

# Annual report

For the financial year ending 30 June 2021  
National Mutual Pro-Super Fund

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This annual report is issued by Equity Trustees Superannuation Limited ABN 50 055 641 757, AFSL No. 229757 ('ETSL'), the trustee of the National Mutual Pro-Super Fund ABN 46 208 334 003. All benefits paid to members of the National Mutual Pro-Super Fund are provided by means of life insurance policies issued by AMP Life Limited ABN 84 079 300 379, AFSL No. 233 671 (AMP Life) to ETSL. AMP Limited ABN 49 079 354 519 has sold AMP Life to the Resolution Life group whilst retaining a minority economic interest. AMP Limited has no day-to-day involvement in the management of AMP Life whose products and services are not affiliated with or guaranteed by AMP Limited. AMP Limited is not liable for products issued by AMP Life or any statements or representations made in the product disclosure statement for those products. "AMP", "AMP Life" and any other AMP trademarks are used by AMP Life under licence from AMP Limited. AMP Life is part of the Resolution Life group and can be contacted on 133 731 or [askamplife@amplife.com.au](mailto:askamplife@amplife.com.au).

# Welcome

## Message from the CEO



Welcome members, I am pleased to share with you the trustee annual report for the National Mutual Pro-Super Fund for the year ended 30 June 2021.

This report provides you with information about your superannuation fund, the National Mutual Pro-Super Fund. The report also includes information on recent events impacting the fund and the superannuation industry.

In the last twelve months since Equity Trustees Superannuation Limited (ETSL) was appointed as trustee of the National Mutual Pro-Super Fund, our partnership has strengthened with our shared focus to enhance member outcomes.

AMP Life has been proudly owned by Resolution Life since July 2020 and is a well-capitalised business with approximately \$30 billion in assets under management and 1.3 million customers.

Since joining Resolution Life, we have focused on transforming our business to introduce contemporary technology and digital offerings to enable better customer service.

We have recently launched a new digital portal that will continue to be developed to provide you with a personalised, consistent digital experience across all of your devices – enabling you to take control of your insurance and investments anytime, anywhere.

In 2020 we paid out \$1.142 billion in insurance claims to 9,180 customers and we had some of the fastest speed-to-assessment rates in the industry across several product categories (ASIC Moneysmart Statistics, 2020). We are continuing to make improvements to our claims systems and processes to further enable our teams to enhance the support to our customers in their time of need.

I am very pleased to share that we have now also commenced a change in our brand that will see AMP Life completely transition to the Resolution Life brand over the next 6 – 12 months. This is an exciting new part of our journey as we position our business for future growth. As Resolution Life we offer a unique customer proposition – we are a business focused only on our existing customers and adapting our offering to specifically meet their needs. We are fully committed to providing our customers with peace of mind that their insurance, savings and investment policies are in safe and trusted hands for the long term.

On behalf of AMP Life Limited, part of the Resolution Life Group, thank you for your ongoing support.

Sincerely,

*Megan Beer*

**Megan Beer**

CEO Resolution Life Australasia and AMP Life Limited

# Important information

The purpose of this report is to provide information about the operations of the National Mutual Pro-Super Fund (the fund), including:

- management
- financial information
- compliance with relevant statutory requirements, and
- any changes or developments that may affect members' benefits.

**In this annual report unless specified otherwise:**

- 'AMP Life' means AMP Life Limited (ABN 84 079 300 379, AFSL No. 233671)
- 'ETSL' means Equity Trustees Superannuation Limited (ABN 50 055 641 757, AFSL 229757)
- 'we', 'us', 'our' and 'the trustee' means ETS defense
- 'you' or 'your' refers to the member of the plan or holder of the account
- 'fund' means the National Mutual Pro-Super Fund.

This annual report is issued by ETS defense who is the issuer and trustee of the fund. No company in the Resolution Life Group is responsible for any statements or representations made in this annual report, or guarantees the performance of the trustee's obligations to members in connection with the fund, unless expressly stated.

Annual statements are issued soon after 30 September each year. It is recommended that you read this report in conjunction with your latest annual statement. Please call the AMP Life Customer Service Centre on **133 731** from 8:30am to 7pm (Sydney time), Monday to Friday, if you have not received your annual statement.

We recommend that anyone relying on this information obtains independent advice if you need assistance with any decision.

