is the fund calculating fund earning/loss, and what is the frequency being calculated?
- How are investment earnings/losses calculated?

## Answer

Net investment earnings and losses are accrued in the daily unit price or daily crediting rate of each investment option.

Members can view their investment earnings via My AMP using the 'Account at a glance' page. Amounts are also reported in member statements.

Please refer to the [SignatureSuper Investment Guide](#) for further information on 'How your investment is valued'.

CATEGORY	NORTH
<b>Question 24</b>	<b>Can I use MyNorth if I don't have an adviser?</b>
Example question:	<ul style="list-style-type: none"> <li>➤ When will be able to take out a MyNorth account without an adviser?</li> </ul>
Answer	<p>MyNorth products have been designed to be used in conjunction with a financial adviser. We do not currently offer MyNorth to customers without an adviser, however we have taken this feedback on board.</p>
<b>Question 25</b>	<b>How does MyNorth super compare in terms of performance?</b>
Example question:	<ul style="list-style-type: none"> <li>➤ Why is MyNorth Super not listed in the top 20 Aussie Funds via the myGov website? Where does MyNorth rank?</li> </ul>
Answer	<p>The myGov website tool compares MySuper products, which are super products that act as a default super account for members who don't choose their own super fund when they start a new job. MySuper products are designed to be simple, and members' super money is invested into default investment options.</p> <p>MyNorth Super is a 'choice' product, not a MySuper product. The myGov tool does not compare 'choice' products where members choose their own investment options (which is generally based on advice provided by their financial adviser). The investment performance of MyNorth Super therefore depends on that member's investment choices.</p>
<b>Question 26</b>	<b>What are MyNorth's features?</b>
Example question:	<ul style="list-style-type: none"> <li>➤ Does AMP North have a plan to introduce short YouTube videos to help customers to get more out of the AMP North website platform? If so, when will that happen?</li> </ul>
Answer	<p>The North Service Centre are always happy to provide more guidance about the website and where to access detailed information. Although we do not currently have plans to develop YouTube videos for North Online, we are committed to improving the overall digital experience for North Clients (Members) and continuing our investment in digital technology. We are excited to announce that a new North mobile app that has been designed specifically for clients is coming soon. The North mobile app will provide you with quick and easy access to important information about your Pension, Super or Investment account on the go through your mobile phone.</p>

CATEGORY	PRODUCT FEATURES
<b>Question 27</b>	<b>Product selection?</b>
Example question:	> How do I know which product to select?
Answer	<p>If members are looking to review their super account make the most of their super, they can speak with an AMP super coach. Super coaches can help members review their super investments, contributions and any insurance paid for via their super balance. Members of AMP Super Fund can book a complimentary super coach session here: <a href="https://ampcorpsuper.i-events.info/super-health-check">ampcorpsuper.i-events.info/super-health-check</a></p>

## Question 28

## What are the implications to my super if I live overseas?

## Example questions:

- Have moved out of Australia but my money is still in super, how do I access it when I get to 65 years of age?
- I'm living outside Australia; how do I access my super?
- How are super/tax obligations affected if you choose to move overseas when you retire?
- Can I make contributions into my AMP super account whilst residing and working in UK?
- I live overseas and file non-resident taxes in Australia, can you continue to make super payments?
- For Permanent Residents & Visa Holders who wish to leave Australia and withdraw their Super, what is the tax applied on their Super?
- How do you add to your super when u live and work overseas?

## Answer

If a member moves overseas, it's likely their employer will have no legal obligation to make contributions to their Australian super fund on their behalf. However, members can still contribute 10% of their overseas income, into their super account-keeping in mind that contribution caps still need to be considered.

Members who live overseas will need to follow the same withdrawal process to receive their superannuation benefit at preservation age, as if they were living in Australia. There is no extra tax for living overseas with super withdrawal at retirement. Overseas members will need to apply via a signed withdrawal form and a certified copy of their identification.

If a member is a temporary resident (on a specific visa) who has departed Australia, they might be able to apply for an early release of superannuation. This excludes New Zealand citizens.

Members can claim super if:

- they were a temporary resident who visited Australia on a temporary visa
- their visa has expired or been cancelled, and
- they have left Australia.

