



# MLC MasterKey Super & Pension Fundamentals

## How to Guide

**Preparation date**  
29 September 2023

**Issued by The Trustee**  
NULIS Nominees (Australia) Limited  
ABN 80 008 515 633 **AFSL** 236465

**The Fund**  
MLC Super Fund  
ABN 70 732 426 024

**The Insurer**  
Insurance is issued by MLC Limited  
ABN 90 000 000 402 **AFSL** 230694



**The purpose of this document is to give you *enough information to manage your account.***

**Important information**

MLC MasterKey Super Fundamentals' insurance is offered to MasterKey Super Fundamentals members under insurance policies issued to the Trustee by MLC Limited ABN 90 000 000 402, AFSL 230694 (the Insurer). The insurance cover provided is subject to the terms and conditions contained in the insurance policies (policies) issued to the Trustee by

the Insurer. The terms and conditions of the policies prevail over any inconsistent information in this document. The insurance information provided in this document is based on the policies issued by the Insurer, and information provided by the Insurer about the operation of the policies. Insurance benefits will only become payable if the Insurer accepts the

relevant claim. Payment of any approved claim will be made by the Insurer to the Trustee and any insured benefit and any account balance can only be paid to you by the Trustee when a condition of release under the Superannuation Industry (Supervision) Act 1993 is met.

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The information in this document is general information only and doesn't take into account your personal financial situation or individual needs.

References within this document to "we", "us" or "our" are references to the Trustee, unless otherwise stated.

The information in this guide may change from time to time.

If you want more information please contact us on **132 652**

# Cooling off

## Want to change your mind?

You can mail or email us to close your account within 14 days of opening it.

Please make sure you include your name and account details.

We'll send you confirmation once we have closed your account.

If you do close your account, we'll return the account balance to you if it isn't preserved. Alternatively we'll transfer it to another eligible super fund or, subject to cashing restrictions, a pension product of your choice.

Your account balance will be adjusted for any:

- increase or decrease in the unit prices or value of your investment
- pension payments or lump sum payments made to you
- any insurance premium paid
- tax payable, and
- administration costs incurred in establishing or closing your account.

This cooling off period doesn't apply if you transact on your account within the 14 days.

# Adding money to your super – the rules

## Who can contribute to your super account?

Most commonly, contributions can be made by you, your spouse or your employer to your super account.

You may also be able to grow your super faster with strategies that include:

- government co-contributions based on your personal contributions and subject to other eligibility requirements (refer to [ato.gov.au](http://ato.gov.au) for more details).
- low income super contributions paid by the government and subject to your income, and
- salary sacrifice contributions by arranging with your employer to sacrifice some of your pre-tax salary.

Your financial adviser will be able to help you decide what contribution strategies are suitable for you.

## Check your eligibility

Here's a quick guide to help you decide whether you or others can contribute to your super account. **Please note:** You can transfer other super money from most other funds to your account at any time.

Eligibility to contribute				
Your age <sup>1</sup>	Employer contributions		Contributions from you (including salary sacrifice)	Contributions from your spouse
	Mandated	Voluntary		
Under 75 <sup>2</sup>	•	•	•	•
75 and over	•	not eligible	not eligible <sup>3</sup>	not eligible

<sup>1</sup>The age eligibility is determined at the time the contribution is made.

<sup>2</sup>For a member turning 75, contributions must be received no later than 28 days after the end of the month they turn 75.

<sup>3</sup>This does not apply for members who are applying and eligible for a downsizer contribution. Please find more information at [ato.gov.au](http://ato.gov.au)

If you're under age 75, all contributions types can be made to your super account.

From age 75, only mandated employer contributions (those required by the Superannuation Guarantee laws, an award or registered workplace agreement) and downsizer contributions can be made to your super account.

The rules around contributions may change, so you'll need to speak to your financial adviser. Alternatively you can visit [ato.gov.au](http://ato.gov.au) or call us.

### Some useful definitions

**Mandated employer contributions** are those required to be paid under the Superannuation Guarantee laws, a certified award or a registered workplace agreement.

**Voluntary employer contributions** are contributions your employer elects to make on top of the Mandated Employer amounts or salary sacrifice contributions.

**Contributions from you** are contributions you decide to make.



# Adding money to your super – the rules

## Splitting contributions with your spouse

You may be able to split particular types of contributions with your spouse by requesting us to pay these contributions into your spouse's super account.

To do this you and your spouse need to complete a **Contributions Splitting Application** form. You can obtain this form and an Instruction Guide at [mlc.com.au/forms\\_and\\_brochures](http://mlc.com.au/forms_and_brochures) or by calling us.

As there are some limitations and tax implications, we recommend you speak with your financial adviser or registered tax agent or go to [ato.gov.au](http://ato.gov.au)

## First Home Super Saver Scheme

The First Home Super Saver Scheme (FHSSS) is a government initiative intended to help first home buyers save for a home.

You may be able to withdraw eligible voluntary concessional contributions (net of tax) and non-concessional contributions made to your account since 1 July 2017, plus a deemed rate of return determined by the ATO (based on the 90 day Bank Bill rate +3%).

Limits apply to the amounts you can voluntarily contribute into super and also to the amounts you can withdraw through the FHSSS. If you decide not to purchase a home or do not qualify for the scheme, you won't be able to withdraw your voluntary contributions until you retire or meet certain other conditions.

From 1 July 2022, eligible individuals will be able to include contributions up to \$50,000 (previously \$30,000) in the maximum releasable amount.

The annual limit for voluntary contributions eligible for the scheme remains at \$15,000 per financial year.

Before submitting your request to the ATO to have the contributions released, please ensure that you have enough accessible funds in your account.

To determine your eligibility or to apply for this scheme you must contact the ATO. We recommend speaking to your financial adviser and learning more at [ato.gov.au](http://ato.gov.au)

## What are downsizer contributions?

If you sell a property that has been your main residence at some point and you've owned it for at least 10 years and are aged 55 or more<sup>1</sup>, you may be eligible to contribute an after-tax superannuation contribution of up to \$300,000 (or \$600,000 for couples) from the sale proceeds of your home to boost your super balance.

You may make more than one contribution from the sale of the eligible property, but the total must not exceed this maximum. You may contribute less than the maximum. These contributions can be made to your super account regardless of your work status, total super balance or what you've already contributed to super under the ordinary contribution caps.

Downsizer contributions are not tax-deductible. The downsizer contribution will also form part of your total super balance<sup>2</sup> and consequently may affect your ability to make certain types of super contributions in the future.

Unlike your home which is not assessed by Centrelink while it is your main residence, your super is assessed under the assets and income tests once you reach Age Pension age. If you receive

any means-tested social security or Department of Veterans' Affairs income support payments, you should seek advice to understand the impact that making a downsizer contribution will have on your entitlements.

The ATO is responsible for administering the downsizer contribution scheme so you will need to complete the ATO downsizer contribution to super form and provide this to us when making, or prior to making, the contribution. We recommend speaking to your financial adviser and learning more at [ato.gov.au](http://ato.gov.au)

## COVID-19 Re-contributions

If you withdrew some of your super in 2019/20 or 2020/21 under the COVID-19 early release of super under compassionate grounds, you may be able to re-contribute this amount.

To make this contribution, you need to be eligible to contribute to super (see page 5). The contribution must be made between 1 July 2021 and 30 June 2030 and cannot be claimed as a tax deduction. You must also lodge the ATO form to make the election that the amount is a COVID-19 re-contribution. This form must be provided to us when making, or prior to making, the contribution. By making the election, this amount is not assessed against your non-concessional contribution cap. We recommend speaking to your financial adviser or go to [ato.gov.au](http://ato.gov.au)

<sup>1</sup>The age eligibility is determined at the time the contribution is made.

<sup>2</sup>The total super balance measures the 30 June value of your super savings in accumulation accounts and retirement phase income streams and is used to calculate your eligibility for making certain contributions.

# Adding to your super – the mechanics

## How you can make contributions

Once you've started your account, one-off and regular contributions can be made.

All contributions will be shown on your annual statement. You can also view your most recent transactions and contributions at [mlc.com.au/login](https://mlc.com.au/login)

You can make contributions by logging into your account at [mlc.com.au](https://mlc.com.au) or complete a **Additional and regular investments** form available at [mlc.com.au/forms\\_and\\_brochures](https://mlc.com.au/forms_and_brochures). All forms and written requests can be

scanned and emailed or mailed to us. For all telephone requests, we'll need to verify your identity before processing your request.

### For Investment Protection

Please refer to the **Investment Protection Guide** available at [mlc.com.au/pds/mkspf](https://mlc.com.au/pds/mkspf) for more information.

Method	Who and What	How												
<b>BPAY®</b> <b>Paying contributions from a bank or similar account</b>	You, your employer or your spouse for one-off or regular contributions	<ol style="list-style-type: none"> <li>Contact your financial institution by either calling them or use internet banking. You don't need to contact MLC or complete any forms if you are using BPAY®.</li> <li>You'll need to use the following information:  <b>BPAY® Biller Code</b> 919688  <b>BPAY® Customer Reference Number</b>            Your Customer Reference Number is provided on your 'Confirmation of Details' letter we issue to you when we set up your account or by accessing your account details at <a href="https://mlc.com.au/login">mlc.com.au/login</a>. Alternatively you can call us to obtain this number.            The reference number will be a nine digit number followed by an extra digit to specify what contribution is being made:           <table border="1" data-bbox="758 1518 1457 1798"> <thead> <tr> <th>Extra Digit</th> <th>Contribution type Registered</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Super Guarantee</td> </tr> <tr> <td>2</td> <td>Voluntary Employer</td> </tr> <tr> <td>3</td> <td>Salary Sacrifice</td> </tr> <tr> <td>4</td> <td>Personal</td> </tr> <tr> <td>5</td> <td>Spouse</td> </tr> </tbody> </table> </li> </ol> <p>Note: BPAY® contributions may take up to 72 hours to reach us. A contribution is only made once we have received the amount.</p>	Extra Digit	Contribution type Registered	1	Super Guarantee	2	Voluntary Employer	3	Salary Sacrifice	4	Personal	5	Spouse
Extra Digit	Contribution type Registered													
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3	Salary Sacrifice													
4	Personal													
5	Spouse													

® Registered to BPAY Pty Ltd ABN 69 079 137 518

## Adding to your super – the mechanics

Method	Who and What	How
<b>Direct Debit</b> Paying contributions from a bank or similar account	You, your employer or your spouse for one-off and regular contributions. Regular Investment Facility contributions are not available from debit or credit cards.	<ol style="list-style-type: none"> <li>1. Check your financial institution account can accept direct debits.</li> <li>2. Login to your account at <a href="https://mlc.com.au/login">mlc.com.au/login</a> or complete the <b>Additional and regular investments</b> form available at <a href="https://mlc.com.au/forms_and_brochures">mlc.com.au/forms_and_brochures</a> and send it to us.</li> </ol> <p>You'll need to ensure you have sufficient cleared funds available in your financial institution account on the due date of each direct debit.</p> <p><b>Regular Investment Facility</b></p> <p>Regular contributions can be made by setting up a Regular Investment Facility with a nominated financial institution account for weekly, fortnightly, monthly or quarterly payments.</p> <p>You can nominate up to two different financial institution accounts, however, you can't make the same type of contributions such as personal, employer or spouse contributions from the same account.</p> <p><b>Changes to direct debits</b></p> <p>You can change your financial institution account details by completing an <b>Additional and regular investments</b> form or <b>Update account details</b> form available at <a href="https://mlc.com.au/forms_and_brochures">mlc.com.au/forms_and_brochures</a> or by contacting us.</p> <p>You can suspend or cancel direct debit contributions or change the amount of your contributions by mailing or emailing a written request to us.</p> <p>Banks may take up to seven days and building societies and credit unions may take up to 21 days to process any changes made to direct debit facilities.</p> <p>We may cancel regular direct debit drawings if three consecutive drawings are dishonoured by your financial institution. We'll contact you if this happens and ask you what course of action you wish to take.</p>
<b>Electronic Funds Transfer (EFT)</b>	You or your employer transfer contributions via EFT from a financial institution account. One-off contributions only.	<ol style="list-style-type: none"> <li>1. Check with your financial institution if it has any requirements relating to EFT payments and how they can be made.              You don't need to contact MLC or complete any forms if you're using EFT.</li> <li>2. Ensure you have sufficient cleared funds available in your financial institution account to make payments.</li> <li>3. You'll need to use the following information depending on the type of contribution being made:              This excludes salary sacrifice contributions.</li> </ol> <p><b>Mandated (Super Guarantee) employer contributions</b>            BSB Number: 082-382            Account Number: This is your account number, prefix with zeros if required.</p> <p><b>Personal contributions</b>            BSB Number: 082-396            Account Number: This is your account number, prefix with zeros if required.            Your account number can be found in the 'Confirmation of Details' letter we issue to you when we set up your account or by accessing your account details via <a href="https://mlc.com.au">mlc.com.au</a>. Alternatively you can call us to obtain this number.</p>



