



# Product and investment changes



## Zurich Master Superannuation Fund

Equity Trustees Superannuation Limited  
ABN 50 055 641 757 AFSL 229757  
RSE Licence L0001458 (the Trustee)  
is the trustee of the Zurich Master  
Superannuation Fund (the Fund)  
(ABN 33 632 838 393  
SFN 2540/969/42)



# Product and investment update

Date of preparation: 2 December 2022

This Significant Events Notice provides members of the Zurich Master Superannuation Fund ('Fund') with a summary of the changes that may affect your investment in the Fund.

The Trustee of the Zurich Master Superannuation Fund (ABN 33 632 838 393 SFN 2540/969/42 Registration No. R1067651) is:

**Equity Trustees Superannuation Limited**

ABN 50 055 641 757, AFSL 229757, RSE L0001458  
Level 1, 575 Bourke Street Melbourne VIC 3000

The administrator and insurer is:

**Zurich Australia Limited**

ABN 92 000 010 195, AFSL 232510  
118 Mount Street North Sydney NSW 2060  
Telephone: 131 551

This notice is to be read in conjunction with the Zurich Master Superannuation Fund Annual Fund Report for the year ending 30 June 2022 (available at [www.zurich.com.au/annualreports](http://www.zurich.com.au/annualreports)) which further explains the changes. A copy is available free of charge by contacting Zurich Customer Care.

If you have any questions, please contact either your financial adviser or Zurich Customer Care on 131 551.



In this section, ZSP stands for Zurich Superannuation Plan, ZRP stands for Zurich Retirement Plan, ZABP stands for Zurich Account-Based Pension and ZTAP stands for Zurich Term Allocated Pension.

Please note that the information in the following section applies to all investment plans (unless as indicated).

## Portfolio Management Charge reduced (ZSP, ZABP and ZTAP)

The Portfolio Management Charge has been reduced for the ZSP, ZABP and ZTAP products with effect from 1 June 2022.

### What are the changes?

- Removed the first Portfolio Management Charge threshold for ZSP, ZABP and ZTAP.
- Reduced the total Portfolio Management Charge for account balances of less than \$250,000 for ZSP.
- Reduced the total Portfolio Management Charge for adjusted investment amounts of less than \$250,000 for ZABP and ZTAP.
- The Portfolio Management Charge for account balances greater than \$249,999 for ZSP, and for adjusted investment amounts greater than \$249,999 for ZABP and ZTAP have been maintained at their current level.

The table below provides a comparison of the net fees before and after the review.

Portfolio Management Charge Threshold	Zurich Superannuation Plan			
	Pre 1 June 2022		From 1 June 2022	
	Gross	Net*	Gross	Net*
Up to \$99,999	1.00%	0.85%	0.76%	0.65%
\$100,000 - \$249,999	0.88%	0.75%	0.76%	0.65%
\$250,000+	0.59%	0.50%	0.59%	0.50%

\* This is the actual fee payable after the taxation deduction benefit has been applied that Zurich passes on to you in the form of a reduced fee.

Portfolio Management Charge Threshold	Zurich Account Based Pension & Zurich Term Allocated Pension	
	Pre 1 June 2022	From 1 June 2022
Up to \$99,999	0.95%	0.75%
\$100,000 - \$249,999	0.85%	0.75%
\$250,000+	0.60%	0.60%

### Portfolio Management Charge

This is the charge paid for the management and administration of the plan. This fee is charged as a percentage of your total account balance at the date of the fee deduction and is deducted by withdrawing units from your investment option(s) monthly (on the same day of the month as the commencement date of your plan) in proportion to the balances in your investment option(s).

### Minimum monthly Portfolio Management Charge removed (ZSP, ZABP and ZTAP)

The minimum monthly Portfolio Management Charge of \$26.63 p.m. (\$22.30 p.m. net\*) has been removed from ZSP and \$22.30 p.m. has been removed from the ZABP and ZTAP products with effect from 1 April 2022.



## Member Outcome Statement

On 31 March 2022, we published separate Member Outcome Statements for each product offered in the Zurich Master Superannuation Fund (ZSP, ZRP, ZABP, ZTAP and traditional products). These can be accessed online at [www.zurich.com.au](http://www.zurich.com.au) under Investments / Superannuation / Trustee and Fund information.

### Methodology and structure

In conducting each assessment, the Trustee compared the Product to similar superannuation products using the criteria in Part 6 of the Superannuation Industry (Supervision) Act 1993 and Prudential Standard SPS 515 Strategic Planning and Member Outcomes. This comparison includes outcomes related to:

- investment risk and return;
- fees and costs;
- insurance claims (where relevant); and
- the options, benefits and facilities offered to members.