If they don't apply within six months after leaving Australia, or their temporary visa expires or is cancelled (whichever is the latest) we're required to transfer their money to the Australian Taxation Office (ATO), where it will not earn interest. Members can apply online to take their super home [ato.gov.au/Super](https://ato.gov.au/Super)

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## Question 28 continued

## What are the implications to my super if I live overseas?

## Example questions:

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- I'm living outside Australia; how do I access my super?
- How are super/tax obligations affected if you choose to move overseas when you retire?
- Can I make contributions into my AMP super account whilst residing and working in UK?
- I live overseas and file non-resident taxes in Australia, can you continue to make super payments?
- For Permanent Residents & Visa Holders who wish to leave Australia and withdraw their Super, what is the tax applied on their Super?
- How do you add to your super when u live and work overseas?

## Answer

The payment of a temporary resident's superannuation benefit is called a Departing Australian Superannuation Payment (DASP). This is how the process works from application to payment:

- members can lodge an application online on the ATO website
- the ATO will then forward their details to us
- we will contact the member for more information, including bank details for payment
- the benefit can then be released to the member, withholding tax will be automatically deducted.

Australian superannuation funds are required to withhold tax when making a DASP payment to a former temporary resident. The withholding tax rates for DASPs outlined by the ATO are:

- 0% for the tax-free component
- 35% for a taxed element of a taxable component
- 45% for an untaxed element of a taxable component (public sector funds)
- 65% on the taxed and untaxed elements for all working holiday makers.

## Question 29

## Can you provide more information on switching?

## Example questions:

- What are switch costs? Does it depend on the old/new fund or is it a uniform fee?
- Please explain 'switching' and at what stage is the account no longer viable and should be closed and withdrawn?

## Answer

Members can switch between investment options at any time, and there are no switching fees for doing so – however transaction costs may be incurred. Once we've received an investment option switch request it can't be cancelled. We can only process one transaction per day, per account.

Additional requests received on the same day will generally be processed on the next business day, although there may be circumstances beyond our control that could delay processing the request.

Members may change their investment options at any time via My AMP, their secure online account at [amp.com.au](http://amp.com.au) or via the My AMP app. Before switching, we recommend members speak to their financial adviser.

The management fees and costs for all investment options available for AMP super are in the Investment Guide Fact sheet: [amp.com.au/content/dam/amp/digitalhub/common/Documents/Super/ProductInfo/sg\\_invguide.pdf](http://amp.com.au/content/dam/amp/digitalhub/common/Documents/Super/ProductInfo/sg_invguide.pdf)

## Question 30

## How do I apply for a single pension?

## Example question:

- Can I apply for single pension even I'm in a couple?

## Answer

When applying for a pension there are income and asset tests that are taken into consideration. Services Australia provides information about these, including:

- Relationship status, which can determine if a member will get a payment, the type of payment and the amount.
- If the member has a partner, as their income and assets may affect the payment. Members are considered a member of a couple if they're married, in a registered relationship or in a de facto relationship. They also may still be considered to be a couple if they're not physically living with their partner. For example, if the partner lives away for work, like military or oil rig workers.

To read more on this, visit: [Your relationship status – Services Australia](#)

## CATEGORY

## PRODUCT FEATURES CONTINUED

### Question 31

### When will you launch a lifeStage option for members born in the 2000's?

#### Example question:

- When will you launch an investment fund for new members born in the 2000's (rather than combining them with people born in the 1990's who are already 30 years old not in their 20's)?

#### Answer

The objectives, investment strategies, targets and benchmarks for the members born in the 1990's and later are all the same. We're proposing to amend the name of the 'AMP MySuper 1990's' to 'AMP MySuper 1990's plus' to reflect the wider age category. This change will be implemented later in 2022.

### Question 32

### Can you provide more information about super contributions?

#### Example question:

- How do I pay into my super (lump sum or regular direct debit) and how much can I pay tax free per year?

#### Answer

Employers are legally required to make contributions to their employees' super. The current rate is 10% of an employee's pay, which is set to increase to 10.5% on 1 July this year.