Method	Who and What	How
<b>Credit Card</b>	You, your employer or your spouse can make one-off contributions from your MasterCard or Visa credit card.	<p>Login to your account at <b>mlc.com.au</b> or complete the <b>Update account details</b> form and send it to us.</p> <p>If you provided credit card details in the application form to make your initial contribution you do not need to complete the above form.</p> <p>Once we've recorded your credit card details on your account you can instruct us by telephone or email (via your account at <b>mlc.com.au</b>) to make credit card payments from your card at any time.</p> <p>You can change your credit card details at any time by:</p> <ul style="list-style-type: none"> <li>• completing the above form</li> <li>• emailing us (via your account at <b>mlc.com.au</b>), or</li> <li>• calling us.</li> </ul> <p>We'll contact you if we receive a dishonour and ask you what course of action you wish to take.</p>
<b>Cheque</b>	You, your employer or your spouse for one-off contributions (e.g. small business CGT, personal injury payments, downsizer contributions).	<p>An election form must be provided to us at or before the time a small business CGT, personal injury and downsizer contribution is made. For further information, please visit <b>ato.gov.au</b></p> <p>Attach a cheque payable to 'MLC' crossed 'Not Negotiable'. Print your full name, address and account number on the reverse side of the cheque. Please make sure to provide your account details and any direction on how you'd like your cheque allocated to your investment options. Send the paperwork to us.</p> <p>We'll send you a letter confirming the contribution.</p>

# Adding to your super – the mechanics

## How you can make sure your contributions go smoothly

When you make a contribution please ensure you've identified the correct type of contribution for your payment.

All contributions are required to be identified as:

- Mandated employer (such as Super Guarantee),
- Voluntary Employer
- Salary Sacrifice,
- Personal, or
- Spouse.

In some cases, where you're making personal contributions you may need to provide us with additional information or forms at or before the time the contribution is made.

These include cases where you:

- wish to have capital gains tax (CGT) exempt contributions arising from the sale of a qualifying small business asset counted towards your CGT contribution cap,
- are eligible to make contributions that are exempt from the contribution caps under the personal injury rules, or
- are eligible to make downsizer contributions to your super account.

For further information and forms, please visit [ato.gov.au](https://www.ato.gov.au)

Please check your Annual statement to ensure all contributions made to your account have been correctly classified. Contributions classified incorrectly may be taxed incorrectly.

## How we process your contributions

Contributions received before we close off processing on a business day (generally 3 pm AEST/AEDT) will usually be processed using the effective unit price for that day, which is calculated as at the end of the day. Contributions received after we close off processing will usually be treated as having been received on the next business day.

All contributions will be invested in line with your last nominated investment strategy unless you advise us otherwise.

## What happens if we are unable to process your contributions?

There are many reasons why we may not be able to process a contribution. It could be due to insufficient information or some outstanding requirements haven't been met.

If this is the case, we'll try our best to contact you, or your financial adviser to find out any extra information we require.

Until this is done, we hold the money in trust for up to 30 days. After this, monies will be returned to the source of the payment. Credit card payments will be refunded to the relevant card. Please note: You won't earn interest on these monies while held in trust.

Once we have the complete information we'll process the contribution as usual with that day's effective unit price.

## When a contribution is dishonoured

While MLC doesn't currently charge a fee for dishonoured contributions, please be aware your financial institution may.

# Transferring your super to MLC

Keeping your super in one place reduces your paperwork making it easier to keep track of your investments. You may also save on fees.

## Before you make a decision on transferring your super, make sure you:

- compare benefit and investment options
- check any differences in the insurance cover you may have
- only cancel your existing insurance once your new insurance has been confirmed (your existing insurance may be automatically cancelled when you close or transfer the other; and super account).
- work out any differences in fees you may be charged.

Please note: Rollovers/transfers from certain funds may be subject to tax.

Transferring your super is easy with MLC. You can:

- view and login to the online super consolidation form at **mlc.com.au**
- complete and sign a **Consolidate your super** form at **mlc.com.au/forms\_and\_brochures**, or
- call us.

You can then either:

- send the form to us and we'll arrange to have your super balance transferred to MLC,

### OR

- send the form directly to your other super fund and it will then arrange for your super balance to be transferred to MLC.

Once we've received your money from the other fund, we'll write to you confirming the amount and details.

## What happens next?

We'll invest your money according to the instructions you've given us for your existing balance or your regular contributions (if applicable).

If you want to invest your money differently, you'll need to let us know before your funds are transferred.

# Starting a pension – the rules

MLC MasterKey Super & Pension Fundamentals offers the following types of income streams:

- Retirement Pensions
- Transition to retirement (TTR) Pensions

A pension is a way in which you can be paid your super benefits. It is designed to provide you with a regular income stream instead of a one-off lump sum payment.

## Retirement Pensions

Retirement Pensions are considered to be in the 'retirement phase' as you've met an eligible condition of release before you entered into the product.

## Transition to Retirement (TTR) pensions

To commence a TTR pension you would've reached your preservation age and are not eligible to commence a retirement phase pension. Your TTR pension is considered to be in pre-retirement phase. Once you reach age 65 (or notify us of meeting one of the eligible conditions of release) the TTR will move into the retirement phase. (Refer to **Transition to retirement (TTR) pension** on page 13).

Once you've determined your eligibility to start a pension you can transfer your account balances from your:

- MLC super account
- other super funds, or
- both.

Provided you're eligible, contributions can be made before starting your pension, refer to '**Adding money to your super – the rules**'.

## Maintain your MLC super account

You can choose to leave some money in your MLC super account to make additional contributions to your super.

A limit applies to the amount that can be transferred to the retirement phase to support superannuation income streams. The limit is known as the Transfer Balance Cap and is \$1.9M million for the 2023-2024 year of income. This cap applies to all retirement phase superannuation income streams you have from all providers. However, you may have a personal transfer balance cap if you commenced a retirement phase pension prior to 1 July 2021. Further information can be found at [ato.gov.au](http://ato.gov.au) or your account at [my.gov.au](http://my.gov.au). TTR pensions in pre-retirement phase are excluded, until they're moved into retirement phase.

Individuals who exceed this cap may be subject to excess transfer balance tax and will be required to withdraw or transfer the excess back into the accumulation phase. Please refer to **Accessing your money**. For more information, go to [ato.gov.au](http://ato.gov.au).

If you're invested in a Term Deposit you need to consider that the accrued interest may impact your Transfer Balance Cap. For more information speak to your financial adviser or call us on **132 652**.

If you have **Investment Protection** you're unable to hold units in your protected investment option in super and pension at the same time.

## How your pension is started

To start your pension you can go online at [mlc.com.au/personal/retirement](http://mlc.com.au/personal/retirement), your adviser can complete your application online or you can complete an **Application form** available at [mlc.com.au/pds/mkspf](http://mlc.com.au/pds/mkspf). See '**Pension payments – the rules**' for details about the amount of pension you can choose to receive.

## For Investment Protection

Please refer to the **Investment Protection Guide** available at [mlc.com.au/pds/mkspf](http://mlc.com.au/pds/mkspf) for more information.

Your pension must be started with a lump sum. So if you're using monies from a number of sources, we'll firstly consolidate all of these amounts in your MLC super account.

If your investment in NAB (National Australia Bank) Term Deposits is using monies from a number of sources, we'll firstly consolidate these amounts into MLC Cash before the investment is made.

To consolidate your other super accounts to your MLC pension, complete a **Consolidate your super** form. See '**Transferring your super to MLC**'.

Once we've received and processed all specified rollovers and contributions we'll transfer the lump sum amount that you want over to your pension account. We can then start your pension payments. We'll also send you a letter confirming your pension account details and investment details.

If we're unable to process your application, we'll contact you or your financial adviser seeking further information. If we're still unable to accept your application, we'll return the monies to the source of payment.

## Pension refresh

You can't add further contributions or other amounts directly to your pension account after it has started. However, you can transfer your pension account balance back to your MLC super account, add more money (if eligible) and then recommence your pension. You can do this by completing the Pension refresh form in the PDS available at [mlc.com.au/pds/mkspf](http://mlc.com.au/pds/mkspf). Alternatively you can start a separate pension.

You should seek professional advice in relation to any limitations and implications that may apply to this strategy.

## Transition to retirement (TTR) pension

### Pre-retirement phase

If you haven't retired but have reached your preservation age, you can access your preserved benefits in the form of a transition to retirement (TTR) pension known as a pre-retirement pension.

In the pre-retirement phase, any investment earnings you receive are taxed at 15% and you can't withdraw more than 10% of the account balance each year. Also, you can't make lump sum withdrawals until you move into retirement phase, though some very limited exceptions apply. Retirement phase occurs when you meet one of the eligible conditions of release as set out below.

The eligible conditions of release are:

- reaching age 65
- being permanently retired (as defined by law)
- permanent incapacity, and
- terminal illness.

When you've reached age 65, investment earnings automatically become tax exempt without you having to notify us.

### Retirement phase

In the retirement phase, your TTR pension investment earnings are tax-exempt. You may be eligible for a **Pension Bonus** when you start a new retirement-phase pension. There is no maximum pension you can draw each year, and you can make unlimited lump sum payments from your account. Your balance transferred into the retirement phase will count towards your Transfer Balance Cap.

Once you reach age 65, your TTR will automatically move into the retirement phase. If you meet one of the other eligible conditions of release you will need to notify us in order for the investment earnings to become tax exempt. Once your TTR moves to retirement phase, it counts towards your transfer balance cap.

You can notify us of your permanent retirement by completing our Condition of release form available at [mlc.com.au/forms\\_and\\_brochures](https://mlc.com.au/forms_and_brochures)

If you have met another condition of release, such as permanent incapacity or terminal illness, please call us on **132 652**.

### Preservation age

Preservation age is 55 for those born before 1 July 1960 and gradually increases to 60 depending on your date of birth. See the table below for more details.

Date of Birth	Preservation Age
Before 1/07/1960	55
1/07/1960 – 30/06/1961	56
1/07/1961 – 30/06/1962	57
1/07/1962 – 30/06/1963	58
1/07/1963 – 30/06/1964	59
From 1/07/1964	60

# Pension payments – the rules

You can choose the amount of pension you receive, provided the amount meets the payment rules. This section describes the rules you must follow when making your choice.

## Minimum pension payment

Once you start your pension, you must receive the legislated age-based minimum annual amount each financial year. The minimum amount depends on your age and your account balance when you start your pension and is recalculated at 1 July each year.

## Aged-based minimums

Age at start of pension and each 1 July	Minimum percentage of account balance (%)
Under 65	4
65 to 74	5
75 to 79	6
80 to 84	7
85 to 89	9
90 to 94	11
95 or more	14

For more information go to [ato.gov.au](http://ato.gov.au)

The minimum amount is pro-rated in the financial year you start your pension. If you start your pension in June, you do not have to take any payments until the next financial year.

