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File Ref:

Dear Member

SIGNIFICANT EVENT NOTICE – TRANSFER OF YOUR NTGPASS ACCUMULATION ACCOUNT TO STATEWIDE SUPERANNUATION TRUST

As you have been previously advised, Northern Territory Government and Public Authorities' Superannuation Scheme (NTGPASS) accumulation accounts will be transferred under a compulsory successor fund transfer arrangement to the Statewide Superannuation Trust, also known as "Statewide Super" ABN 54 145 196 298 (Statewide Super) on Wednesday, 8 May 2019.

From the start of business on 8 May 2019 you will become a member of Statewide Super and a new superannuation account will be set up for you. This letter explains how the accumulation account transfer will happen, how your NTGPASS account will change and other important aspects.

Importantly, your NTGPASS defined benefit will be unaffected, and it will continue to be paid by the Northern Territory Government whenever you cease scheme membership.

Legal requirements

The legislation that allows the transfer of NTGPASS accumulation accounts to Statewide Super commenced on 27 February 2019.

The trustees for both NTGPASS and Statewide Super¹, and I, as the Commissioner of Superannuation, have obtained legal advice and are satisfied that NTGPASS members will have equivalent rights in respect of their accumulation accounts following their transfer to Statewide Super. The trustees of NTGPASS and I, as the Commissioner of Superannuation, have also formed the view that the transfer is in the best interests of members. Accordingly, both sets of trustees and I have signed a legal agreement agreeing that the transfer will take place on 8 May 2019. You will be notified if anything happens to change that date.

¹ The trustee for Statewide Super is Statewide Superannuation Pty Ltd ABN 62 008 099 223, AFSL No.243171.

What you need to do

On 8 May 2019, your NTGPASS accumulation account will be automatically transferred to Statewide Super. You do not need to do anything before the transfer unless you would like your accumulation account invested in an option other than Statewide Super's MySuper option (which has a similar risk and investment profile to the NTGPASS Growth or Assertive options).

If you are invested in an option with NTGPASS other than Assertive or Growth, and want to stay in a similar risk profile option, you need to complete the investment option form included with your Statewide Super transition guide (Statewide Super will send this guide to you before the transfer) to confirm your option and return it to Statewide Super by 30 April 2019. Any forms not received by this date will not be processed and you will automatically be allocated to Statewide Super's MySuper option.

After the transfer, you can change your investment option for your balance or future contributions at any time. Additionally, your accumulation account can either remain with Statewide Super or be rolled over to a different complying superannuation fund of your choice.

If you rollover your account to a different fund you will need to provide payroll with details of your new fund to ensure your future NTGPASS compulsory member contributions and any salary sacrifice contributions are paid to that new fund.

Account restrictions prior to the transfer

Up to the transfer date your accumulation account balance will remain invested with NTGPASS and your regular contributions will continue to be applied to your accumulation account, but some transactions will not be available (see below). Your accumulation account balance will be invested with Statewide Super from the commencement of business on 8 May 2019, ensuring that your account balance remains invested at all times.

In preparation for the transfer, a 'blackout' period will apply to some transactions, as explained below.

Investment switches

Member Investment Choice Switch Forms will be accepted by us up to 16 April 2019. Any forms received after 16 April 2019 will not be processed and you will remain in the same NTGPASS investment option(s) up to the date of the transfer.

Benefit claims on ceasing NTGPASS membership

Staff in the Northern Territory Superannuation Office (NTSO) will endeavour to process and pay all outstanding benefit claims that have been received on or before 16 April 2019, provided all information and documents that are required by NTSO have also been received by that date.

Benefit claims paid by us up to 1 May 2019 will comprise both the NTGPASS accumulation account and NTGPASS defined benefit.

Benefits processed and paid by NTSO after 8 May 2019 will comprise only the NTGPASS defined benefit. This means you will need to separately apply to Statewide Super on their forms for payment of your accumulation account.

What happens if we cannot process your switch or claim?

We will advise you if we are unable to process an investment switch or process your benefit claim in accordance with your instructions. This may apply to some of the benefit claims received on or before 16 April 2019.

If you still wish to proceed with your claim or investment switch, you will be required to submit a new application to Statewide Super on their forms after the transfer of accumulation accounts has been completed.