These options, benefits and facilities include member engagement and experience, sustainability (as a measure of the ability to deliver optimal member outcomes in the future) and liquidity.

Each report also includes a dashboard that depicts the Trustee's assessment of the Product's market-relative performance for each outcome they aim to provide members; a table summarising the key metrics relied on when making this assessment; and their commentary on this performance that includes action items to improve suboptimal performance (where applicable).

## Portfolio Holding Disclosure

The Zurich Master Superannuation Fund offers different investment options that are invested in a number of underlying assets (also called 'holdings'). Depending on your chosen investment option(s), the underlying assets may be classified into specific single asset classes, such as equities, unlisted property and cash, or in multiple asset classes.

Details of the underlying assets, the investment partner who manages the asset, how much they are managing and what the percentage of the total option is, are updated twice a year (effective 30 June and 31 December) and can be located at [www.zurich.com.au](http://www.zurich.com.au) under Investments / Superannuation / Portfolio Holding Disclosure.

## Change of Strategic Investment Partners

- With effect February 2022, Quay Global Investors replaced Presima Inc. as the Global Listed Property Securities manager for the Global Property Securities option and for the Global Listed Property Securities asset class within the Zurich diversified options.

## Change to Buy/Sell spreads

The buy/sell spreads for the following options changed following a review of the underlying transaction costs incurred by the underlying fund manager of the investment option.

Investment Option	Previous buy/sell spread	Current buy/sell spread	Effective date
First Sentier Australian Share	0.20% / 0.20%	0.15% / 0.15%	28 February 2022
Global Property Securities	0.10% / 0.10%	0.20% / 0.20%	7 April 2022



# Legislative update



## Federal Budget delivered on 29 March 2022

Apart from reinforcing measures announced in 2021, the Federal Budget, delivered by the previous Coalition government on 29 March 2022, only included one change to superannuation – an extension of the pension minimum drawdown relief.

The absence of other changes was not surprising given the Government's intention, ahead of the federal election, to promote the stability of superannuation.

### Temporary 50% reduction in superannuation minimum drawdown rates extended

The Government has extended the reduced minimum drawdown requirements for account-based pensions and similar products by 50% for a further year to 30 June 2023.

The minimum drawdown requirements determine the minimum amount of a pension that a retiree has to draw from their superannuation in order to qualify for tax concessions. Minimum payment amounts are calculated on the basis of asset values on 1 July of each income year.

This change will allow retirees to avoid selling assets in a loss position in order to satisfy the minimum drawdown requirements.

# Federal Budget delivered on 25 October 2022

On 25 October 2022, the Treasurer, Mr Jim Chalmers, delivered the October 2022-23 Federal Budget, setting out the Labor Government's economic plan and outlook for Australia for the years ahead. A summary of the key changes announced during the Budget that may impact you include:

## Expanding eligibility for downsizer contributions

From 1 July 2022, eligible individuals aged 60 years or older can choose to make a downsizer contribution into their superannuation of up to \$300,000 per person (\$600,000 per couple) from the proceeds of selling their home.

The Government has also proposed to allow more people to make downsizer contributions to their superannuation, by reducing the minimum eligibility age further from 60 to 55 years of age. The measure will have effect from the start of the first quarter after Royal Assent of the enabling legislation, should it be passed.

The downsizer contribution allows people to make a one-off post-tax contribution to their superannuation of up to \$300,000 per person from the proceeds of selling their home. Both members of a couple can contribute, and contributions do not count towards non-concessional contribution caps.

## Support for older Australians

### **Incentivising Pensioners to Downsize:**

To reduce the financial impact on pensioners looking to downsize their homes in an effort to minimise the burden on older Australians and free up housing stock for younger families the Government are also proposing to:

- extend the assets test exemption for principal home sale proceeds from 12 months to 24 months for income support recipients and
- change the income test, to apply only the lower deeming rate (0.25 per cent) to principal home sale proceeds when calculating deemed income for 24 months after the sale of the principal home.

### **Incentivising pensioners into the workforce:**

The Government will provide age and veterans pensioners a once off credit of \$4,000 to their Work Bonus income bank. The temporary income bank top up will increase the amount pensioners can earn in 2022-23 from \$7,800 to \$11,800, before their pension is reduced, supporting pensioners who want to work or work more hours to do so without losing their pension.