Shortly after 1 July each year we'll send you a letter showing you the legislated age-based minimum annual amount for your pension for the following financial year.

If you have MLC MasterKey Investment Protection, a notional value of the protection is included in your account balance when we calculate your prescribed minimum pension payment amount.

This value doesn't form part of your withdrawal balance. We'll notify you each year of the notional value in your protection anniversary letter.

How the notional value is calculated is described below:

- **Protected Income:** Before you start your Protected Payments, the value is equal to one year of protection fees. Once Protected Payments from MLC start, the value is equal to the present value of the payments you are likely to receive in the future.
- **Protected Capital:** This value is equal to one year of protection fees.

## Maximum pension payment

If you have a pre-retirement phase TTR, the rules are:

- your pension payment needs to meet the legislative age-based minimums (refer to Age-based minimums table) or a pro rata amount
- a maximum pension payment of 10% of your account balance can be withdrawn in a financial year (until you meet an eligible condition of release). This amount is not calculated on a pro rata basis
- you must reach your preservation age to be able to draw a pension.

These rules will generally apply until you either:

- reaching age 65
- being permanently retired (as defined by law)
- permanent incapacity, and
- terminal illness.

You will need to notify us if you permanently retire before age 65 because the maximum payment limit will no

longer apply and your investment earnings will not be taxed.

## Specified payment

You can choose an amount other than the minimum or maximum, and you can elect to have that amount increased annually at either a rate of up to 5% or 10% pa. Please note that this amount must be within the required minimum and maximum (if applicable) limits.

## Choosing your pension payments

Payments will be made to your nominated bank account. You can choose when you would like to receive the payments either:

- weekly
- fortnightly
- monthly
- quarterly
- half-yearly, or
- yearly.

You can nominate the date you prefer to receive your income payment. We'll generally process the payment a few days earlier so the funds are paid to you on or before this date. Any applicable Pay As You Go tax will be deducted at the time this payment leaves us.

If there isn't enough money remaining in your selected investment option to pay your pension payment, the payment will be made pro-rata across all remaining investment options.

If your pension account balance falls below \$1,500 we'll contact you and pay you out the balance.



## Changing your pension payments

Generally you can change your pension payment details including the amount of pension payments at any time during the year in the following ways.

Type of change	What you need to do
You can add or update the financial institution account details (for pension income payments and lump sum withdrawals)	Login to your account at <b>mlc.com.au</b> , or complete an <b>Update account details</b> form available at <b>mlc.com.au/forms_and_brochures</b>
You can change the: <ul style="list-style-type: none"> <li>• amount of pension payments (within the minimum and maximum limits)</li> <li>• portion of pension payment paid to your financial institution account</li> <li>• payment date</li> <li>• payment frequency, and</li> <li>• indexing of pension payments.</li> </ul>	<ul style="list-style-type: none"> <li>• login to your account at <b>mlc.com.au</b> or complete and sign an <b>Update account details</b> form available at <b>mlc.com.au/forms_and_brochures</b></li> <li>• forward us a signed letter including your account number and your instructions</li> <li>• call us, or</li> <li>• email us (via your account at <b>mlc.com.au</b>).</li> </ul>
You can change the draw down strategy for pension payments	<ul style="list-style-type: none"> <li>• login to your account at <b>mlc.com.au</b>, or</li> <li>• complete a <b>Switch and Investment Strategy</b> form available at <b>mlc.com.au/forms_and_brochures</b>.</li> </ul>

Login to your account at **mlc.com.au** and update your details online or download the forms or contact us. All forms and written requests can be scanned and emailed or mailed to us. For all telephone requests, we'll need to verify your identity before processing your request.

When any changes are processed, you'll receive a confirmation.

# About your account

## Pension Bonus

### What is it?

The Pension Bonus is an additional one-off payment into your Pension account in retirement phase that you may be able to receive if you meet the eligibility requirements below.

### How does it work?

When a Pension is in the retirement phase, investment earnings are tax exempt to the fund. If you're eligible, an amount equal to a portion of the estimated tax saved on assets transferred from pre-retirement phase to retirement phase will be paid into your Pension account as a one-off Pension Bonus shortly after your Pension starts in the retirement phase. It will be allocated according to your Pension investment allocation at the time the Pension starts in retirement phase unless you have a Pension investment allocation in Term Deposits, Investment Protection options or suspended investment options, in which case, any applicable Pension Bonus will be paid into MLC Cash rather than these options.

### Who is eligible?

You'll be eligible for the Pension Bonus if:

- you transfer some or all of your MLC MasterKey super account<sup>1</sup> and/or Plum Super account, to start your first retirement phase Pension,
- you've invested in an MLC MasterKey super account<sup>1</sup> and/or Plum Super account a continuous period of at least six months before starting your first retirement phase Pension,
- you haven't previously started a retirement phase Pension with us,
- you haven't previously received the Pension Bonus, and
- the rate set for the Pension Bonus is more than zero (see *How the Pension Bonus is calculated*).

### How the Pension Bonus is calculated

The rate of Pension Bonus is based on the Fund's tax position at the date the bonus is processed. This rate is determined by the Trustee or its delegate. Processing will generally be within one month of you starting your first retirement phase Pension.

The Pension Bonus rate available for the investment options we offer is generally reviewed on a monthly basis and is adjusted to reflect the Fund's tax position.

The Pension Bonus rate will be the same for all investment options including MLC Cash. The Pension Bonus rate remains subject to change (including suspension or withdrawal) for the period between the date you start a Pension in retirement phase and the date your Pension Bonus is processed. This may be due to various factors including market volatility and regulatory changes. If this happens, you may not receive a Pension Bonus even if you're otherwise eligible for it. We'll let you know if a Pension Bonus has been paid into your Pension account. The latest available rate can be viewed at [mlc.com.au/pensionrate](https://mlc.com.au/pensionrate)

### Pension Bonus Clawback

We reserve the right to clawback the Pension Bonus where you withdraw 50% (or more) of your starting retirement phase account balance within the first 12 months or due to regulatory changes.

### Will the Pension Bonus count towards my transfer balance cap or age-based minimum payment calculation?

As the Pension Bonus is an earnings adjustment after your Pension starts in retirement phase, it won't count towards your Transfer Balance Cap.

Your Pension Bonus will only be included in the calculation of your age-based minimum pension payments from the financial year after the bonus is paid into your Pension account.

<sup>1</sup> An MLC MasterKey super account includes any account (including a TTR Pension in the pre-retirement phase) that you may have within MLC MasterKey Super Fundamentals, MLC MasterKey Business Super or MLC MasterKey Personal Super.

# Accessing your money – the rules

Because super is a long-term investment, there are strict rules around how and when you can access your money.

## Super

You'll only have access to your super when you have:

- reached age 65
- reached your 'preservation age' and are permanently retired
- reached your 'preservation age' and are starting a transition to retirement pension
- been granted access due to financial hardship
- been granted access on compassionate grounds, approved by the Australian Taxation Office (ATO)
- a permanent disability (as set out in law)
- a terminal medical condition (as set out in law)
- terminated employment after age 60
- terminated employment at any age with restricted non-preserved benefits in the account and that employer has contributed to your account
- become temporarily incapacitated (subject to withdrawal restrictions)
- been given a release authority to pay excess contributions tax, or
- had temporary residency which has expired and you've permanently departed Australia, and satisfy the superannuation law requirements.

The restrictions on access to your super are usually referred to as the 'preservation rules'. You can find out more by visiting [moneysmart.gov.au](http://moneysmart.gov.au), [ato.gov.au](http://ato.gov.au) or speaking to your financial adviser.

You can transfer your super account balance at any time to another eligible super fund.

If you request a partial withdrawal, you need to make sure there are sufficient funds in your account to pay any insurance premiums (if applicable) and/or fees.

### Special rules for temporary residents

If you are or have been a temporary resident you can generally only access your super benefits as a single lump sum where your visa has ceased to have effect and you've departed Australia. Withholding taxes may apply to the lump sum payment.

Exceptions apply if you become permanently disabled or suffer a terminal medical condition (as set out in law) or, in the event of your death.

If you don't claim your super benefit within 6 months of becoming eligible, we may have to pay it to the ATO as unclaimed super. In these circumstances, relying on relief from ASIC, we're not required to notify you or give you an exit statement and you'll need to make an application directly to the ATO to have any entitlements paid to you.

These rules don't apply if you are, or become, a New Zealand citizen, Australian citizen or permanent resident, or you hold a relevant retirement visa.

## Social Security considerations

Any decisions you make regarding the level of pension payments and lump sum withdrawals you receive may impact your Social Security entitlements.

We recommend you speak with your financial adviser or go to [servicessaustralia.gov.au](http://servicessaustralia.gov.au) or [dva.gov.au](http://dva.gov.au) to find out more about the implications.

## Pension

If you need more than your regular pension payments, you can request an additional amount to be paid to you as either a lump sum payment or additional pension payment.

Unless you have a transition to retirement pension, there's no limit on the amount of lump sums or additional pension payments you can receive each year.

## Excess transfer balance

If you have transferred an amount to retirement phase in excess of your transfer balance cap, the ATO may require you to commute an amount out of your superannuation income stream. The amount is called your excess transfer balance and includes the excess transferred into your pension account, plus excess transfer balance earnings. You might be able to commute the excess transfer balance amount into your super account, or withdraw it from your pension account.

# Accessing your money – the rules

If the ATO hasn't been notified that the excess transfer balance amount has been commuted within 60 days from the date of the determination, they may send a Commutation Authority letter to us instructing us to commute the excess amount.

If we receive a notice we will endeavor to contact you to confirm your instruction for withdrawing this money from your pension account. If we have not heard from you, we'll withdraw the money from your pension account and pay the amount to the same bank account where your pension payments are paid.

If you would like more information, or you disagree with the amount of your excess transfer balance please contact the ATO at [ato.gov.au](http://ato.gov.au)

## Transition to retirement (TTR) pensions

If you've reached your preservation age you can start a TTR. Your total pension payments in any financial year must not exceed 10% of your account balance.

If you request an additional pension payment, which causes you to exceed your maximum level, we won't be able to process your request. If this occurs, we will contact you or your financial adviser.

Also, with only limited exceptions, you cannot make lump sum withdrawals until you've met an access condition.

## Transferring your pension

You can transfer your pension to most other super or pension funds at any time, however you'll need to have received your annual minimum pension payment. If you haven't, we may pay you an additional amount and then transfer the balance of your account.

Please note: Transition to retirement pensions can only be transferred to a super account or another transition to retirement pension.

## Super and pension

If you request a partial withdrawal from your super or pension account, you need to make sure that there are sufficient funds in your account to pay any insurance premiums (if applicable) and fees you have instructed to be paid from your account. You also need to make sure that there are sufficient funds in your account to cover any remaining pension payments to meet your minimum for the financial year.

Before you make any withdrawal request you should check any limitations and implications that may apply. You may speak to your financial adviser or go to [ato.gov.au](http://ato.gov.au) or call us.

You will need to lodge a Notice of intent to claim or vary a deduction form if you wish to claim a tax deduction for contributions you have made before transferring. This form is available at [mlc.com.au/forms\\_and\\_brochures](http://mlc.com.au/forms_and_brochures)

To to check if you're eligible to claim a tax deduction on your super contributions, go to the ATO website at [ato.gov.au](http://ato.gov.au)

## How to make a withdrawal or super transfer

You can take a lump sum withdrawal or transfer all or part of your super or pension accounts (if eligible) by:

- logging in to your account at [mlc.com.au/login](http://mlc.com.au/login). Unless the payment is a transfer, your money will be paid to the financial institution account you have provided us previously in writing. Any change to your nominated financial institution account must be received by us prior to your withdrawal request.
- completing either a **Rollover request** form or a **Super cash withdrawal request** form available at [mlc.com.au/forms\\_and\\_brochures](http://mlc.com.au/forms_and_brochures) or by contacting us
- writing to us including your name, address, account number, withdrawal amount the investment option(s) you wish to withdraw from (for partial withdrawals and roll overs) and the financial institution account you want it paid to (if different to the account on our records). You'll also need to sign this letter, or
- telephoning us. Withdrawals requested by telephone can only be paid to your pre-nominated financial institution account. Any change to your nominated financial institution account must be received by us prior to your withdrawal request.