Important Dates

To make sure that your account balance is transferred accurately, the transfer will be completed in stages.

Date	Action
17 April 2019	Commencement of 'Blackout' period – no access to your accumulation account and no new switch requests, benefit claims, withdrawal requests etc will be accepted
8 May 2019	Your new Statewide Super accumulation account will be opened and invested in the relevant Statewide Super investment option. You will not have access to your online account until you receive your new member number in your welcome letter, but you can make a switch request, benefit claim, withdrawal request etc by contacting Statewide Super directly
Week commencing 13 May 2019	You will be posted a final (exit) statement for your NTGPASS accumulation account
Week commencing 20 May 2019	Statewide Super will send you a welcome letter confirming your account details and your transferred account (opening) balance plus the information you will need to access your account online.
Week commencing 20 May 2019	You will have full access to your Statewide Super account online which includes viewing your transferred balance, making investment switches, updating beneficiaries, and much more.

Changes to your account

In transferring your accumulation account from NTGPASS to Statewide Super, there will be changes to the fees charged, different investment options, changes to the types of contributions that can be accepted, changes to when money can be accessed or withdrawn from your account and, for most members, the ability to apply for insurance cover.

All Statewide Super documents referenced in this notice are available at www.statewide.com.au/ntg/.

Main fees and costs

The table below compares the current NTGPASS fee structure to the current Statewide Super fee structure.

Fee	NTGPASS Accumulation Account	Statewide Super MySuper
Administration/Account Keeping Fee	Nil for active contributing members. \$3.00 per week (\$156 p.a.) for adherents (including former members who are yet to claim their benefit), deducted from your account at the end of the financial year or at the time you claim your benefit	\$1.50 per week (\$78 p.a.) deducted from your account monthly Plus an asset-based fee of 0.06% of your account balance per annum deducted from returns on investment options before the allocation of returns to accounts through unit prices

Fee	NTGPASS Accumulation Account	Statewide Super MySuper
Statement/Quote Fee	Annual 30 June statement is free \$35 for quotes during the year	No fee for annual statement or online balance enquiries
Investment Fee ¹ Growth/Balanced option Investment Cost (range)	Across six options 0.70% (Growth) 0.23% - 0.80% of your account balance per annum, depending on your chosen investment option(s)	Across ten options 0.83% (MySuper) 0.06% - 0.98% of your account balance per annum, depending on your chosen investment option(s) Note: See below for further details regarding investment fees charged by the different investment options
Investment switching fee	First switch free, \$35 for each subsequent switch made in a financial year.	First switch free, \$20 for each subsequent investment switch made in the same financial year Changes to how your future contributions are invested are free and can be made anytime
Exit Fee ²	Nil.	\$50 for a full withdrawal \$35 for a partial withdrawal

¹ For NTGPASS accumulation accounts investment returns are after fees/costs are deducted and the investment fee includes custody fees. Statewide Super investment fees include investment manager fees, performance related fees and transactional and operational costs and are based on the actual fees and costs incurred during the 2017/18 financial year, where available, and appropriate estimates where actual fees are not directly available. The fee will vary from year to year, reflecting the blend of investment managers used, the asset allocation structure and performance-based fees paid. If circumstances change that would result in the fee for the 2018/19 year being materially higher than the fee disclosed, the information in the Statewide Super product disclosure statement will be updated accordingly.

² Due to Commonwealth legislative changes, exit fees will not be applicable from 1 July 2019

Additional fees may apply for specific services such as family law valuation requests and splits. Further detail is available in Statewide Super's Fees and Other Costs booklet, which forms part of the Statewide Super Product Disclosure Statement (PDS) available at www.statewide.com.au/resources/documents/product-disclosure-statements/.

How your account will be invested

By law, all NTGPASS accumulation accounts need to be transferred to Statewide Super's MySuper option unless you provide the trustee of Statewide Super with a direction confirming that you would like your account invested in an option of similar profile to your current investment option. The trustee of Statewide Super will request this confirmation as part of their communications to you.

If Statewide Super does not receive your investment confirmation form by 30 April 2019 or you are invested in the NTGPASS Assertive or Growth option, then your account balance and future contributions will be invested in Statewide Super's MySuper option.