Members looking to voluntarily contribute more into their super beyond the compulsory employer contributions, can consider salary sacrificing. This is where a specified amount is deducted from pre-income tax directly into their super and is usually organised through an employer's payroll or HR office. Other things to consider before deciding to salary sacrifice are here: [amp.com.au/superannuation/super-contributions/salary-sacrifice-super](https://amp.com.au/superannuation/super-contributions/salary-sacrifice-super)

Members can also make a post-tax (non-concessional) contribution into their super and claim a tax deduction at the end of the year. Paying into super as a lump sum can be made via BPAY.

There is also a new catch-up contributions scheme. This is where any unused contribution amounts from the cap of the 2018–2019 financial year onwards will be added to a member's current contributions. The unused amount will carry over for five years and then expire.

To understand how the catch-up contribution scheme works in detail, here is some more information: [amp.com.au/insights/grow-my-wealth/catch-up-concessional-contributions](https://amp.com.au/insights/grow-my-wealth/catch-up-concessional-contributions)

The annual concessional cap this year has increased to \$27,500 plus any unused cap that's been carried forward. The actual amount for each member is available in their MyGov online account.

SignatureSuper members can talk to one of our super coaches at no additional cost. Learn more and book: [amp.com.au/shc](https://amp.com.au/shc)



## Question 33

## How do I establish a retirement account?

## Example question:

- How do I set up a superannuation retirement account?

## Answer

Members of our SignatureSuper product, can have a complimentary chat with an AMP retirement specialist. These advisers can help you understand the options available to you and how to strategically plan for your retirement. North or platform members can speak with their adviser.

There are two pension products offered within AMP: account based / allocated pension or transition to retirement pension. Members should consider their circumstances and seek financial advice before deciding on a pension. More information about options for allocated accounts through our platforms are available here: [amp.com.au/retirement/pension-accounts](https://amp.com.au/retirement/pension-accounts) and members can visit [amp.com.au/rhc](https://amp.com.au/rhc) for more information about how to speak to an AMP retirement specialist.

## Question 34

## How do I transfer funds from other super accounts?

## Example questions:

- I have been using a different superannuation fund before – is there a way of transferring savings from the previous Super fund to AMP?
- How do I connect my other super account to my AMP account?

## Answer

Members who think they might have lost or unclaimed super can log in to or create a myGov account via the Australian Taxation Office (ATO). Any super registered under their name and TFN will be listed.

Once all the super is located, members should consider consolidating their super into one fund—this can be done through the ATO portal as well. Members should consider their circumstances before deciding to consolidate, because while it provides a more streamlined approach to super and avoids duplicative fees, it's important a member makes sure they don't lose any benefits like insurance they may hold through their super, as they will not transfer.

**CATEGORY****PRODUCT FEATURES** CONTINUED**Question 35****Can I access my super funds?**

## Example questions:

- From what age can I borrow some amount from my super?
- When will I be allowed access to my superannuation?

## Answer

Generally, super is released when members reach certain conditions, including being 65 years of age or reaching their preservation age and retiring. However, there could be special circumstances under which a member might access their super early. This includes if they become permanently incapacitated, qualify on compassionate grounds or severe financial hardship, or are the holder of an expired or cancelled temporary resident visa and have permanently departed Australia.

**Question 36****Can you provide more information about defined benefit income?**

## Example question:

- Is the Defined Benefit Income Stream pension guaranteed to be paid to members even in the event of a market collapse. If so, who provides the guarantee?

## Answer

A defined-benefit plan is a guarantee of a specific benefit upon retirement. Employers may choose for a fixed benefit or a formula that factors in tenure, age and average salary.

Since the employer is responsible for making investment decisions and managing the plan's investments, the employer assumes all the investment and planning risks. Poor investment returns or assumptions and calculations can result in a capital deficit, where employers will generally be required to make up for the shortfall.

## Question 37

**What is the maximum amount I can have in my retirement fund?**

Example question:

**> What is the maximum amount I can have in my retirement fund?**

Answer

Members who are converting their super into an account-based pension to use as income in retirement are restricted to transferring up to a maximum of \$1.7 million into their pension. If they have a super balance above that, the excess will need to be left in the accumulation phase (where earnings will be taxed at the concessional rate of 15%) or taken out of super completely.

Members who transfer their maximum amount into an account-based pension, typically won't be able to top up their pension a second time, even if their balance reduces over time.