All forms and written requests can be scanned and emailed or mailed to us. We may need to verify your identity before we can process your request.

## You can choose where your money is paid

Lump sum withdrawals can be paid:

- to another MLC account:
  - MLC MasterKey Super and Pension Fundamentals
  - MLC MasterKey Investment Service & MLC MasterKey Investment Service Fundamentals
- directly to your nominated financial institution account:
  - the account can be in your name or a joint account where you are an account holder.

## How we calculate withdrawals and transfers

Your withdrawal or rollover amount is calculated by multiplying the number of units to be withdrawn by the Exit unit price.

If you request a specific dollar amount, the number of units withdrawn will be determined using the Exit unit price. For all partial transfers and withdrawals, we'll sell the units from your investment options either on a pro-rata basis in accordance with your current investment strategy or as indicated by you at the time of your request.

There may be deductions from or additions to withdrawal proceeds to allow for fees, costs and taxes.

## How taking out money affects your protection

You can take money out of your protected investment option at any time, however, your Protected Value may be affected. For more information, please refer to the **Investment Protection Guide** at [mlc.com.au/pds/mkspf](https://mlc.com.au/pds/mkspf)

# Accessing your money – the mechanics

## How we process your request

All complete requests received before we close off processing on a business day (generally 3 pm AEST/AEDT) will usually be processed using the effective unit price for that day, which is calculated as at the end of the day. Requests received after this time will usually be treated as having been received on the next business day.

We reserve the right to refuse or vary the terms for processing a request in certain circumstances, such as when:

- there are significant falls in investment markets, or
- we have difficulty in completing transactions due to low liquidity, which could occur with investment options that use higher risk strategies such as gearing.

In these circumstances we'll advise you as soon as possible of any change.

## What happens if we're unable to process your request?

Sometimes there'll be reasons why we can't process your request. It could be because we don't have enough information or some outstanding requirements haven't been met.

If this is the case we'll try our best to contact you, or your financial adviser, to find out any extra information we require.

Once we've received the outstanding information, we'll process your request as usual, with that day's effective unit price.

We'll send you a letter confirming the transaction.



# Investment Protection

Protect your retirement savings with Investment Protection.

With Investment Protection you can protect one investment option in your MLC MasterKey Super and Pension Fundamentals account. This means your savings are protected if the market goes down, and your investment still grows when the market goes up.

## You can choose from two types of protection:

1. **Protected Capital**, which protects your investment, or
2. **Protected Income**, which gives you a minimum regular income you can rely on.

Once you've chosen which type of protection is right for you, you then choose the investment option that best suits your needs.

You can choose to protect the investment option in super or pension, but not both at the same time.

## How to apply

You can speak with your financial adviser to apply for MLC MasterKey Investment Protection.

## You can move your Investment Protection between super and pension, and pension to super

You can start your protection in super and then move to pension. You can also move from pension back to super.

## Protected Income – Protected Payments

If your Protected Payments are funded by the balance of your protected investment option, your Protected Payments can continue to be made if you have moved back to super.

If you are receiving MLC funded Protected Payments and have moved back to super, your Protected Payments will be suspended until you move back to pension. All suspended Protected Payments will be paid to MLC Cash.

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## For Investment Protection

Please refer to the **Investment Protection Guide** available at [mlc.com.au/pds/mkspf](https://mlc.com.au/pds/mkspf) for more information.

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# How your account is valued

When money is paid into your account, units are allocated to your account and when money is paid out, units are deducted from your account.

The value of your account is based on:

- the number of units in your chosen investment option(s), and the price of those units, or
- the principal amount invested (in the case of NAB term deposits).

The overall value of your account will change according to the unit price and the number of units you hold.

We calculate the unit price as at the end of each business day and use robust unit pricing policies to do this.

The unit price will reflect the performance of the underlying assets, income earned, fees, expenses and taxes paid and payable.

The performance of the underlying assets is influenced by movements in investment markets such as local and overseas share markets, bond and property markets.

If you'd like to find out more about our unit pricing philosophy, go to **[mlc.com.au](https://mlc.com.au)**

# Changing investment options (switching)

As your needs change over time, you can also change your investment options. You can make these changes at any time.

## How to make a change:

- login to your account at [mlc.com.au/login](https://mlc.com.au/login)
- complete the appropriate switch form
- you can also send us a signed letter including your full name, account number and your instructions.
- call us.

All forms and written requests can be scanned and emailed or mailed to us. For all telephone requests, we'll need to verify your identity before processing your request.

If you have **Investment Protection** you can switch out of your protected investment option at any time, however, your Protected Value may be affected. For more information, please refer to the **Investment Protection Guide** at [mlc.com.au/pds/mkspf](https://mlc.com.au/pds/mkspf)

## How we process changes to your investment options

If you request a change to your investment options, units will be redeemed from your current investment option(s) using the Exit unit price.

Units will then be allocated in the new investment option using the Entry unit price.

All complete requests received before we close off processing on a business day (generally 3 pm AEST/AEDT) will usually be processed using the effective unit prices for that day, which is calculated as at the end of the day. Requests received after this time will usually be treated as having been received on the next business day.

We reserve the right to refuse or vary the terms for processing a request in certain circumstances, such as when:

- there are significant falls in investment markets, or
- we have difficulty in completing transactions due to low liquidity, which could occur with investment options that use higher risk strategies such as gearing.

In these circumstances we'll advise you as soon as possible of any change.

## Changes to investment options

We regularly review the investment options so we can be sure to offer you solutions that meet your needs. As a result at any time we may:

- add new investment options
- vary an investment option (for example, we may vary the investment objective and strategy, risk level, asset allocation and/or investment managers of an investment option)
- close investment options, or
- terminate an investment option.

The managers of the investment options not managed by MLC are responsible for the investment process and strategies they use to manage the underlying funds towards their investment objectives.

We'll either advise you in writing, email or by making the information available at [mlc.com.au](https://mlc.com.au) for any significant changes to an investment option.

Greater volatility in investment markets is also causing an increase in costs associated with buying and selling the underlying assets of an investment option, known as the buy-sell spread. This will increase the cost associated with buying, selling, or switching an investment and will also be reflected in a lower valuation of your investment.

This means the buy-sell spread on any investment options may fluctuate daily.

We recommend you contact your financial adviser if you're contemplating selling or switching. If you don't have an adviser, you can call us.

You can check the current buy-sell spreads for your investment at [mlc.com.au/buysellsreads](https://mlc.com.au/buysellsreads)

We'll generally let you know when information about your account has been made available online, and also encourage you to check regularly for updates.

## Monitoring of frequent switching

This product is not appropriate for members who wish to switch their investments frequently in the pursuit of short-term gains.

We monitor all investment options for abnormal transaction activity because this sort of activity can have adverse impacts for other members.

# Changing investment options (switching)

To maintain equity, we have the right to deal with members who frequently switch by:

- delaying, limiting, rejecting or applying special conditions to future switch requests
- permanently cancelling membership
- rejecting applications to open new accounts in the Fund, and/or
- rejecting contributions and rollovers to existing accounts.

## What happens if we're unable to process a change of investment options request?

Sometimes there will be reasons why we can't process a change of investment options. It could be due to insufficient information or some outstanding requirements haven't been met, or there are delays with other investment managers.

If this is the case, we'll try our best to contact you, or your financial adviser to find out any extra information we require.

Once we've received the outstanding information, we'll process your request as usual with that day's effective unit price.

When any changes are processed, you'll receive a letter of confirmation.

## NAB Term Deposits

Term deposits are invested for a fixed term. Early withdrawals are permitted but will be subject to a 31 day notice period, in addition to MLC's processing time, before the funds can be withdrawn.

In instances of early withdrawal there may be a reduction of interest earned to offset the costs to NAB of the early withdrawal.

You can invest up to 80% of your account balance in NAB Term Deposits.

If your investment in NAB Term Deposits is using monies from a number of sources, we'll firstly consolidate these amounts into MLC Cash before the investment is made.

Withdrawals, income payments, fees and other costs can't be deducted from term deposits.

Throughout the duration of your term deposits these amounts can be deducted from other investment options, so you'll need to maintain a minimum of 10% of each of your super and pension balances in other investment option(s) at all times. One-off withdrawal requests that reduce the amount held in other investment option(s) below 10% of your super and pension balances may not be processed.

To view your maturity instructions you can login to [mlc.com.au](https://mlc.com.au) at anytime. You'll also receive a pre maturity letter four weeks before the term deposit matures.

You can update your maturity instructions up to five business days prior to the maturity date.

# Fees and costs

The current fees are provided in the **Fee Flyer** and the **Investment Menu** which are available at [mlc.com.au/pds/mkspf](http://mlc.com.au/pds/mkspf)

If we make changes to fees we will generally write to you at least 30 days prior to any change. You can also find out more information about fee changes at [mlc.com.au](http://mlc.com.au), in our Annual Report, or by calling us.

## 3% cap of fees and costs

If your account balance is below \$6,000, the maximum combined investment and administration fees we charge cannot exceed 3% pa. This means that the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance and any amount charged in excess of that cap must be refunded.

## Adviser Service Fee

If you wish to consult a financial adviser, you should consider the following information:

- You may pay a fee for the services you receive and choose how to pay for these services.
- You can authorise for the cost of your adviser's services, solely in relation to your MasterKey Super & Pension Fundamentals account, to be deducted from your account and paid to them. You can do this by giving us instructions to establish an Adviser Service Fee to be deducted from your account.

- Any fees charged by your financial adviser are in addition to the fees and costs in the PDS.
- You can amend or cancel an existing Adviser Service Fee at any time by contacting us.
- You don't need to consult with a financial adviser to use our services.

Your financial adviser cannot change the Adviser Service Fee without your consent.

### **Additional fees may be paid to a financial adviser if a financial adviser is consulted.**

Any fee arrangement you have with a financial adviser should be detailed in the Statement of Advice they provide. You should regularly review this arrangement. We reserve the right to reject or terminate an Adviser Service Fee arrangement on your account at any time.

## How fees are deducted

If you hold both a super and pension balance the following table outlines how fees will be deducted.

Fees	How they will be deducted
<b>Admin Fee Final/Periodic</b>	Split proportionately across super and pension and deducted as per nominated sequence.  If you have a Transition to Retirement pension in pre-retirement phase, the draw down sequence for fees you nominate will also apply to your super.
<b>Adviser Service Fee (Ongoing /One off)</b>	From super sequence first then pension
<b>Insurance premiums</b>	From super sequence first then pension

# Fees and costs

## Fee Refund

If you have other accounts with MLC you may also be eligible for the MLC MasterKey fee refund. This is a refund of the Administration fee. If you're eligible, the refund will automatically be applied to the relevant accounts.

Your MLC MasterKey Super & Pension Fundamentals account is counted towards the calculation of the refund, but the refund is only applied to other eligible MLC MasterKey accounts that you have. It's calculated on your monthly

account balance and paid quarterly, the fee refund is:

- 0.17% pa for combined account balances of between \$200,000 and less than \$400,000, or
- 0.32% pa for combined account balances \$400,000 and over.

The refund is calculated before the impact of tax, and the tiers and percentages used to calculate the refund may change at any time without prior notice to you.

## How and when the refund is calculated and paid

The refund is calculated on your monthly account balance and is credited to your eligible MasterKey account quarterly.

The refund is paid directly to your account by purchasing additional units according to your investment instructions. To receive the fee refund, your account must be open at the time the refund is paid.