The table on the next page sets out the NTGPASS investment options together with the Statewide Super investment options most closely matching them and their relevant costs. In both cases, investment fees are calculated as a percentage of your account balance.

NTGPASS option ¹		Statewide Super option ²	
Option Name	Investment Fee%	Option Name	Investment Fee%
Managed Cash	0.23	Cash	0.06
Conservative	0.53	Conservative	0.69
Cautious	0.61	Conservative Balanced	0.80
Growth	0.70	MySuper	0.83
Assertive	0.73	MySuper	0.83
Aggressive	0.80	High Growth	0.98

¹ Refer to footnote 1 on page 4.

² Refer to footnote 1 on page 4.

After completion of the transfer to Statewide Super, you will be able to switch how your account is invested between any of Statewide Super's 10 investment options or redirect your future contributions to any of the options in any proportions.

You may wish to consider obtaining independent financial advice as to which of Statewide Super's investment options are most appropriate for you. Statewide Super's financial planners will be able to provide this advice free of charge after you become a Statewide Super member.

Contributions that can be accepted

As a consequence of transferring your accumulation account from NTGPASS to Statewide Super, your account will be able to accept a wider range of contributions, subject to the contributions caps imposed by the Commonwealth. This change is summarised below.

Contribution type	NTGPASS Accumulation Account	Statewide Super Account
Non-concessional contributions (including NTGPASS member contributions)	Yes	Yes
"Concessional" contributions (including salary sacrifice amounts)	Yes, provided this is under an "approved salary sacrifice arrangement". For most members, this means they will need to be making compulsory NTGPASS contributions at the rate of 6%	Yes
Superannuation guarantee contributions	No – the only employer contribution permitted is from an employer covered by NTGPASS at the time your benefit is claimed	Yes, from any employer
Spouse contributions	No	Yes
Commonwealth Government contributions ¹	Yes	Yes

¹ This includes low income co-contributions.

Access or withdrawal of superannuation

The transfer of your accumulation account from NTGPASS to Statewide Super will increase the range of circumstances in which you will be able to access or withdraw money from that account while remaining an NTGPASS member, as the NTGPASS Rules do not authorise access or withdrawals in a range of circumstances that are permitted under Commonwealth legislation. This change is summarised in the table on the next page.

Access/Withdrawal reason	NTGPASS Accumulation Account	Statewide Super Account
Retirement between preservation age and age 60	Allowed	Allowed
Cessation of employment after age 60	Allowed	Allowed
Attain age 65, even if still working	Not allowed	Allowed
Terminal illness ¹	Allowed, providing you resign from employment and cease NTGPASS membership	Allowed, with no requirement to resign from employment
Permanent incapacity ¹	Allowed, providing you resign from employment and cease NTGPASS membership	Allowed
Severe financial hardship ¹	Not allowed	Allowed
Compassionate grounds ²	Not allowed	Allowed
To commence account-based pension, including as part of transition to retirement	Not allowed	Allowed, with no requirement to resign

¹ Subject to meeting the requirements of the *Superannuation Industry (Supervision) Regulations 1994*

² Subject to meeting the requirements of the *Superannuation Industry (Supervision) Regulations 1994* and approval from the Australian Taxation Office

How investment earnings will be allocated to your account

Investment rates of return are credited and debited from NTGPASS accumulation accounts on a weekly basis. Statewide Super declares unit prices on a daily basis, which incorporates all investment earnings generated. These prices are used to determine the value of your account with Statewide Super.

Insurance

NTGPASS members are eligible for free death and invalidity benefits up to age 60, which is payable as part of your NTGPASS defined benefit. **This arrangement is not changing.** As a result, Statewide Super has tailored insurance for Territory government employees, including NTGPASS members. This means that you will not automatically be provided with insurance cover by Statewide Super, but you have the option to apply for insurance with Statewide Super depending on your individual circumstances and insurance requirements.

Additionally, upon a Territory government employee reaching age 60 or Statewide Super receiving a contribution from an employer other than the Territory government, Statewide Super may automatically activate its default insurance cover for you and you will need to opt-out if you do not want it to continue.