### **Income Threshold for the Commonwealth Seniors Health Card increased:**

The Government has increased the income threshold for the Commonwealth Seniors Health Card from \$61,284 to \$90,000 for singles and from \$98,054 to \$144,000 (combined) for couples.

### **Social Security deeming rates frozen for two years:**

The Government has frozen social security deeming rates at their current levels for a further two years until 30 June 2024, to support older Australians who rely on income from deemed financial investments, as well as the pension, to deal with the rising cost of living.

Please be aware that some of the measures mentioned above may have not been legislated at the time this Annual Fund Report was published, and if passed by Parliament they may end up looking slightly different to the announcements made in the Federal Budget. It is recommended you seek professional advice from your financial adviser, who will be able to assist you with your retirement planning taking these announcements into consideration.

# Changes announced in previous years

As outlined in the 2021 Annual Fund Report, there were a number of changes to superannuation that had not been legislated at the time the Annual Fund Report was prepared. The following changes announced during the 2021 Federal Budget have now been passed into legislation and are effective 1 July 2022 (unless otherwise stated).

## Work test repealed for those aged 67 to 74 making, or receiving, personal contributions

Prior to 30 June 2022, if you were aged 67 to 74 years old you could only make or receive personal contributions (non-concessional) to your superannuation if you met the work test or satisfied the work test exemption. The Trustee monitored your eligibility and would not accept personal contributions if you were ineligible to make those contributions.

From 1 July 2022, if you are under 75 years old you can make or receive personal superannuation contributions and salary sacrificed contributions (within your existing contribution cap limits) without needing to meet the work test. However, if you are aged 67 to 74 you must still meet the work test or satisfy the work test exemption (refer below) to be eligible to claim a personal superannuation contribution deduction.

It's important you know that even though the Trustee will accept a non-concessional contribution, it is your responsibility to ensure you have met the work test or satisfied the work test exemption before providing a notice of intent to claim a deduction to the trustee. The Australian Taxation Office (ATO) will administer compliance with the work test and will let individuals know if their claim for a deduction has been declined.

## Work test

To satisfy the work test, you must work at least 40 hours during a consecutive 30 day period each income year in order for your fund to accept a personal super contribution for which you can claim a deduction. The work test exemption applies from 1 July 2019.

To meet the work test exemption criteria, you must have:

- satisfied the work test in the income year preceding the year in which you made the contribution
- a total super balance of less than \$300,000 at the end of the previous income year
- not relied on the work test exemption in a previous financial year.

## Extension of the bring-forward rule

With effect 1 July 2022, individuals under 75 at the start of a financial year are able to access the non-concessional 'bring-forward' arrangement over a three-year period (subject to eligibility).

For example, individuals can make or receive non-concessional contributions to their super in a financial year of up to three times the annual non-concessional contributions cap (depending on their total super balance at 30 June of the last financial year).

For more information about the current non-concessional contributions cap, go to [www.zurich.com.au](http://www.zurich.com.au) under Investments / Superannuation / Useful information or refer to ATO website at [ato.gov.au](http://ato.gov.au).



## Increase in First Home Super Saver Scheme (FHSSS) limit

From 1 July 2022, the maximum amount of eligible contributions that can be released through the First Home Super Scheme (FHSS) increased from \$30,000 to \$50,000. However, the annual limit for voluntary contributions eligible for the scheme remains at \$15,000 per financial year.

## Removing the \$450 per month threshold for superannuation guarantee eligibility

The previous \$450 per month minimum income threshold, under which employees do not have to be paid the superannuation guarantee by their employer, has been removed.

# Other changes

## Retirement Income Strategy

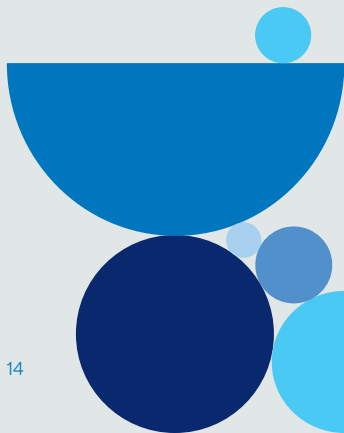
From 1 July 2022, trustees of Registrable Superannuation Entities ('RSEs') are required to develop a retirement income strategy for retired members and those approaching retirement. The strategy must address how the trustee will assist those members to achieve and balance three key retirement income objectives:

- maximise expected retirement income over the period of retirement,
- manage expected risks to the sustainability and stability of retirement income over the period of retirement, and
- have flexible access to expected funds over the period of retirement.