## Linking with another eligible investor

You can also link with another eligible MLC investor and use your combined MLC MasterKey account balances to receive a refund. An eligible investor includes a spouse, de-facto spouse, parent, child, sibling, a business or trust.

You can only link with one other MLC MasterKey account investor.

You can do this by completing an **Update account details** form available at [mlc.com.au/forms\\_and\\_brochures](https://mlc.com.au/forms_and_brochures) or by contacting us. This form can be scanned and emailed or mailed to us.

We may cancel the link if you or a nominated investor no longer satisfies the criteria for account linking.

## Changing linking details

You or another eligible investor can change, add or remove accounts at any time by writing or telephoning us. For all telephone requests, we'll need to verify your identity before processing your request.

If you nominate a new investor for linking purposes, this will override any previously established linking arrangement.

When any changes are processed, you'll receive a letter of confirmation.

## Which MLC MasterKey products are eligible for the fee refund?

The following table confirms which MLC MasterKey products will be included in your fee refund calculation, and whether a fee refund is paid for each of these products.

MLC MasterKey Products	Included in MLC MasterKey Portfolio	Eligible for fee refund
MLC MasterKey Unit Trust	•	• *
MLC MasterKey Investment Service	•	• *
MLC MasterKey Investment Service Fundamentals	•	
MLC MasterKey Super Fundamentals	•	
MLC MasterKey Pension Fundamentals	•	
MLC MasterKey Term Allocated Pension	•	
MLC MasterKey Personal Super	•	
MLC MasterKey Business Super	•	

\* Except MLC Cash

Separate Fee refunds may apply for the MLC MasterKey Personal and MLC MasterKey Business Super products.



# Tax – the rules

## This section isn't a comprehensive and complete tax guide

The taxation treatment of superannuation is complex. The Trustee is not a registered tax (financial) adviser or registered tax agent. If you intend to rely on any advice to satisfy liabilities, obligations or claim entitlements that arise, or could arise under taxation law, you should seek advice from a registered tax agent or registered tax (financial) adviser.

## Contribution types and caps for tax purposes

The Government caps the amounts you can contribute to super. If you go

over the caps, you may pay extra tax. Your eligibility to contribute or have contributions made for you is outlined in the section **Adding money to your super – the rules**.

For tax purposes, contributions to super are generally assessed against one of two caps:

- **The concessional contribution cap** – the main contributions counted against this cap are those made by your employer, your salary sacrifice contributions or, if you are eligible and choose to claim a deduction, your personal concessional contributions.

- **The non-concessional contributions cap** – generally the amounts counted to this cap include personal contributions where you don't claim a tax deduction and contributions made by your spouse directly to your super account.

Because additional tax may be paid if a contribution cap is exceeded, you might need to take into consideration other less common types of contributions and the caps which apply. The following table outlines some of these contribution types and the cap against which they may count.

Contribution type	These include	Relevant cap
<b>Capital Gains Tax (CGT) cap</b>	Contributions arising from the disposal of certain small business assets that you elect to be counted towards the CGT cap rather than the non-concessional contribution cap.  You need to provide us with the ATO's CGT cap election notice before or with the contribution. This is provided the CGT cap hasn't been used up previously.	The CGT cap is a lifetime cap and is the maximum amount of eligible contributions you can choose to exclude from your non-concessional contributions cap. The CGT cap applicable for 2023-2024 is \$1,705,000. A CGT election form must be submitted before or at the time of contribution. The contribution made as part of the CGT cap amount will form part of your total super balance and may affect your ability to make certain types of super contributions in the future.
<b>Personal injury</b>	Personal contributions relating to eligible personal injury receipts that you've elected to exclude from being counted towards your non-concessional contribution caps. There are strict conditions on the types of personal injury contributions you can claim exclusions for. You need to provide us with the Personal Injury election notice before or with the contribution.	There's no cap on the amount of eligible personal injury contributions that can be excluded from your non-concessional contribution cap.
<b>Downsizer contribution</b>	Eligible after-tax superannuation contributions from the sale proceeds of your main residence if you're aged 55 or more. These contributions can be made to your super account regardless of your total super balance or what you've already contributed to super under the ordinary contribution caps.	You can contribute up to \$300,000 (\$600,000 combined for a couple). Downsizer contributions don't count towards your contribution caps, but count towards your transfer balance cap if you move your super balance into retirement phase (i.e. such as you reach age 65 and start a retirement pension). The downsizer contribution will also form part of your total super balance and consequently may affect your ability to make certain types of super contributions in the future.
<b>Government co-contributions</b>	Payments made by the government to your super based on your income and other factors.	Government co-contributions and low income super contributions don't count towards either your non-concessional or concessional contribution caps.

# Tax – the rules

The Concessional, Non-concessional and CGT contribution caps are set out below.

Age	Concessional contributions annual cap 2023-2024
All ages	\$27,500*
Age	Non-concessional contributions cap 2023-2024
Less than 75	\$110,000 annually – You may be eligible to contribute up to \$330,000 under the bring forward arrangement <sup>^</sup>
75 and over	Non-concessional contributions can't be made
CGT contribution cap	Lifetime indexed cap
Up to age 75	\$1,705,000

## Protected Capital

If your Protected Value is more than the balance of your protected investment option at the end of your term, a Protected Benefit Payment will be made.

## Protected Income

The Protected Benefit Payments are the MLC funded Protected Payments made to MLC Cash on a monthly basis.

## Capital Protection Option

If your Protected Value is more than the balance of your protected investment option upon termination of your Capital Protection Option, a Protected Benefit Payment will be made (this includes if you close your MLC MasterKey Fundamentals account).

## Taxation implications of Protected Benefit Payments

If you have Investment Protection, all applicable Protected Benefit Payments will be paid to MLC Cash. You will not be taxed personally on the Protected Benefit Payments.

Once the Protected Benefit Payment has been paid to MLC Cash, it is no longer protected and forms part of your account balance. Any withdrawals of this amount will be treated as a super or pension withdrawal for tax purposes.

The Protected Benefit Payment may be subject to a 15% tax within the super fund. If this occurs, the Protected Benefit Payment will be grossed up by the tax amount to ensure you receive the full Protected Benefit Payment.

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We recommend that you speak with your financial adviser or registered tax agent if you are close to the caps. Alternatively you can visit [ato.gov.au](https://ato.gov.au) or call us.

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\* You may be able to make "catch up" concessional contributions if your total superannuation balance is less than \$500,000 on 30 June of the previous financial year. Amounts will be carried forward on a 5 year rolling basis. Refer to [ato.gov.au](https://ato.gov.au) for information on carrying forward unused concessional contributions.

<sup>^</sup> The non-concessional contributions cap amount that you can bring forward and whether you have a two or three year bring forward period will depend on your total superannuation balance. Your total superannuation balance is determined at the end of 30 June of the previous financial year in which the contributions that triggered the bring-forward were made. For more information, visit [ato.gov.au](https://ato.gov.au) or speak with your financial adviser.

## Tax on your super and pension accounts – a quick summary

While both super and pension investments have favourable tax treatment they are different in the way they are taxed. We've broadly outlined the tax treatment of each type of investment below.

	Tax treatments on payments to you		Tax treatments in your account	
	Regular and additional pension payments	Lump sum withdrawals	Contributions	Investment earnings
<b>Super</b>	Not applicable.	<p><b>Tax-free component:</b> Nil.</p> <p><b>Taxable component:</b></p> <ul style="list-style-type: none"> <li>• If under the preservation age, tax of up to 22% (including Medicare Levy at 2%).</li> <li>• If aged from preservation age to age 59, tax-free on the first \$235,000 (this is a lifetime cap which may be increased periodically). Tax is then paid on the remainder up to 17% (including Medicare Levy at 2%).</li> <li>• From age 60, tax-free.</li> </ul> <p>Other taxes and government levies may apply from time to time.</p> <p>If applicable, we'll deduct the tax from your account before paying the lump sum.</p>	<ul style="list-style-type: none"> <li>• Concessional contributions, such as employer and salary sacrifice contributions, are usually taxed at a rate of 15%. Generally, if the sum of your combined 'income' and concessional contributions exceed \$250,000 in an income year, an additional 15% tax will apply to your concessional contributions. If your income excluding your concessional contributions is less than \$250,000, the additional 15% tax will only apply to your concessional contributions which place you in excess of the \$250,000 threshold. The additional tax is levied on you personally; however, you can elect to have the tax paid from your super account.</li> <li>• Taxes charged within the Fund are deducted from your account as and when required or when you leave the Fund.</li> <li>• Non-concessional contributions aren't taxed in the Fund. These include contributions made by you or your spouse for which no personal income tax deduction has been claimed.</li> </ul> <p>Contributions made to your account, both concessional (ie before tax) and non-concessional (ie after tax) will count towards your contribution caps. Additional tax and charges may be payable if you exceed these caps. In addition from the amount you have in your 'total superannuation balance' (which includes all your superannuation and pension balances generally determined on the previous 30 June) may limit your ability to:</p> <ul style="list-style-type: none"> <li>• make non-concessional contributions,</li> <li>• claim the Government co-contribution,</li> <li>• receive a spouse contribution, and</li> <li>• access 'catch up' concessional contributions in the 2022-2023 and later years of income with specific conditions applying.</li> </ul> <p>For further information, please refer to the ATO website <a href="http://ato.gov.au">ato.gov.au</a>.</p>	<p>Taxed at a rate of up to 15%.</p> <p>Tax paid or payable on investment earnings is reflected in the daily unit price for each investment option.</p>

To invest in MLC MasterKey Super & Pension Fundamentals you will need to provide your Tax File Number (TFN). If you don't provide your TFN we'll hold your money in trust and contact you or your financial adviser to obtain your TFN. If we don't receive your TFN within 14 days we will return any contributions or rollovers. We will verify your TFN with the ATO. Additional tax liabilities may apply if you exceed the applicable contribution caps. For more information visit [ato.gov.au](http://ato.gov.au)

	Tax treatments on payments to you		Tax treatments in your account	
	Regular and additional pension payments	Lump sum withdrawals	Contributions	Investment earnings
<b>Transition to Retirement Pension (TTR)</b>	<p><b>Tax-free component:</b> Nil.</p> <p><b>Taxable component:</b></p> <ul style="list-style-type: none"> <li>If aged from preservation age to age 59, tax is paid at marginal tax rates plus Medicare Levy at 2%, less a tax offset of 15%.</li> <li>From age 60, tax free.</li> </ul> <p>Other taxes and Government levies may apply from time to time. If applicable, we'll deduct the tax from your pension payments.</p>	As above.	Not applicable.	<p>Taxed at a rate of up to 15% in the pre-retirement phase and tax free in the retirement phase.</p> <p>Tax paid or payable on investment earnings is reflected in the daily unit price for each investment.</p> <p>To find out more go to <a href="http://ato.gov.au">ato.gov.au</a> or <a href="http://moneysmart.gov.au">moneysmart.gov.au</a>.</p>
<b>Retirement Pension</b>	<p><b>Tax-free component:</b> Nil.</p> <p><b>Taxable component:</b></p> <ul style="list-style-type: none"> <li>If under the preservation age, tax is paid at marginal tax rates plus Medicare Levy at 2% with no tax offset.</li> <li>If aged from preservation age to age 59, tax is paid at marginal tax rates plus Medicare Levy at 2%, less a tax offset of 15%.</li> <li>If your payment is a disability super benefit the same rules apply to a disability pension, except a tax offset of 15% will apply to the taxable component for those under preservation age. Go to <a href="http://ato.gov.au">ato.gov.au</a> for more information.</li> <li>From age 60, tax free.</li> </ul> <p>Other taxes and government levies may apply from time to time. If applicable, we'll deduct the tax from your pension payments.</p>	<p><b>Tax-free component:</b> Nil.</p> <p><b>Taxable component:</b></p> <ul style="list-style-type: none"> <li>If under the preservation age, tax of up to 22% (including Medicare Levy at 2%).</li> <li>If aged from preservation age to age 59, tax-free on the first \$235,000 (this is a lifetime cap which may be increased periodically). Tax is then paid on the remainder up to 17% (including Medicare Levy at 2%).</li> <li>From age 60, tax-free.</li> </ul> <p>Other taxes and government levies may apply from time to time. If applicable, we'll deduct the tax from your account before paying the lump sum.</p>	Not applicable.	Tax-free.

