



ROLLOVER OPTIONS



Anyone who changes their job—whether through resignation, redundancy or retirement—has to decide what to do with their superannuation. For many people, rolling over their money (which simply means leaving it in the super system) is the most convenient and cost-effective option.

Rolling over your superannuation benefit has a number of advantages. It allows you to:

- keep your super for retirement
- defer paying tax—the amount of tax you pay reduces significantly after age 55 and from age 60 you pay no tax at all on benefits
- wait for a more tax-effective time to cash in your super eg a later tax year when the tax free threshold may be higher, or when you may have a lower taxable income
- pay a lower tax rate on your investment earnings than you would on regular savings or investment accounts (while in the super system, investment earnings are taxed at a maximum rate of 15%)
- keep your entitlement to a lower tax rate when you eventually cash in your super (if you have pre-July 1983 service).

Rollover options include:

- Aon Master Trust Personal Super
- your new employer's super fund
- a personal super fund
- a retirement savings account
- an approved deposit fund
- an annuity
- a transition to retirement pension available in the Aon Master Trust
- a pension such as the Aon Master Trust Pension.

Aon Master Trust Personal Super

If you have at least \$5,000 in your Aon Master Trust account when you leave your employer, you will be transferred to Personal Super after 60 days from the date we send you your *Benefit advice* letter, unless you advise us otherwise. You can continue or change your current investment options and (subject to age and employment conditions) your death and/or total and permanent insurance cover will continue on transfer. You can also apply for income protection cover. See the *Personal Super Product Disclosure Statement* for more information.

Aon Master Trust Personal Super can accept SG contributions from your new employer. Employers can complete *employer payment slips* and return to us along with a cheque on a regular basis. *Employer payment slips* and information on super choice for employers can be found in the *It's your choice* booklet available on our website aonmastertrust.com.au.

New employer's fund

If your new employer uses the Aon Master Trust, we can transfer your account across to your new employer's plan within the Trust. Simple. We can also arrange to roll over your benefit to any other complying super fund.

Personal super fund

A personal superannuation fund provides for people who may not be in an employer-sponsored corporate fund, industry fund or master trust. This could take the form of the personal section of an industry fund, a retail master trust or a self-managed superannuation fund. Personal super funds accept superannuation rollovers, personal lump sum or regular contributions, as well as employer contributions.

Retirement savings account (RSA)

RSAs are not trusts but are subject to similar regulatory standards as other super products. They must be capital guaranteed (ie the capital you invest will be returned) and are typically invested in low-risk low-return investments. As such, they are unlikely to provide a significant level of long-term growth.

Approved deposit fund (ADF)

You can only deposit eligible terminations payments (such as super benefits) into an ADF. You can access non-preserved amounts at any time and you must withdraw your account balance by age 65. Investment earnings on ADF accounts are taxed in the same way as super (15%).

Deferred annuity

A deferred annuity is similar to an ADF except income payments start at a later date, but by age 65 at the latest. If you're at retirement age, you can buy an immediate annuity to provide you with income payments straight away.

Transition to retirement pension (TRP)

If you are 55 or over and planning for your retirement, you can rollover some or all of your super into a non-commutable pension, even if your super is preserved. This can provide you with a regular income* while you are still employed see the *Aon Master Trust Pension Product Disclosure Statement* for more information about the TRP.

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Pension

You can use the unrestricted non-preserved part of your super benefits to buy a pension—this will provide you with an income* in retirement.

Key features:

- you can decide how much income you would like to receive as long as it meets the minimum limit set by the Government
- vary the amount of your income as often as you like providing it stays within the limits
- choose to receive your income payments monthly, quarterly, half-yearly or annually
- if you are over 60, you receive your payments tax-free
- make withdrawals at any time (subject to individual fund rules)
- you cannot add to your pension account once income payments start
- investment earnings are added to your account tax-free
- income payments you receive are assessable for PAYG tax
- a tax rebate of up to 15% may be available on the taxable part of your income payments.

With an Aon Master Trust Pension, you have a choice of investment options and you can choose which investment option(s) your income is to be paid from. This can be changed at any time at no cost.

See the [Aon Master Trust Pension Product Disclosure Statement](#) for more information.

Financial planning

There are many rollover options to choose from. Your adviser can help you make an informed decision. If you do not have an adviser and would like to be put in touch with one, call us on 1300 880 588 to arrange a no obligation appointment.

* Income from a TRP or Pension is not guaranteed—the member bears all the investment risk.

aonmastertrust.com.au

The information in this factsheet is general in nature. Your personal objectives, financial situation or needs were not taken into account when preparing this information. You may want to seek independent advice before making any decisions about your super.

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