The Retirement Income Strategy for the Zurich Master Superannuation Fund can be located at [www.zurich.com.au](http://www.zurich.com.au) under Investments / Superannuation / Retirement Income Strategy. The strategy is intended to be general in nature and seeks to provide members and their beneficiaries with an understanding of the Trustee's strategy for assisting members make retirement decisions.

## Further information

For basic information about reforms and insurance in superannuation more generally, the Trustee recommends the ASIC's MoneySmart website (<https://www.moneysmart.gov.au>).





## Other important information



## Unclaimed superannuation

Broadly speaking your superannuation benefit may become unclaimed and paid to the Australian Taxation Office (ATO) if (in summary) you are:

- over 65 years old, haven't made a contribution for the last two years and have been uncontactable by the Fund for five years#
- deceased, haven't made a contribution for the last two years and the Fund has been unable to pay the benefit to the rightful beneficiary because they are uncontactable
- a former temporary Australian resident and it has been six months since you left Australia or since your visa expired
- entitled to be paid your ex-spouse's super in a family law split and the Fund is unable to contact you
- a lost member\* whose account balance is less than \$6,000
- a lost member\* whose account has been inactive for 12 months and your Fund does not have the information needed to make a payment to you
- a member with a low-balance inactive account, unless an exception applies.

You may contact the ATO to claim your benefits should that occur. For further information about unclaimed superannuation and how to claim, please contact your financial adviser or visit the ATO website, [www.ato.gov.au](http://www.ato.gov.au).

In addition to the unclaimed superannuation process described above, if you are identified as an "inactive low-balance member account", your benefit may also be transferred to the ATO.

*# Generally, for there to be communication (contact) between the Fund and the member, it needs to be established that the communications have been sent and received. Unfortunately, this does not include where the Fund has sent the member their annual statement as the Fund is unable to verify if the member actually received the statement.*

*\* Broadly, a person may be a lost member if they have not made a contribution within a prescribed timeframe and the Fund receives returned mail from their last known address.*

## Operational Risk Reserve

The Trustee maintains a reserve in the Fund for managing operational risk. The reserve is invested in a Capital Guaranteed portfolio under a Zurich life insurance policy. The closing balances of the reserve at the end of the financial years ending 30 June 2020 to 30 June 2022 are set out below:

Date	Operational Risk Reserve
30 June 2022	\$2,836,970
30 June 2021	\$2,822,806
30 June 2020	\$2,786,571

## Complaints resolution

Should you have a complaint regarding your Fund account, the Fund or a decision of the Trustee (excluding privacy complaints), you should contact Zurich's Customer Service Operations Manager.

Zurich's Customer Service Operations Manager has been authorised by the Trustee to receive all complaints. You can contact the Customer Service Operations Manager directly via phone, email or in writing and we'll do our best to resolve your issue fairly, respectfully and efficiently, and will keep you informed of our progress.

Email: [client.service@zurich.com.au](mailto:client.service@zurich.com.au)

Phone: 131 551

Mail: Zurich Master Superannuation Fund  
Locked Bag 994  
North Sydney NSW 2059

If you make a complaint and we resolve it within 5 business days from receipt to your satisfaction, we are not required to send you a formal complaint response, unless you request one; or your complaint relates to hardship, a declined insurance claim, the value of an insurance claim or for any decision of a trustee (or failure by the trustee to make a decision) relating to a complaint.

If you're not satisfied with the initial response to your complaint, your concerns will be escalated to a Dispute Resolution Team. Specialists will work closely with you to find a solution quickly and amicably within the required timeframe.

Legislation requires the Trustee to respond to you within 45 days after receiving your complaint, unless another timeframe is allowed or required under the relevant legislation. For death benefit objections, the Trustee must provide a complaint response no later than 90 calendar days after the expiry of the 28 calendar day period for objecting.

We will do our best to resolve your complaint as soon as possible. However, if we are unable to provide you with a response within the required timeframe, we will provide you with progress updates including reasons for the delay.

We hope that we can resolve your complaint through our Internal Dispute Resolution (IDR) process.

You may also lodge a complaint with the Australian Financial Complaints Authority (AFCA), although AFCA will not normally deal with a complaint until it has been through the Trustee's IDR process.

Online: [www.afca.org.au](http://www.afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Phone: 1800 931 678

Mail: Australian Financial Complaints Authority  
GPO Box 3, Melbourne VIC 3001

AFCA is an independent body established by the Commonwealth Government and provides a free dispute resolution to consumers and small businesses for all financial products and services.