Preservation age is 55 for those born before 1 July 1960 and will gradually increase to 60 depending on your date of birth. To find out your preservation age, see page 13 or go to [ato.gov.au](http://ato.gov.au). A different tax treatment applies to superannuation death benefits paid to your beneficiaries or deceased estate. Go to [ato.gov.au](http://ato.gov.au)

# Tax – the mechanics

You pay additional tax when you exceed the contributions caps.

## Additional tax you may pay

If you exceed the contribution caps, additional tax applies.

We recommend that you speak with your financial adviser or registered tax agent if you're close to the caps. Alternatively you can visit [ato.gov.au](http://ato.gov.au) or call us.

## Exceeding the concessional contribution cap

Excess concessional contributions are treated as assessable income and taxed at your marginal rate with an offset for the 15% contributions tax already paid by the super fund. You have the choice to have up to 85% of your excess concessional contribution amount released to the ATO as a credit to cover the additional tax liability.

If you have excess concessional contributions refunded, the excess no longer counts against your concessional cap. If you retain the excess contribution in your account, the excess amount counts against the concessional contribution cap and may also count against the non-concessional contribution cap.

## Exceeding the non-concessional contribution cap

You can elect to have excess Non-concessional contributions plus 85% of associated earnings (this amount is determined by the ATO using a formula) refunded. The full amount of associated earnings is added to your assessable income and taxed at marginal tax rates with a 15% tax offset.

If no election is made to have the excess amount refunded, the excess

contributions are, in most cases, taxed at 47% (which includes the Medicare Levy of 2%).

As the rules that relate to excess super contributions can be complex, you should speak with your financial or tax adviser, or for more information, please visit [ato.gov.au](http://ato.gov.au)

## Claiming a tax deduction on your personal super contributions

You may be eligible to claim a tax deduction in your personal income tax return for personal super contributions you make to your account in a financial year.

You will need to submit your claim before withdrawing, transferring your super (all or part), starting a pension, or submitting a contributions splitting application. Any lump sum drawn since the contribution was made partly reduces the amount you are able to claim.

From 1 July 2022, if you were 67 - 75<sup>1</sup> at the time of contributing any amounts for which you claim a personal tax deduction, the ATO will only allow the deduction if you have met the work test during the financial year or are eligible for the work test exemption. The work test requires you to have been employed or self-employed for at least 40 hours in a consecutive 30-day period during the financial year the contribution was made.

An exemption from the work test is available to recently retired individuals age 67 - 74. It allows voluntary contributions to superannuation without the need to satisfy the work test if the test has been met in the previous financial year. In addition, your total

superannuation balance at the prior 30 June must be less than \$300,000 and the exemption can only be applied once in your lifetime.

If the deduction is disallowed, you can vary your notice down, including down to zero. However, if you have started a pension or made a withdrawal before you vary your notice, we may not be able to accept your variation notice and refund the tax deducted.

More information on personal deductions for super contributions and eligibility criteria speak to your financial adviser or visit [ato.gov.au](http://ato.gov.au).

<sup>1</sup>For a member turning 75, contributions must be received no later than 28 days after the end of the month they turn 75.

If you intend to claim a deduction for personal contributions, you should take into consideration other concessional contributions made on your behalf (such as SG and salary sacrifice) in order not to breach your concessional contribution cap.

You cannot claim a deduction for any contributions that you choose to treat as downsizer contributions and any personal contributions that have been assessed as being a non-concessional contribution in a First Home Super Saver determination.

**Note:** you can not create an income loss from claiming a tax deduction for personal superannuation contributions.

For information on eligibility to claim a deduction for your personal contributions visit [ato.gov.au](http://ato.gov.au) or speak to your financial adviser or registered tax agent.

# Tax – the mechanics

## Letting us know you're claiming a tax deduction

If you've made personal super contributions for the previous financial year and intend to claim a tax deduction, you'll need to notify us by:

- completing and signing a **Notice of intent to claim or vary a deduction for personal super contributions** form available at [mlc.com.au/forms\\_and\\_brochures](https://mlc.com.au/forms_and_brochures), or
- completing a **Notice of intent to claim or vary a deduction for personal super contributions** form available at [ato.gov.au](https://ato.gov.au)

**Check your eligibility for a deduction at [ato.gov.au](https://ato.gov.au) before submitting your tax return, transferring or withdrawing all, or even part of your super, or before starting a pension, or making a contribution splitting application.**

You must return your completed notice to us before the earlier of the date you lodge your tax return for the financial year in which the contributions were made, or the end of the financial year immediately following the year in which the contributions were made.

## What we do when we receive your notice

Once we receive and accept either of these notices, we'll send you a Tax Deduction Acknowledgment Advice for your tax records.

If we're unable to accept your declaration we'll send you a notice advising why and any information we may need in order to accept it.

In some cases, the law prevents us from accepting a notice. For example, if you've used your account balance containing the personal contributions to start a pension or if you've withdrawn your benefit.

You cannot claim a deduction if you haven't received a formal Tax Deduction Acknowledgment Advice from us.

## Tax on contributions you are claiming as a deduction

Any personal contributions you claim as a tax deduction will have 15% tax deducted by us. This will be deducted from your account once we acknowledge acceptance of your notice to claim a tax deduction.

### Not claiming a tax deduction?

If you don't intend, or are ineligible to claim a tax deduction then you don't need to do anything.

If we don't hear from you, we'll assume you won't be claiming a tax deduction for personal contributions in that financial year.

### Reducing the amount you've told us you are claiming

If you wish to reduce the amount of a previous tax deduction claim, you'll need to complete and return the **Notice of intent to claim or vary a deduction for personal super contributions** form available at [mlc.com.au/forms\\_and\\_brochure](http://mlc.com.au/forms_and_brochure).

This must be done before the earlier of the date that you lodge your tax return in relation to the year the contributions were made, or end of the following financial year after the contributions were made.

In some cases, you may reduce the amount you claimed outside this timeframe if the ATO has disallowed your claim for a deduction. However, as with claiming a deduction, the law prevents us from accepting a variation in certain circumstances.

### Tax on withdrawals made by temporary residents

Certain temporary residents can access their super benefit after leaving Australia.

If applicable, the benefit can generally only be paid as a single lump sum from which we can deduct tax. In some circumstances if you do not claim your benefit, we're required to pay it directly to the ATO.

Further information can be found on [ato.gov.au](http://ato.gov.au)

### Tax on payments made to your beneficiaries

Tax may be charged on amounts paid to your beneficiaries on your death. The tax payable will depend on the type of payment being made (lump sum or pension), timing and the dependency status of your beneficiaries.

### Tax File Number (TFN) Notification

If you're under age 60 and haven't provided a valid Tax File Number, we're generally required to deduct tax at the top marginal tax rate (plus Medicare Levy of 2%, for Australian residents) from taxable superannuation payments made to you from your account and, if applicable, the whole of pension income payments.

In addition, if you don't provide us with your TFN the law requires us to reject certain contributions.

We may send your TFN to the ATO to assist them in locating any unclaimed or lost superannuation benefits.



# Nominating a beneficiary

Your account balance is paid to your beneficiaries or your estate in the event of your death. However, the law restricts who can be a beneficiary.

Once you've opened your account you can:

- nominate beneficiaries
- change, cancel or remove existing beneficiaries
- change the type of nomination, and
- change the portions of your account to be paid to beneficiaries.

## Who can you nominate?

Under superannuation law, you can nominate the following:

- your spouse or de-facto spouse, including same sex partners
- children including step and adopted children
- individuals who are financially dependent on you at the time of your death
- your legal personal representative (either the executor under your will or a person(s) granted letters of administration for your estate if you die without having left a valid will) or
- someone in an interdependency relationship to you. This is a close personal relationship between two people who live together, where one or both of them provide for the financial and domestic support and personal care of the other. This type of relationship may still exist if there's a close personal relationship but the other requirements are not satisfied because of some physical, intellectual or psychiatric disability.

## Types of nominations:

- a non-lapsing nomination, which is binding on the Trustee – ensures your account balance is paid as you've directed as long as the nomination is and remains valid
- a nomination subject to Trustee discretion – The Trustee will decide who receives your account balance and will consider your preferred beneficiaries
- no nomination – The Trustee will decide who receives your account balance
- a reversionary nomination (pension accounts only) – your pension payments continue to be paid to your nominated beneficiary.

Please note: Contrary Court orders may override your nomination.

The spouse benefit optional extra for Protected Income must be a non-lapsing binding nomination in super and a reversionary nomination in pension.

Different tax implications may apply depending on the type of beneficiary nomination you make. We recommend you seek advice from your financial adviser and registered tax agent prior to making a nomination.

## How to make or change a nomination

You can nominate or change existing beneficiaries at any time by completing a **Beneficiary nomination** form available at [mlc.com.au/forms\\_and\\_brochures](https://mlc.com.au/forms_and_brochures) or by contacting us. Your revised form can be scanned and emailed or mailed to us.

If you're updating your reversionary nomination, this may impact your social security benefits. Please speak with your financial adviser for more information.

If your nomination is unclear or incomplete, we'll write to you requesting the information or documentation required to process your request.

Once we've processed your request, we'll send a confirmation letter. Details of your nomination(s) are also confirmed each year in the Annual statement we send to you.

Should your circumstances change and you've elected the spouse benefit option you'll continue to pay the additional fee even in the event of death of your nominated beneficiary.

## What we do when we are notified of your death

Your account balance (excluding pension accounts with a reversionary nomination) will be switched into MLC Cash on the date we receive notification of your death.

We'll switch off any Adviser Service Fees being paid to your adviser and stop charging insurance premiums once we're notified of your death. Any Adviser Service Fees and insurance premiums charged between the date of death and the notification of death will be refunded along with the final benefit payment.

If you've made a nomination binding on the Trustee, which is still valid, the account balance will be paid to your beneficiaries as you have directed.

Where you've made a nomination subject to Trustee discretion or if you haven't nominated a beneficiary or if your nomination is no longer valid, the Trustee uses a formal process to make the decision as to whom your benefit should be paid. The process involves the identification of any potential beneficiaries and communication with them. The Trustee then gives careful consideration to what it believes is an appropriate distribution of the account balance, paying particular regard to your recorded preferences.

You can view your beneficiary nomination(s) online at any time by accessing your account at [mlc.com.au](https://mlc.com.au)

## Payment of reversionary pensions

If you have a pension account with a reversionary nomination, the account balance will remain in your chosen investment option(s) and pension payments will be suspended. On completion of the claim, pension payments will restart and will be paid to your beneficiary.

## Restrictions on payment of death benefit pensions to children

If a child beneficiary receives payment of a pension upon your death, the pension can only continue to be paid whilst the child is:

- under age 18
- between age 18 and 25 and financially dependent upon you, or
- disabled, as defined by law.

If your reversionary beneficiary is a child under the age of 18 at the date of your death, they can only receive your pension as an income stream until they turn 25, at which point they must convert the remaining pension into a tax-free lump sum, unless they suffer from a disability.

A child beneficiary receiving a death benefit is subject to a modified form of the Transfer Balance Cap. For more information go to [ato.gov.au](https://ato.gov.au)

## Tax applicable on death notification

If the account is in the accumulation (pre-retirement) phase when we receive notification of your death, tax on investment earnings will continue to apply until the benefit is paid to the beneficiary.

If the account is in the retirement phase when we receive notification of your death, investment earnings are tax exempt until the benefit is paid to the beneficiary.

This applies for all types of beneficiary nominations.

We recommend you seek advice from your financial adviser or registered tax agent on what this could mean for you prior to making a nomination.