If you are already age 60 or over on the transfer date, you will not be provided with any default insurance cover from Statewide Super.

This default insurance cover offering includes death, total and permanent disability and income protection. Terms and conditions and insurance premiums apply. Refer to Statewide Super's *Insurance in your super* booklet which includes information specific to NTG employees. It is available at www.statewide.com.au/resources/documents/product-disclosure-statements/

You should note that Statewide Super is not able to provide insurance cover for members who have no existing cover and who have already reached age 65.

Nominating beneficiaries following death

NTGPASS does not provide for the nomination of beneficiaries for your superannuation account in the event of your death. This means that in the event of your death, your NTGPASS superannuation account is paid to your estate. This will continue for the NTGPASS defined benefit.

With Statewide Super you can make a preferred or binding death benefit nomination at no cost. The preferred beneficiary nomination form can be completed online. The *Binding Nomination Form* must be downloaded, completed, witnessed and posted to Statewide Super after you become a member. This is available at www.statewide.com.au/resources/documents/forms/.

Please contact Statewide Super at 08 8941 0082 or via info@statewide.com.au for more information on the difference between a preferred or binding death benefit nomination.

A new member number and online access

You will receive a new member number and online access when you join Statewide Super.

Information on the benefits of your Statewide Super membership, including your client ID number and member number and how to register for online access, will be issued in the week commencing 20 May 2019.

Member Services and Education

Member information seminars were held throughout the Northern Territory in June 2018 and March 2019 to keep members informed of NTGPASS management and administration reforms, how NTGPASS will change, what members need to do, and to provide an introduction to Statewide Super and what they are offering you as a member.

The trustee of Statewide Super has advised that they will hold quarterly member education sessions in Darwin, Alice Springs, Katherine, Nhulunbuy and Tennant Creek about their products and services. Their investment team will also visit Darwin and Alice Springs twice a year. Member services and education are provided to all members via Statewide Super's website, telephone, face-to-face and skype.

Members will have access to a local Account Manager and Financial Planners at Statewide Super's Northern Territory office located in Darwin (Level 1, 48-50 Smith Street, Darwin) and through a dedicated contact centre (08 8941 0082) for members to call between 8:00am to 5:00pm.

No Financial Advice

This notice is intended to provide you with information regarding the transfer of your NTGPASS accumulation account to Statewide Super. It is not intended to comprise financial product advice, nor investment or legal advice. Before making any decision about your superannuation, you should consider the appropriateness of the information with regard to your personal circumstances and consider the Statewide Super Product Disclosure Statement available at www.statewide.com.au/resources/documents/product-disclosure-statements/.

You may wish to consider obtaining independent advice from a licensed financial planner regarding how the transfer may affect you or before making any decision about your superannuation. Information on how to choose a financial planner is available through the Australian Securities and Investments Commission MoneySmart website (www.moneysmart.gov.au/investing/financial-advice/choosing-a-financial-adviser). The booklet *Financial advice and you* can also be downloaded from this page.

What will happen next?

The transfer of your NTGPASS accumulation account will happen automatically.

- You will become a Statewide Super member on 8 May 2019
- Statewide Super will send you a transition guide within the next week
- NTSO will send you an exit statement for your NTGPASS accumulation account in the week commencing 13 May 2019
- Statewide Super will send you a welcome letter in the week commencing 20 May 2019. The welcome letter will include details on how to set up your online access.

Statewide Super have a local presence in Darwin and dedicated phone lines for Territory members to provide you with information, assistance and advice.

You are encouraged to update your contact details in myHR as soon as possible to ensure that the NTSO and Statewide Super can communicate with you.

Where to go for further information

More information about Statewide Super and their products and services can be found at www.statewide.com.au/ntg/ or by contacting Statewide Super on 08 8941 0082 or via info@statewide.com.au

For further information about the transfer process, or to raise any disputes or concerns, please contact the NTSO on 08 8901 4200 or at ntsuperannuation@nt.gov.au

If you do not have access to email or the internet please contact the NTSO if you wish to discuss this transfer, or Statewide Super to request hard copies of their documents referred to in this letter.

Yours sincerely



James Richards
Commissioner of Superannuation

2 April 2019