

### For all GESB members

#### **GESB is moving to a user-pays system on some services:**

As of 1 July 2015, or as soon as practicable thereafter, GESB will be implementing a user-pays system for some of the services we offer to ensure fairness across our membership in relation to fees<sup>1</sup>. The table below outlines our service fees:

Service	Fee
Retirement Options Service appointment <sup>2</sup>	\$450
Simple Advice letter of recommendation <sup>3</sup>	\$350
Family Law splitting order or agreement	\$50
Full or partial super or retirement withdrawals	\$50
Exit fee	\$50
Account transfer fee to a Retirement Income Allocated Pension <sup>4</sup>	\$50

### For GESB Super members

**Change to GESB Super fees:** As a result of a recent pricing review, there will be changes to the Administration Fee charged to GESB Super accounts. These changes will take effect as of 1 July 2015.

GESB Super members will see a change from 0.15% pa to 0.28% pa in the Administration Expense Ratio (AER), which is the part of the Administration Fee that is calculated based on your monthly balance. The AER also includes a contribution to the risk reserves. There will be no change to the fixed component of the Administration Fee.

There will also be a change to the indirect costs that apply to your super and this will vary depending on your investment plan. The Indirect Cost Ratio (ICR) for GESB Super will change from an estimated range of 0.13% pa - 0.61% pa to 0.06% pa - 0.46% pa. For some investment options, the overall cost of investing will increase.

For more information relating to the pricing changes for each GESB Super plan, please visit [www.gesb.com.au/pricing](http://www.gesb.com.au/pricing).

**Low income super contribution:** The low income super contribution (LISC) has been repealed but continues to be payable in respect of concessional contributions (before-tax) that are made up to and including the 2016/17 financial year.

You don't need to do anything to receive a LISC. If you are eligible, The Australian Taxation Office (ATO) will calculate your entitlement by using information you provide in your income tax return.

Visit [www.ato.gov.au/lisc](http://www.ato.gov.au/lisc) for more information.

### For West State Super members

**Change to West State Super fees:** As a result of a recent pricing review, there will be changes to the Administration Fee charged to West State Super accounts. These changes will take effect as of 1 July 2015.

West State Super members will see a change from 0.15% pa to 0.06% pa in the Administration Expense Ratio (AER), which is the part of the Administration Fee that is calculated based on your monthly balance. The AER also includes a contribution to the risk reserves. There will be no change to the fixed component of the Administration Fee.

There will also be a change to the indirect costs that apply to your super and this will vary depending on your investment plan. The Indirect Cost Ratio (ICR) for West State Super will change from an estimated range of 0.13% pa - 0.61% pa to 0.06% pa - 0.47% pa.

For more information relating to the pricing changes for each West State Super plan, please visit [www.gesb.com.au/pricing](http://www.gesb.com.au/pricing).

### For Retirement Income Allocated Pension members

**Change to Retirement Income Allocated Pension fees:** As a result of a recent pricing review, there will be changes to the Administration Fee charged to Retirement Income Allocated Pensions. These changes will take effect as of 1 July 2015.

Retirement Income Allocated Pension members will see a change from 0.30% pa to 0.20% pa in the Administration Fee that is calculated based on your monthly balance.

There will also be a change to the indirect costs that apply to your allocated pension and this will vary depending on your investment plan. The Indirect Cost Ratio (ICR) for a GESB Retirement Income Allocated Pension will change from an estimated range of 0.38% pa - 0.77% pa to 0.26% pa - 0.65% pa.

For more information relating to the pricing changes for each Retirement Income Allocated Pension plan please visit [www.gesb.com.au/pricing](http://www.gesb.com.au/pricing).

<sup>1</sup> The fees in the table will be subject to indexation.

<sup>2</sup> If two GESB members are attending an appointment together, where both accounts will be discussed, then each member will be charged the fee.

<sup>3</sup> The fee for Simple Advice is charged per letter of recommendation.

<sup>4</sup> Account transfer fee for GESB Super, West State Super or Gold State Super to GESB's Retirement Income Allocated Pension.

## For GESB Super and West State Super members

**Member protection:** GESB will be removing member protection on GESB Super and West State Super accounts from 1 July 2015. This is in line with APRA regulated funds and Commonwealth provisions. When this protection is removed, administration fees that are higher than the investment earnings for accounts with balances under \$1,000 will no longer be reimbursed.

**Lost and unclaimed super:** The Commonwealth and WA State government have introduced legislation to allow GESB to report and remit unclaimed super monies to the ATO. This legislation allows for the transfer of a member's account balance to the ATO if they meet the criteria for unclaimed super monies.

For more information, including ATO criteria for lost and unclaimed super, visit [www.gesb.com.au/lost](http://www.gesb.com.au/lost).

**Preservation age:** As of 1 July 2015, there will be a change to the preservation age for those born after 30 June 1960. Your preservation age is the minimum age at which you can access your super if you have retired<sup>5</sup>.

For more information, including what your preservation age is, visit [www.gesb.com.au/access](http://www.gesb.com.au/access)

## For GESB Super, West State Super and Gold State Super members

**Superannuation Guarantee rate:** From 1 July 2014, the Superannuation (SG) rate increased to 9.5% (from the 9.25% that applied for the 2013/14 year). Based on new legislation, the SG rate will remain at 9.5% until 30 June 2021 and will then increase by 0.5 percentage points each year until it reaches 12%.

**United Kingdom pension transfers:** In March 2014, the UK government announced proposed changes to the current arrangements for transferring UK pension funds, to take effect in April 2015.

Visit [www.gesb.com.au/uktransfers](http://www.gesb.com.au/uktransfers) for more information.

**Temporary Budget Repair levy:** As part of the 2014/15 Federal budget, the government announced that it will impose a Temporary Budget Repair levy of 2% on a person's taxable income that exceeds \$180,000.

The levy was introduced on 1 July 2014 and will apply from the 2014/15 financial year through to the 2016/17 financial year. The top marginal tax rate will now be 49%, which includes the Medicare Levy and the Temporary Budget Repair levy.

## For Gold State Super members

### Division 293 tax in relation to defined benefit schemes:

Division 293 tax has reduced the tax concession that higher income earners can receive on certain contributions.

For the 2013/14 and later financial years, the Commonwealth government has finalised how to calculate the low-tax contributions for members of defined benefit schemes. Members of Gold State Super who are affected by the changes, can expect to receive a Division 293 tax assessment. Payment of the Division 293 tax assessment may be deferred until you take your end benefit from your Gold State Super account.

More information about the Division 293 tax is available at [www.gesb.com.au/div293](http://www.gesb.com.au/div293).

### Preservation age changes for defined benefit members:

From 1 July 2015, the preservation age will progressively increase for individuals born on or after 1 July 1960. Gold State Super members are still able to access their benefit from age 55, if they have ceased working in the WA public sector, or are working less than 10 hours a week.

However, there may be tax implications for accessing your Gold State Super benefit before your preservation age, so you should speak to your financial adviser before taking action.

<sup>5</sup> You may be able to access your super earlier in other special circumstances.

The information contained in this document is of a general nature, and does not constitute legal, taxation or personal financial advice. In providing this information GESB has not taken into account your investment objectives, financial situation or needs. GESB is not licensed to provide financial product advice. You should read this document in conjunction with other relevant disclosure documents GESB has prepared, and the Product Information Booklet of the relevant product.