## Question 38

## What makes for a financially comfortable retirement?

## Example questions:

- How much do I need to safely retire?
- How much super you need to retire comfortably? How do I minimise tax on gifted investment properties to children?
- Based on current climate what amount you require to live comfortably for a couple. What is the amount you should have in superannuation today?
- How much is the average super fund currently in Australia when people are retired?
- What is an acceptable amount of money you need to retire on based on no debt and wanting to travel overseas when COVID-19 is under control?
- How would I work out a retirement plan with \$400,000 in super?

## Answer

The Association of Super Funds Australia (ASFA) provide a benchmark of what they consider to be a comfortable retirement based on certain circumstances here: [amp.com.au/retirement/prepare-to-retire/retirement-money-needs](https://amp.com.au/retirement/prepare-to-retire/retirement-money-needs). AMP's annual statement show a trajectory of how our member is tracking towards these ASFA retirement standards.

Working out how much is enough for retirement depends on many factors, such as lifestyle, plans for the future, and the number of years spent in retirement. We recommend the following steps:

- **Retirement calculator:** Try our retirement calculators, available free online at [amp.com.au/retirement](https://amp.com.au/retirement). The retirement calculator indicates whether there's a shortfall between how much the user is estimated to have and how much they'll need in retirement. This can help them start to put a plan in place to address any gaps.
- **Retirement health check:** AMP super members can request one of our advisers conduct a retirement health check or a transition to retirement conversation – this will help them better understand their situation and options available. There are no additional costs for these services.
- **Speak to an adviser:** we encourage members to speak to their financial adviser, if they have one.
- **Contact us:** particularly for members over 50 years of age who have not considered what income they may need in retirement or made plans to meet their retirement goals.

More information about average superannuation balances across age groups is available here:

[How Much Super Should I Have At My Age? – AMP](#)

We would recommend speaking to an adviser or tax accountant about gifted investments and minimising tax.

**Question 39**

**I would like to know about how to plan for retirement.**

Example questions:

- How can I start my transition to retirement when I reach 60 years old?
- I would like to know about retirement strategy.

**Answer**

AMP's retirement health check service is designed to help AMP Super Fund members make sure they understand all the retirement options available. To book, contact 1800 021 466.  
We recommend those who don't have an AMP super account speak to a financial adviser.

## Question 40

## Why are industry or self-managed super funds becoming more popular?

## Example questions:

- Why are industry or self-managed super funds becoming more popular?
- What return rate of a regular super account would be required to outperform the typical (average) SMSF?

## Answer

A self-managed superannuation fund (SMSF) is a super fund where you're in control. You're not only a member, but also a trustee. You choose the investment strategy and manage the investments.

An SMSF is flexible enough to allow you to invest in different assets like property, private companies, and international assets.

An SMSF can have up to four members. Pooling your funds to build up the balance can give your SMSF more investment options. You will find more information here: [amp.com.au/superannuation/self-managed-super/right-for-you](https://amp.com.au/superannuation/self-managed-super/right-for-you)

SMSFs are not suitable for everyone as they require more active choices and attract different fees and costs.

AMP super members can book a complimentary chat with a super coach, who can provide information about the benefits and features of an industry, SMSF and retail super fund. To book and learn more, visit [amp.com.au/SMSF](https://amp.com.au/SMSF)

AMP's Simplifying Investing podcast also includes an episode focused on SMSF's titled 'Is a self-managed super fund right for you?'. Access the podcast and find out more here: [amp.com.au/insights/podcast-series](https://amp.com.au/insights/podcast-series)

CATEGORY	SUPER – GENERAL
Question 41	Where can I find out more about superannuation regulations?
Example questions:	<ul style="list-style-type: none"> <li>➤ Where is the best online summary of today’s superannuation rules that is available that you can recommend?</li> <li>➤ Do you know if the federal government are going to continue with the 50% minimum draw down on allocated pensions?</li> </ul>
Answer	<p>The latest changes and updates about super regulations are available on our super changes web page: <a href="https://amp.com.au/superannuation/super-basics/super-changes">amp.com.au/superannuation/super-basics/super-changes</a></p> <p>Members can also access notifications here: <a href="https://amp.com.au/superannuation/amp-super-member-notifications">amp.com.au/superannuation/amp-super-member-notifications</a></p> <p>The following government sponsored sites are also helpful:</p> <ul style="list-style-type: none"> <li>– <a href="https://ato.gov.au/individuals/super/">ato.gov.au/individuals/super/</a></li> <li>– <a href="https://moneysmart.gov.au/how-super-works">moneysmart.gov.au/how-super-works</a>.</li> </ul> <p>Superannuation rules tend to change often, so it’s good to check back to these websites regularly. In response to the COVID-19 crisis, the Federal Government has granted a temporary 50% reduction in the minimum pension drawdown for 2020–21. The regulations supporting this measure were registered on 24 June 2021. This means that people can continue to take advantage of the 50% temporary drawdown reduction until 30 June 2022.</p>