# Insurance with your MLC MasterKey Super Fundamentals account

## MLC MasterKey Super Fundamentals – Insurance options

### Insurance options when you open your MLC MasterKey Super Fundamentals account

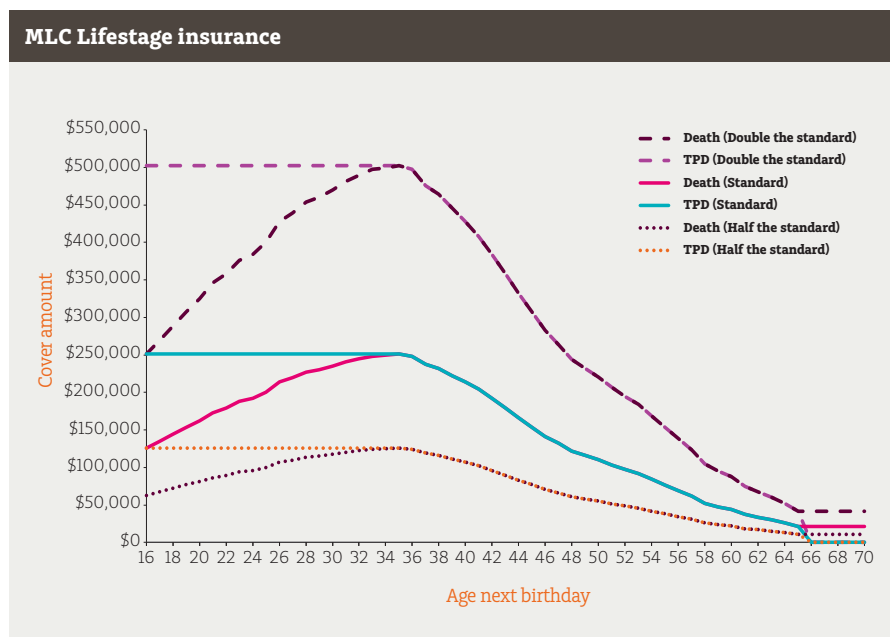
When you join MLC MasterKey Super Fundamentals, subject to meeting the eligibility criteria you're able to select from three levels of MLC Lifestage insurance:

- Standard cover
- Half the standard cover, or
- Double the standard cover.

You can also choose to have no insurance.

It's quick and easy to apply for, but there may be some restrictions depending on your occupation and health.

Once your MLC MasterKey Super Fundamentals account is set up, you can apply for a different level or type of insurance, or cancel it at any time.



Amounts shown above are effective 1 July 2022.

You should read the **Insurance Guide** at [mlc.com.au/pds/mkspf](https://mlc.com.au/pds/mkspf) for definitions of the capitalised words and for a summary of all eligibility criteria and terms and conditions.

### Insurance options after you've set up your MLC MasterKey Super Fundamentals account

You can change the insurance cover you already have with us or apply for one of these cover options.

\* At any time, you can't hold more than one of these insurance types.

Types on insurance	Insurance pays:	How much can you apply for?	More information (Go to <a href="https://mlc.com.au/pds/mkspf">mlc.com.au/pds/mkspf</a> )
<b>MLC Lifestage insurance*</b>	a lump sum if you die, are diagnosed with a Terminal Illness or become Totally and Permanently Disabled.	Choose from three levels of Death and TPD insurance which adjust automatically as you age.	Refer to sum insured tables on page 8 and terms on page 12 of the <b>Insurance Guide</b> .
<b>Death and Total and Permanent Disablement (TPD) insurance*</b>		Choose any dollar amount of Death insurance and up to a maximum of \$5 million of TPD insurance (however, it cannot exceed the Death insurance amount).	Refer to page 12 of the <b>Insurance Guide</b> .
<b>Death only insurance*</b>	a lump sum if you die or are diagnosed with a Terminal Illness.	You can choose any dollar amount of Death insurance.	Refer to pages 11-12 of the <b>Insurance Guide</b> .

## MLC MasterKey Super Fundamentals – Insurance options continued

You can also apply for Income Protection insurance cover. It can be added to your MLC Lifestage, Death and TPD or Death only cover or can be stand-alone cover.

Types on insurance	Insurance pays:	How much can you apply for?	More information (Go to <a href="http://mlc.com.au/pds/mkspf">mlc.com.au/pds/mkspf</a> )
<b>Income Protection insurance</b>	a monthly benefit of up to 75% of your Monthly Income while you're Totally Disabled and unable to work.	Generally up to 75% of your monthly income, subject to the maximum benefit payable.	Refer to pages 13-14 of the <b>Insurance Guide</b> .

### Applying for or changing your insurance

When applying for additional insurance, you'll be assessed based on certain insurance eligibility criteria. You should refer to the **Insurance Guide** at [mlc.com.au/pds/mkspf](http://mlc.com.au/pds/mkspf) to determine eligibility.

If you want to apply for or increase your existing insurance, you'll need to complete either the **insurance application form** or the **Request for insurance form**. These forms are available at [mlc.com.au](http://mlc.com.au)

### Assessing an application for insurance

The Insurer will assess your application and, based on the information you provide, decide on what terms the insurance can be offered to you.

We'll let you know if medical information or a medical examination is required and will pay for the medical information requested during the assessment process, unless we advise you otherwise.

In some cases, you may:

- not be eligible for the insurance you've requested,
- be offered the insurance at a higher premium or with an exclusion, or
- be declined on the basis of medical evidence provided.

If you don't supply evidence of health when we request it, it may affect your ability to increase insurance at a later date.

### Bringing your insurance together

If you have insurance through one or more of your super accounts, you can apply to bring it together with the insurance you have with us.

To apply, simply complete and send us a **Consolidate your insurance form**. A copy of this form is available at [mlc.com.au](http://mlc.com.au) or by calling us on **132 652**.

### IMPORTANT!

**When you apply for any insurance cover, you should take reasonable care not to make any misrepresentations. Failure to do so may significantly impact your ability to claim on any cover granted.** For example, the Insurer may be able to cancel the cover and treat it as if it never existed, or vary the amount of the cover, premium payable, expiry date, or other terms of the cover. A misrepresentation can be a false answer, an answer that is only partially true, or an answer which does not fairly reflect the truth. Further details are set out in the paperwork that is provided as part of the application process.

# Insurance with your MLC MasterKey Super Fundamentals account

## MLC MasterKey Super Fundamentals – Insurance details

### Replacing your existing insurance

Whenever you change insurance providers, you need to make sure you compare the different products.

This way you can make sure that you have the right amount of insurance for your individual needs. Most importantly, only cancel your existing insurance once your new insurance has been confirmed.

### Applying for more insurance

Any insurance you currently have may be linked to your age or salary. When you apply for additional insurance, both your current and extra amount of insurance, if accepted, will be set to a fixed amount. It will no longer automatically increase or decrease with your age.

### Decreasing or cancelling your insurance

You can decrease or cancel your insurance at any time. Your insurance will cease on the date your request is received.

### Inactive Accounts

If your super account hasn't received a contribution or a rollover for a continuous period of 16 months, it's defined as an inactive account. If this is the case, we're required by law to cancel your insurance cover unless you make a contribution or rollover, and/or provide us with your written election to retain it. We'll contact you before this happens and give you the option to retain your cover.

If you wish to keep your insurance regardless of whether or not your account is inactive, fill out and return the form **Choose to Keep My Insurance Cover form** available at [mlc.com.au/superinsurance](https://mlc.com.au/superinsurance)

### Reinstating your insurance

If your insurance has ended because there has not been a contribution or rollover into your account for a continuous period of 16 months, and you had not provided us with your written election to retain your cover, you can reinstate your cover by applying in writing within 60 days of cover ceasing.

If your insurance has ended for reasons other than an inactive account you can apply to reinstate this insurance, subject to the approval of the Insurer.

Information on when your insurance will end is available in the **Insurance Guide** at [mlc.com.au/pds/mkspf](https://mlc.com.au/pds/mkspf)

### Increases without medical evidence

From ages 15 to 64 you can apply to increase your Death and TPD insurance without further medical evidence, when you:

- adopt or have a child
- become a carer for the first time
- suffer the death of a spouse
- get married or divorced
- complete your first undergraduate degree at an Australian Government-recognised institution
- have a child who starts secondary school for the first time, or
- take out a mortgage for your first ever purchase of a principal place of residence or an increased loan to renovate your principal place of residence.

Your application may be rejected if your total sum insured is greater than \$1 million. The increase can be up to 25% of your original insurance amount, but it can't be more than \$200,000. To apply for the increase, you must complete and return the **Increases without medical evidence form** available at [mlc.com.au](https://mlc.com.au)

You must also apply within 90 days of the event occurring and not have had cover that is subject to premium loadings or special exclusions. You can only use this feature once in any 12-month period, and up to three times in total.

## MLC MasterKey Super Fundamentals – Insurance details continued

### Making a claim

If you ever need to make a claim, start by calling us on **132 652** and we'll help you choose the best way to make a claim that suits your needs; online, over the phone or traditional post or email.

Find out more at <https://www.mlc.com.au/personal/insurance/make-a-claim>

Call us on **132 652** between 8 am and 6 pm (AEST/AEDT), Monday to Friday and we'll send you a claim pack. You can also access the death claim pack from forms and brochures at [mlc.com.au](https://www.mlc.com.au).

Any claim should be lodged as soon as possible.

If a claim is lodged more than 12 months after the date of your injury, illness or death, The Insurer may not be able to pay your claim.

### What happens when you make a claim?

The Insurer will assess your claim. Depending on the type of insurance you hold, the claim requirements will vary. If your claim is approved, payments will be made to your account. For death insurance, payments will be made in accordance with a valid binding nomination or at the Trustee's discretion.

If you make a claim under Income Protection, a monthly payment is made in arrears after the waiting period and completion of assessment. The payment will continue while you remain disabled until the earlier of:

- your return to work, or
- the end of the Benefit Period, or
- reaching age 65.

While you are being paid a monthly benefit under a Income Protection claim, the premiums that would otherwise apply to you for the Income Protection insurance will be waived.

On cessation of your claim payments, the premiums for Income Protection insurance will recommence at the appropriate rate, unless your Income Protection insurance cover has ended.

# Paying insurance premiums

## MLC Lifestage premiums when you join

When you join MLC MasterKey Super Fundamentals account and decide to apply for MLC Lifestage insurance, the premiums for your level of MLC Lifestage cover are generally based on your age and gender and don't consider individual factors such as your occupation, medical history, lifestyle and leisure activities.

If you'd like to be assessed for your individual factors to provide you with a tailored premium rate for your MLC Lifestage insurance, please complete the **insurance application form** available at [mlc.com.au](https://mlc.com.au)

You will be required to provide information related to your medical history, employment and pastimes. If successful, occupation loadings and/or medical exclusions may apply that can cause your overall premiums to be higher or lower than the standard premium rates.

## Premiums for additional insurance

Any request for additional insurance will be assessed on your individual circumstances and will increase or decrease your premium accordingly. Your premium can be based on individual factors that may apply to you such as:

- your age and gender. Premiums generally increase with age and vary with gender.
- your occupation. **Occupational ratings guide for insurance** is available at [mlc.com.au/occupation](https://mlc.com.au/occupation)
- medical history (including smoking status).
- lifestyle and leisure activities. The greater the risk of the activities you undertake, the higher the premium.

## Will premiums change?

Your premiums may be adjusted for:

- your age,
- changes to your insurance, or
- changes in your circumstances, such as changes to your Occupation, or Employment.

The Insurer may also make changes to premium rates, which could increase or decrease your premiums. We'll tell you about any material increases to premium rates 30 days before they take effect. Notification of any non-material changes may be made available online at [mlc.com.au](https://mlc.com.au), but you may not be directly notified of these updates. You may, however, obtain a paper copy of these change communications on request free of charge.