# Super fund information

## The trustee

ETSL is a part of the EQT Holdings Limited Group which is a specialist professional trustee entity providing trustee services to private clients, corporations, fund managers and superannuation funds. It was established in 1888 and has been providing superannuation trustee services since 2006.

The trustee:

- is responsible for all aspects of the operation of the fund
- is responsible for ensuring that the fund is properly administered in accordance with the trust deed and policy documents, and
- ensures that the fund complies with relevant legislation, that all members' benefits are calculated correctly and that members are kept informed of the operations of the fund.

The trustee may amend the trust deed of the fund following changes to the law or to introduce new features. A copy of the trust deed of the fund is available at [amplife.com.au/trustee-information](https://amplife.com.au/trustee-information). Alternatively, if you would like a copy, please contact the AMP Life Customer Service Centre on **133 731** from 8.30am to 7pm (Sydney time), Monday to Friday.

The trustee also maintains indemnity insurance for protection against losses that may occur as a result of a claim against it, including a claim for breach of professional duty, subject to the terms and conditions of the applicable indemnity insurance policy.

This annual report has been prepared on behalf of the trustee. While due care has been taken in the preparation of this report, the trustee reserves the right to correct any errors or omissions. Please take the time to read this report to help you understand the management, financial information and performance of the fund for the last financial year.

## The board of directors

The ETS defense during the fund's financial year ending 30 June 2021 were:

**Mark Blair – Executive Director**

**Sue Everingham – Non-Executive Director**

**Tony Lally – Non-Executive Director and Chairman**

**Michael O'Brien – Managing Director**

**Ellis Varejes – Non-Executive Director**

**Paul Douglas Rogan – Non-Executive Director**

**George Zielinski – Non-Executive Director**

Current directors' profiles, including remuneration details, are available at ETS defense Registrable Superannuation Entity Disclosures at [eql.com.au/superannuation/etsl-registrable-superannuation-entity-disclosures](https://eql.com.au/superannuation/etsl-registrable-superannuation-entity-disclosures).

## Overview of the fund

The fund commenced on 21 September 1988 for the purpose of providing members and their dependants with financial benefits upon death or total and permanent disablement.

All benefits under the fund are provided by means of individual life insurance policies.

Currently, one or more of any of these policies is held under a Pro-Super Agreement to which you, the trustee and in applicable circumstances, appropriate third parties such as your employer is a party. Each policy is a permanent Whole of Life or Endowment insurance policy which is split into its insurance cover and investment component under the terms of the agreement.

The trustee is entitled to the proceeds (including any disability benefits where these are covered) of the insurance component of the policy in the event of your death or total and permanent disablement. In accordance with the trust deed, the trustee will decide who will receive any death benefits from the fund.

The cash value of the policy includes any bonuses that have accrued and is owned by you or one of the other parties (excluding the trustee), as set out in the particular agreement referred to above. The investment component is not a superannuation arrangement and is not held within the fund.

You are recorded as the 'life insured'. As such, you are also regarded as being a member of the fund.

Being the life insured, you are the person whose life is protected by insurance according to the circumstances detailed in the policy.

It is the trustee's responsibility to ensure that all benefits arising from the insurance cover component of the policy are paid to you in the event of a disability claim (where disability is covered), or to your dependants in the event of your death in accordance with the governing rules of the fund and requirements under superannuation law.

A copy of each policy has previously been issued to the legal owner of the policy. We suggest you take time to read the terms and conditions detailed by the insurer in this policy as they affect issues such as the continuation of the policy and the amount payable under it.

**Important:** Shortly, all Pro-Super Agreements will be terminated.

## Termination of your National Mutual Pro-Super Agreement

In November 2020, you were notified that we as trustee of the National Mutual Pro-Super Fund, approved the termination of your Pro-Super Agreement (the Agreement). The termination of your Agreement was effective at the end of your current premium payment period.

In exchange for this termination, a compensation amount was added to your Whole of Life policy. Please refer to your letter for more information on the amount of compensation added to your Whole of Life policy or contact the AMP Life Customer Service Centre on **133 731** from 8:30pm to 7pm (Sydney time), Monday to Friday.