CATEGORY	SUPPORT SERVICES
<b>Question 42</b>	<b>What are the qualifications of super coaches?</b>
Example question:	<ul style="list-style-type: none"> <li>➤ Are the Super “coaches” degree qualified? Licenced financial advisers? Keeping up with their 40+ hours CPD and 20+ hours of CPE requirements?</li> </ul>
Answer	<p>All our super coaches are RG 146 Superannuation certified, which is a certification designed specifically for the superannuation industry and satisfies the ASIC requirements for the provision of general advice in superannuation.</p> <p>However, they are not licensed financial advisers – fully-fledged financial advisers are able to provide tailored financial advice based on their clients’ personal circumstances across a wide range of topics and financial products.</p>
<b>Question 43</b>	<b>Can I select my financial adviser?</b>
Example questions:	<ul style="list-style-type: none"> <li>➤ Our AMP Financial Advisor retired, and our portfolio was given to someone else without consultation with us. Could of we have a choice as to who our portfolio went to? Someone closer to us?</li> <li>➤ Why have I had 4 advisers in 3 years?</li> </ul>
Answer	<p>Yes. When a financial adviser retires, they usually handover their client accounts to a new adviser. This handover should be communicated with their clients.</p> <p>Members can always find another adviser using our FindAnAdviser search engine: <a href="https://amp.com.au/wps/portal/au/FindAnAdviser">amp.com.au/wps/portal/au/FindAnAdviser</a></p>

**Question 44**

**When do I pay advice fees?**

Example question:

- What does the financial adviser allocated to the super account do to earn his fee? Mine calls me in for 1 meeting a year and apart from that has no contact with me. Should an adviser be more involved more to earn his fee? What is the average cost of financial planner?

Answer

Financial advisers should discuss their fees with you at the outset and provide a fee disclosure document clearly stating what their fees are and what they do to earn that fee before an official client-adviser relationship commences. There should be no fees charged if there is no service provided.

For advice provided on your superannuation with AMP, also known as intra-fund advice, this service is usually charged through the fund, which means the advice fee is not an out-of-pocket expense.

Nevertheless, financial advisers should be working closely with you to understand your current situation, financial goals, appetite for risk and preference of investments. Using this information, they'll develop a tailor-made financial plan documented in a statement of advice, detailing each recommendation and strategy, so the steps to achieving your financial goals are clearly outlined. Advisers may also help implement the agreed advice, including administrative tasks such as completing and submitting applications.

MoneySmart (government-based site) gives a good insight into what fee structures that advisers have and how they typically charge you for their services: [moneysmart.gov.au/financial-advice/financial-advice-costs](https://moneysmart.gov.au/financial-advice/financial-advice-costs)

**Question 45**

**Information from AMP?**

Example question:

- This is first time I've heard from anyone for 2 years I had to ring to see if I still had super why is there not statements quarterly or even annual.

Answer

AMP generate annual statements for their super products which are provided to members and are considered an important touch point with our members. Statements can also be accessed through My AMP via [amp.com.au](https://amp.com.au) or the My AMP app. Members can contact us on 131 267 to make sure they're set up to receive their annual statements.

**CATEGORY****SUPPORT SERVICES** CONTINUED**Question 46****Cost of services?**

## Example question:

- Are the free services that Ilaine mentioned – eg, Health Check and Retirement Planning – also available to those in the Wrap Account product?

## Answer

These services are free for members of AMP Super Fund.

Members of AMP wrap products can speak with their adviser. They can get in touch with the North Contact Centre on 1800 667 841 to find out more about their adviser circumstances if needed.

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