



a super start
setting up for your future

Super Update

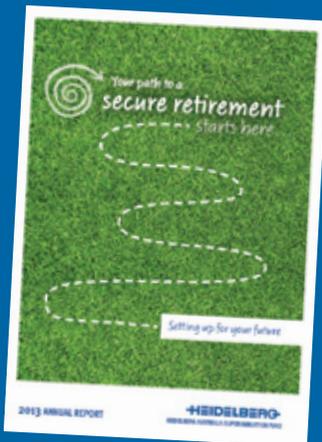
setting up for your future

Welcome to *Super Update*, the newsletter for the Heidelberg Australia Superannuation Fund that keeps you up to date with what's happening with your super. If you have any suggestions for articles in future issues of *Super Update*, please forward them to the Fund Secretary.

Statement delays

Unfortunately, there have been significant delays with the Fund Administrator printing 2013 annual *Benefit Statements* and with *Benefit Statements* being sent out at different times. The *Annual Report* that accompanies your *Benefit Statement* was consequently delayed. We apologise for this situation and we are assured that members will receive next year's Statements in a timely manner.

You should now have received your *Benefit Statement* and *Annual Report*. If you have not, please contact the Fund Administrator on **1800 127 953**.



How your super is performing

The Fund's returns have been strong since the start of the financial year. Results have been largely driven by the strength of the Australian and global share markets.

Investment performance since the start of the financial year has been positive despite ongoing fears of an economic slowdown in China. The US has shown signs of growth with US real GDP rising to 2.5% on an annualised basis.

In September, problems in Syria, along with the shutdown of the US Government due to extra funding not being approved by Congress, caused some concern. Despite the political volatility, in October, share markets performed strongly.

News from Europe has been mixed. In August, for the first time in 18 months, Europe recorded positive economic growth and confidence improved. However, developments in Italy triggered fears of instability in Italy's government and news of Greece potentially requiring a further European bailout kept economists conservative about the European outlook.

At its August meeting, the Reserve Bank of Australia lowered interest rates to an historic 2.5%. This action was attributed to continued uncertainty in the domestic market due to a cooling in the mining industry and a slight increase in unemployment.

The Australian dollar has fallen 11% against the US dollar since April, closing October 2013 at 94.90 US cents. The Australian dollar has also fallen against the currency of its major trading partners. A weaker Australian dollar has the effect of boosting the returns from some of the Fund's international investments that are exposed to the movement in foreign currencies.

Returns for the September 2013 quarter, the month of October 2013 and the year to date are shown in the table below.

Please remember that past performance is not necessarily a reliable indicator of future performance.

Investment option	Quarter ended 30 September 2013	October 2013	Year to date 1 Jul 2013 to 31 Oct 2013*
Diversified Shares	8.2%	3.2%	11.6%
Growth	5.6%	2.2%	8.0%
Balanced	3.8%	1.6%	5.5%
Capital Stable	2.5%	1.1%	3.6%
Cash	0.6%	0.2%	0.8%

Note: Returns shown in the above table are net of investment fees and taxes.

* The year-to-date figures include the effects of compounding returns from different periods.

What does MySuper mean for me?

As mentioned in previous *Super Updates*, the Government is introducing a series of reforms called Stronger Super which will see some changes to the way superannuation is run. Some of these changes become effective from 1 January 2014.

One of the reforms will create a new default superannuation offering called MySuper. MySuper is intended to receive compulsory Superannuation Guarantee contributions for employees who do not actively choose their superannuation fund or choose an investment option.

The Trustee has decided to continue the “choice” nature of the Heidelberg Australia Superannuation Fund and will not be offering a MySuper product.

In September, all Accumulation members were sent a letter and form asking them to confirm their membership arrangements and preferred investment option in order for their membership in the Fund to continue beyond 1 January 2014.

If you are a Defined Benefit member, you were sent a letter but as you are not affected by these changes, you do not need to return a form.

If you still have not done so, please return your completed form to the HR Department before 20 December.

What if I do nothing?

If you do not return the *Confirmation of Membership form*, Heidelberg must pay your compulsory Superannuation Guarantee contributions to its chosen MySuper fund starting from 1 January 2014. The Company’s chosen MySuper fund is AustralianSuper.

In addition, if you do not confirm your membership you may not be able to remain a member of the Fund. So it’s important for you to read the letter you received in September outlining your specific arrangements so you understand how you will be affected.

If you have any questions or require another form, please contact Julie Sarro in the HR Department on (03) 9263 3213 or Ashad Perera, Fund Secretary, on (03) 9263 3374.

By continuing to be a member of the Fund, Heidelberg pays the costs of administering the Fund and your insurance fees, which will not be the case if you move to another fund.

No longer age-based default investments

As a result of the Stronger Super changes, the Trustee is no longer able to offer age-based default investment options. You must now choose your preferred investment option for your super. This change took effect from 15 October 2013.

This also means the investment option in which you are currently invested will not change unless you instruct otherwise. This also applies to Defined Benefit members who have additional accounts where investment choice applies.

The same investment options are still available. You have the choice of five different investment options – Cash, Capital Stable, Balanced, Growth and Diversified Shares – refer to the *Investment Guide* for more information on each option.

If your personal circumstances change, you may change your investment choice by completing the *Application and Change Request form*. Fees may apply if you change your choice.

Both the *Investment Guide* and forms are available from the HR Department.

If you leave... Changes for Defined Benefit members

If you are a Defined Benefit member and you leave Heidelberg, your super is transferred to the Fund’s Retained Benefits Division and it becomes an accumulation-style benefit.

Your defined benefit will be invested in the Cash investment option and will remain in this option until you provide alternative investment instructions. Previously, your defined benefit was initially invested in Cash for 90 days.

Any additional voluntary contributions and rollovers will remain invested in the same investment option that applied at the date on which you ceased employment.

Of course as a Retained Benefits member, you can change your investment choice at any time by completing the *Application and Change Request form* (which is available from the HR Department or the Fund Administrator – see below for details). Fees may apply. These are outlined in the Fund’s Product Disclosure Statement.

Contact information

If you have a query about any of the information provided in this newsletter, or about your super, please contact the Fund Secretary, Ashad Perera, in the first instance on (03) 9263 3374. The Trustee directors, Noel Renwick, Guy Williamson and Con Xanthos, can also provide general information about the Fund’s management, features and benefits.

Alternatively, you can also contact the Fund Administrator on 1800 127 953.

The information in this publication is general information only and does not take into account your particular objectives, financial circumstances or needs. It is not personal or tax advice. Any examples included are for illustration only and are not intended to be recommendations or preferred courses of action. You should consider obtaining professional advice about your personal circumstances before making any financial or investment decision based on the information contained in this document. Please note that past investment performance is not necessarily an indication of future performance.

Issued by Heidelberg Australia Superannuation Pty Ltd (ABN 94 068 569 193), as Trustee of the Heidelberg Australia Superannuation Fund (ABN 75 071 229 817). December 2013.