There was no change to your Whole of Life policy issued by AMP Life Limited. The impact of the change means that your insurance cover is held directly by yourself as the owner of the policy and not by the trustee under the Agreement until age 65. This means that the insurance is no longer held within the superannuation environment. Should a claim be made, the benefit will directly

be paid to your estate or beneficiary as nominated on your policy. As part of our notification we included a table that summarised the differences between having your life insurance cover held within the superannuation environment versus outside of super.

## Amendments to the trust deed

The trustee may amend the trust deed of the fund following changes to the law or to introduce new features. There were no trust deed amendments during the year ending 30 June 2021.

A copy of the current trust deed is available to all members on our website [amplife.com.au/trustee-information](http://amplife.com.au/trustee-information) or contact the AMP Life Customer Service Centre on **133 731** from 8:30am to 7pm (Sydney time), Monday to Friday.

## Relationship between the trustee and other service providers

From time to time, the trustee may engage companies within and outside of the Resolution Life Group to provide services in relation to the fund. The trustee may change these service providers at any time and this may occur without notifying you.

## Benefits provided under the fund

As trustee of the fund, it is our responsibility to ensure that all benefits arising from the fund are paid to members, or to members' dependants or their legal personal representative (in the event of death) in strict conformity with the trust deed of the fund and the requirements of all applicable laws.

The benefit that will ultimately be paid to a member (or to their dependant(s) or legal personal representative) will equal the value of the applicable life insurance policy at the time the benefit is payable, less any government tax, outstanding contributions or charges.

To determine what amounts are payable to you and under which circumstances these amounts will become payable, we recommend that you refer to your last annual statement and speak to your financial adviser or contact the AMP Life Customer Service Centre on **133 731** from 8:30am to 7pm (Sydney time), Monday to Friday.

## Who is the benefit paid to if you die or become disabled?

The fund is a death or death and total and permanent disablement style superannuation arrangement. In broad terms, this means that you are insured up to the extent of the insurance component of your policy against death, or death and total and permanent disablement, if applicable.

To determine the amounts payable to you, and under what circumstances these amounts will become payable, we recommend that you refer to your last annual statement or ask your financial adviser.

In accordance with the trust deed, the trustee will decide who will receive any death benefits from the fund. Members can indicate their preference to the trustee, but the trust deed requires the trustee to make the final decision. To indicate your preference, please contact your financial adviser or call the AMP Life Customer Service Centre on **133 731** from 8:30am to 7pm (Sydney time), Monday to Friday.

The trustee will pay your death benefits to one or more of your dependants or to your legal personal representative at the trustee's sole discretion.

It is essential that you keep the trustee fully informed of your current preference for the payment of your benefits in the event of your death.

## Contributions to the fund

All contributions made to the fund by you or your employer within the last financial year have been credited to your account, as shown on your annual statement, and used to maintain your insurance cover under the policy.

You and your employer may be eligible for a tax deduction on contributions that have been made to the fund. This will depend on your personal and employment circumstances. More information can be obtained from your financial adviser or tax adviser.

## Financial information

As the benefits paid to members of the fund are wholly determined by reference to life policies issued by AMP Life, detailed financial information in full audited accounts or abridged financial information is not required under superannuation legislation to be included in this report.

As an Australian Prudential Regulation Authority (APRA)-registered life insurance company, AMP Life is required to comply with various statutory and regulatory requirements (including the *Life Insurance Act 1995* (Cth) and the relevant underlying APRA Prudential and Reporting Standards for life insurance). APRA's Prudential Standards cover a wide range of obligations including capital adequacy requirements that are designed to ensure the solvency and capital adequacy of statutory funds, as well as broader risk management obligations. In line with these requirements, AMP Life currently holds adequate capital to ensure it can meet its obligations to its policy owners, including paying benefit amounts as they fall due.

The trustee of the fund is also subject to a wide range of statutory and regulatory requirements (including APRA Prudential and Reporting Standards for superannuation) including risk management obligations for the trustee and the fund.

The fund does not carry any reserves.

If you require a copy of audited fund accounts and auditor's report for the fund for the financial year ending 30 June 2021, please contact the AMP Life Customer Service Centre on **133 731** from 8:30am to 7pm (Sydney time), Monday to Friday, and a copy will be provided free of charge.

## The auditor

The trustee has appointed Deloitte Touche Tohmatsu as auditor of the fund.