**Important:** Time limits may apply to complain to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires. Other limits may also apply.

For Privacy complaints, please contact the Trustee by calling (03) 8623 5000, or alternatively via email at [privacy@eqt.com.au](mailto:privacy@eqt.com.au).

For complaints about your adviser, you should contact their Dealer Group or Australian Financial Services Licensee with which they are associated.

## Complaints summary

Number of Complaints Received	Complaints Outstanding	AFCA Referred Complaints
36	11	5

Complaints during the period were largely concerned with the timeliness and/or level of service, fees and rollovers/benefit payments.

The Trustee works with service providers to identify and address root causes of complaints, including those that could indicate systemic issues, through its Complaint Handling and Incident and Breach management processes.

## A change in residency might require Zurich to suspend or terminate your insurance (if any) accordingly.

Zurich Australia Limited and other companies within the worldwide Zurich group of companies have obligations under Australian and foreign laws. Regardless of any other policy terms and conditions, Zurich and the Trustee reserve the right to take any action (or not take any action) which could place them or another company within the Zurich group at risk of breaching Australian laws or laws in any other country.

All financial transactions, including acceptance of premium payments, claim payments and other reimbursements, are subject to compliance with applicable trade and economic sanctions laws and regulations.

Zurich may terminate a policy where you are considered to be a sanctioned person, or you conduct an activity which is sanctioned, according to trade or economic sanctions laws and regulations. Further, neither Zurich nor the Trustee will provide any cover, service or benefit to any party if either determine it places Zurich or the Trustee at risk of breaching applicable trade or economic sanctions laws or regulations.

Each policy is based on the legal and regulatory requirements applicable at the time the policy is issued. Should the legal and regulatory requirements change in a material way, Zurich is entitled to adapt the terms and condition to the changed legal and regulatory requirements, provided the change is lawful.

## Planning to move overseas?

Please contact us before moving so that we can provide you with further information, and consider taking independent financial and/or tax advice on your circumstances. You may be asked to provide additional information and your details may be passed to relevant government authorities.



# Contact details

## Enquiries and administration

The team at Zurich Customer Care understands your product. They are well equipped to answer general questions about the product and provide extra information. They cannot provide financial advice. Please contact Zurich Customer Care in the most convenient way for you:



131 551



Locked Bag 994  
North Sydney NSW 2059



[client.service@zurich.com.au](mailto:client.service@zurich.com.au)



[www.zurich.com.au](http://www.zurich.com.au)



## Financial advice

Your financial adviser should be your first point of contact for financial advice. The Trustee and Zurich can only provide you with factual information about your plan and how it operates.

## We can help if you need support

We recognise that some members need more help than others. For example, members who are from a non-English speaking background. Your financial adviser can help if you make a change to your Fund account or if you want to make a complaint. If you contact Zurich Customer Care and the team identifies that you need more support, they'll do their best to help. This could involve helping you to understand how your Fund account works.

## Other services which may help you get in touch with us

If you are deaf or find it hard hearing or speaking with people who use a phone, or English is not your first language, these services can help. You may need to register to use these services.

### If you are deaf or find it hard to speak using a phone?

Contact the National Relay Service.  
Phone: 1800 555 660  
SMS: 0416 001 350  
TTY: 1800 555 630  
or Email [helpdesk@relayservice.com.au](mailto:helpdesk@relayservice.com.au)

### English not your first language?

Visit [www.tisnational.gov.au](http://www.tisnational.gov.au) or the call the Telephone Interpreter Service: 131 450

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Please note that the information contained in this document is general information only. It does not take into account your personal investment objectives, financial situation or particular needs. You should consider these factors and the appropriateness of this information having regard to your objectives, financial situation and needs. We recommend you seek professional advice before making any decision affecting any aspect of your membership in the Fund.

This document contains information about changes to the law governing superannuation. This information, although derived from sources believed to be accurate as at the date of preparing this report, may change.



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Zurich Customer Care  
Telephone: 131 551 Facsimile: 02 9995 3797  
[www.zurich.com.au](http://www.zurich.com.au)

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The issuer of the Zurich Superannuation Plan (SPIN ZUR0473AU) and the Zurich Account-Based Pension (SPIN ZUR0469AU) is Equity Trustees Superannuation Limited ABN 50 055 641 757, AFSL 229757 who is the Trustee of the Zurich Master Superannuation Fund ABN 33 632 838 393, SFN 2540/969/42.