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Insurance premium rates are available at [mlc.com.au/mkspf/insurancerates](https://mlc.com.au/mkspf/insurancerates)

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### **How often do you pay your premiums?**

Premiums will be deducted monthly from the investment options in your MLC MasterKey Super Fundamentals account balance in accordance with the fee drawdown sequence you've selected.

If you don't have enough money in your MLC MasterKey Super Fundamentals account to pay your insurance premium, you'll receive a notification letter from us about your overdue premiums. If premiums are still not paid, we'll cancel your insurance.

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For accounts with Investment Protection, please refer to page 20 for more information.

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### **Keep your details up to date**

You need to let us know about changes to your personal details, such as a change in your Occupation, or your Monthly Income, so that your premiums are kept up to date.

If your Monthly Income has reduced, you will need to review your insurance to make sure you're not paying higher premiums than required for the amount of cover you can claim at Date of Claim.

### **What happens when you want to start a pension?**

You can only have insurance in MLC MasterKey Super Fundamentals while you keep your MLC MasterKey Super Fundamentals account open.

If you start a pension and wish to continue your insurance in MLC MasterKey Super Fundamentals, you'll need to keep some money in your MLC MasterKey Super Fundamentals account in order to pay the premiums for your insurance.

Any claims paid on your insurance will be made from your MLC MasterKey Super Fundamentals account.

### **If you have an MLC Insurance (Super) or MLC Life Cover Super policy you can choose to pay monthly premiums from your super or pension account.**

This premium will be deducted on the same date each month that all your other fees and costs are deducted using your fee draw down strategy.

You should ensure there are sufficient funds in your super or pension account. If premiums are deducted from your pension account, this will reduce the amount available to support your pension payments. If two monthly deductions cannot be made from your account, you'll receive a letter providing details of alternative ways that you can pay your premium.

To arrange for premiums to be deducted from your super or pension account you can forward a signed letter including your name, account number and details of your request.

# Appointing someone to act on your behalf

You may appoint another party to act on your behalf in relation to your account. Details of the other parties you can appoint and the authority they have are detailed below.

## Authorised representative

You may appoint an authorised representative, replace or cancel an existing authorised representative at any time.

An authorised representative is authorised to:

- access information on your account
- change investments options (switching)
- change your personal details except for bank account details, and
- contribute to your account on your behalf.

## Appointing or changing an authorised representative

To appoint a new, or change an existing, authorised representative just complete an **Update account details** form.

All forms are available at [mlc.com.au/forms\\_and\\_brochures](https://mlc.com.au/forms_and_brochures) or by contacting us and can be scanned and emailed or mailed to us.

## Cancelling an authorised representative

To cancel an authorised representative you'll need to write to us. Once we've processed your request, we'll send a confirmation letter.

## Power of Attorney

You can appoint an Attorney to act on your behalf by giving us:

- a certified copy of the original Power of Attorney document. Certification that the copy is a true and complete copy of the original must appear on each page and may be made by the person effecting the Power of Attorney or by a solicitor or any of the people shown in Certification of personal documents, and
- a declaration signed by the Attorney stating that the document hasn't been cancelled.

An Attorney's authority is determined by you. You can continue to manage your account even if you've appointed an Attorney.

You (or your Attorney) should inform us of any changes or of the cancellation of a Power of Attorney. You can cancel your Attorney's authority to act on your behalf in relation to your account at any time by writing to us.

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If you want more information please contact us or seek professional advice.

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# Additional information you need to know

## Accessing your account information

You can choose how you want to access your account information.

<b>mlc.com.au</b>	View your account information and transact in one secure location. To register, just go to <b>mlc.com.au</b> and select Register in the Login box. On the next page under Personal, enter your details on the form provided. We'll then email you a temporary password.
<b>Speak to a real person on 132 652</b>	Call us between 8 am and 6 pm (AEST/AEDT), Monday to Friday with any questions or to obtain information about your account.

We may provide this information to you by mail, email or by making the information available at **mlc.com.au**. We will let you know when information about your account has been made available online. If you prefer to receive updates about your account by mail, please let us know.

Information in relation to changes that are not materially adverse will be made available at **mlc.com.au** but you may not be directly notified of these updates. You may, however, obtain a paper copy of these change communications on request free of charge.

## Keeping you informed

We provide the following information so you can stay up to date about your investments and any opportunities that may arise.

<b>Welcome letter / email</b>	Confirms your account has been opened.
<b>How to Guide</b>	Provides instructions about how to transact on your account and other important information about how your account operates. Available at <b>mlc.com.au/forms_and_brochures</b>
<b>Transaction confirmation</b>	Confirms any one-off contribution, switch or withdrawal you make on your account.
<b>Annual statement</b>	Provides a summary of all your transactions and investment details for the financial year.
<b>Annual report</b>	Provides an overview of the market and industry activity which may affect your investment, including product changes and Trustee updates.
<b>mlc.com.au</b>	Provides information to help build your knowledge on superannuation, retirement and investing. You can also access your account information.
<b>Annual pension information</b>	Details the minimum and maximum (if applicable) payment you may receive for the new financial year. We also include information to help you complete your Tax Return or that you may need to provide to Centrelink.
<b>Product and investment option changes</b>	Changes will be made from time to time. Changes that are not materially adverse will be made available at <b>mlc.com.au</b> or you can obtain a paper copy of the changes on request free of charge.
<b>Trust Deed</b>	Governs the relationship between you and the Trustee and governs the way in which the Trustee can deal with your investment. A copy of this document is available at <b>mlc.com.au</b>

## Additional information you need to know

<b>Investment Protection Commencement letter</b>	Provides information on your Protected Capital or Protected Income.
<b>Investment Protection Anniversary letter</b>	Provides an overview of your Protected Capital or Protected Income and is issued annually.

### Other useful information

You can find more information on [mlc.com.au](https://mlc.com.au) including:

- unit prices
- interest rates
- how we manage your money
- investment option performance and asset allocation
- investment market information
- education, tools and calculators
- finding your lost super, and
- forms and brochures.

### Resolving complaints

If you have a complaint, we can usually resolve it quickly over the phone on **132 652**

If you'd prefer to put your complaint in writing you can email us at **complaints@mlc.com.au** or send a letter to GPO Box 4341, Melbourne, Vic, 3001.

We'll conduct a review and provide you with a response in writing. If you're not satisfied with our resolution, or we haven't responded to you in 45 days, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA).

AFCA provides an independent financial services complaint resolution process that's free to consumers. You can contact AFCA at any time by writing to GPO Box 3, Melbourne, VIC 3001, at their website **afca.org.au**, by email at **info@afca.org.au**, or by phone on **1800 931 678** (free call).

To view our complaints management policy visit **mlc.com.au/complaint**. If you have a complaint about the financial advice you received, you should follow the complaint process explained in the Financial Services Guide provided by your adviser.

## Changing your account information

You can update your personal details by logging into your account at [mlc.com.au](http://mlc.com.au). Your financial adviser, Power of Attorney or authorised representative can also update your details at any time in the following ways:

Type of change	What you need to do
<b>Contact details</b>	<ul style="list-style-type: none"> <li>call us</li> <li>complete and sign an <b>Update account details</b> form available at <a href="http://mlc.com.au/forms_and_brochures">mlc.com.au/forms_and_brochures</a></li> <li>send us a signed letter including your account number and contact details to be changed.</li> </ul>
<b>Personal details</b>	<ul style="list-style-type: none"> <li>complete and sign an <b>Update personal details</b> form available at <a href="http://mlc.com.au/forms_and_brochures">mlc.com.au/forms_and_brochures</a></li> <li>send us a letter including your account number and the personal details to be changed and including your previous and new signatures (if applicable).</li> </ul> <p>To confirm your personal details change we also require a certified copy of any of the following documents:</p> <ul style="list-style-type: none"> <li>change of Name: Marriage certificate, Divorce Decree, Deed Poll</li> <li>correction of Date of Birth: Passport, Birth Certificate, Drivers Licence, Deed Poll, Divorce Decree.</li> </ul> <p>Further information on the certification of documents is provided on page 39.</p>
<b>Tax File Number (TFN)</b>	<ul style="list-style-type: none"> <li>call us</li> <li>complete and sign an <b>Update account details</b> form available at <a href="http://mlc.com.au/forms_and_brochures">mlc.com.au/forms_and_brochures</a></li> <li>send us a signed letter including your account number and TFN information.</li> </ul>

### Anti-Money Laundering, Counter Terrorism Financing and Sanctions

We are required to comply with our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act) (Cth) and Australian Sanction laws, amongst others.

To comply with our obligations, we are required to collect (and verify) customer identification information from you, anyone acting on your behalf and your related parties. All documents we request need to be dated, must be an original or certified copy of original document(s) (not a photocopy of a certified copy of original document(s), not faxed or scanned copies) and must be valid at the time you send them to us.

For more information on acceptable identification documents and a list of approved certifiers, refer to the Proof of Identity Guide at [mlc.com.au](http://mlc.com.au)

From time to time, we may need to obtain further identification information from you if we aren't able to verify your identity. We may decide to delay or refuse any request to process any transaction, including suspending an investment or withdrawal application, freeze accounts or restrict access to funds (where permissible under any applicable legislation), if we are concerned that the request or transaction may breach any obligation we have under the AML/CTF Act, or cause us to commit or participate in an offence, under any law. We will incur no liability to you if we do so.

### Operational Risk Financial Requirement (Reserve)

The Government requires superannuation fund trustees to hold adequate financial resources (Reserve) to cover any losses that members incur due to operational errors. The Reserve has been established by corporate capital contributed by the Trustee and its former ultimate shareholder. If the Reserve falls below our targets, we propose to fund the shortfall through corporate capital, rather than seeking contributions from members. This means that the we don't currently require members to contribute to the Reserve, but members will be notified if this changes in the future. As the Reserve is held by the Trustee, it isn't reported in the financial statements of the Fund.

## Additional information you need to know

### Transfers to the Australian Taxation Office (ATO)

The law and rules defining the transfer of unclaimed superannuation money to the ATO can be viewed at [ato.gov.au](http://ato.gov.au)

In summary, we're generally required by law to transfer your account to the ATO if any of the following occurs:

- your account balance is less than \$6,000 and either:
  - no contributions or rollovers have been made to your account for 12 months, you haven't otherwise contacted the Fund for 12 months and we have no way of contacting you, or
  - you've been a member of the Fund for more than 2 years, your account was set up through your employer sponsor, and there have been no contributions or rollovers made to your account for over 5 years,
- you're over 65, contributions haven't been made to your account for over 2 years, you haven't contacted us for at least 5 years, and we haven't been able to contact you,
- the ATO informs us that you were a former temporary resident and left the country over six months ago, or
- upon your death, where no contributions have been made for at least 2 years, and after a reasonable period of time, we've tried but haven't been able to identify or contact the beneficiary of your account.

We're also required to transfer your super balance to the ATO if your account remains inactive for a period of 16 months or more, and the balance is less than \$6,000. Your account is considered inactive if you haven't made any additional contributions or certain changes to it over that time including:

- had contributions or rollovers from other super funds paid into your account
- changed your investment options or strategy
- changed or elected to cancel your insurance cover (where your insurance is held within your super account), or
- made or amended a binding beneficiary nomination.

We may also transfer your account balance to the ATO if:

- your investment switching activity is deemed to be contrary to the interests of other members, or
- your account has been closed and you are eligible for a payment from MLC and we've not received any instructions from you.

We'll advise you in writing at your last known address if we intend to transfer your account balance and will proceed if you don't respond with instructions regarding an alternative super fund.

There may be other circumstances in which we need to transfer your account to the ATO.

If your account is transferred to the ATO, you can contact them on **13 10 20** to claim your benefit.







**For more information visit [mlc.com.au](http://mlc.com.au)  
or call us from anywhere in Australia  
on 132 652 (+613 8634 4721 outside Australia)  
or contact your financial adviser.**

**Postal address:**

PO Box 200  
North Sydney NSW 2059

**[mlc.com.au](http://mlc.com.au)**

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