# Super news

## Update on government legislation

Please be advised that while the following updates are as a result of changes to superannuation and taxation law, not all are available or applicable to this fund. This is a summary only of some changes to the law. For more information, please contact your financial adviser or AMP Life. Alternatively you may also visit the Australian Tax Office (ATO) website at [ato.gov.au](http://ato.gov.au) for more information on changes to superannuation and taxation laws.

### Super thresholds for the 2021/22 financial year

The following super and taxation threshold amounts apply during the 2021/22 financial year:

Threshold	From 1 July 2021
Standard concessional contributions cap (per annum)	\$27,500
<b>Non-concessional contributions cap</b>	
– Standard (per annum) <sup>(i)</sup>	\$110,000
– Bring forward (over 3 years) before age 67 <sup>(ii)</sup>	\$330,000
<b>SG maximum contribution base (per quarter)</b>	\$58,920
<b>Government co-contributions<sup>(iii)</sup>(per annum)</b>	
– Lower income threshold	\$41,112
– Higher income threshold	\$56,112
<b>Tax free part of genuine redundancy and approved early retirement scheme payments (per payment)</b>	
– Base limit	\$11,341
– Plus for each completed year of service	\$5,672
<b>Low rate cap amount (lifetime limit)</b> (previously known as post June 1983 low tax threshold)	\$225,000
Applies to the taxable component of taxed super fund benefits for members from preservation age to age 59	
<b>Untaxed plan cap amount</b>	\$1,615,000
Applies to the taxable component of untaxed super fund benefits	
<b>Employment termination payment cap (ETP)</b>	\$225,000
<b>Capital gains tax (CGT) cap amount</b>	\$1,615,000

(lifetime limit)

Transfer balance cap	\$1,700,000
Defined Benefit income cap	\$106,250
Maximum adjusted taxable income for the full government low income super tax offset (LISTO)	\$37,000

- (i) The non-concessional cap is nil for members with a total superannuation balance greater than or equal to \$1.7 million (at 30 June of the previous financial year).
- (ii) There are restrictions on the ability to trigger bring forward rules for certain people with total superannuation balances of more than \$1.48 million (at 30 June of the year before making the contribution).
- (iii) The maximum entitlement remains at \$500 and applies where at least \$1,000 personal contributions have been made in the financial year and the person does not exceed the lower income threshold. Other eligibility criteria apply.

### Your super fund will follow you where you go

The Federal Government has introduced the Your Future, Your Super (YFYS) reform. The YFYS reform introduced 'super stapling' the purpose of which is to reduce the multiple super accounts for employees who do not select a super fund when they commence a new job.

Previously when you changed jobs, if you did not exercise choice a new default fund was often opened in your name – depending on the industry and employer. This meant that some people had multiple active accounts on the go, causing them to lose track of their super and pay more in fees.

That issue is now being tackled. When you start a new job from 1 November 2021, your employer will pay your super into the fund from your previous job, unless you nominate a different one. They'll get this information directly from the ATO.

# Other information

## Compensation

There may be circumstances in which the trustee needs to pay compensation to members. There are four key principles that guide the trustee's payment of compensation to current and former members:

- the trustee should not benefit
- other members do not bear the cost of compensation
- compensation is paid to members in a manner that minimises the cost and inconvenience to those members receiving the compensation, and
- communication should be provided to affected members in all circumstances where the member would reasonably expect to be notified.

The trustee may decide not to pay compensation to current or former members where it considers the individual compensation amounts small.

## Unclaimed super money

If an amount is payable to you or your dependent(s) and we are unable to ensure that you or your dependent(s) will receive it, we may be obliged to transfer the amount to the ATO.

If the superannuation benefits are transferred to the ATO, you, or your dependents where relevant, will be able to reclaim it from the ATO. For more information on unclaimed super money, please refer to [ato.gov.au](http://ato.gov.au) or speak with your financial adviser.

## Temporary residents

The following does not apply to Australian citizens, Australian residents or New Zealand residents and is limited to eligible visa holders. If you have entered Australia on an eligible temporary resident visa, you may claim your super benefits once you have permanently departed Australia.

Under super legislation, if you do not claim your benefit within six months of departing Australia, your benefit may be paid as unclaimed superannuation to the Commissioner of Taxation under Division 3 of Part 3A of the *Superannuation Unclaimed Money and Lost Members) Act 1999* (Cth) (Unclaimed Money Act).

The trustee relies on an ASIC exemption to the effect that the trustee is not obliged to notify or give an exit statement to a former temporary resident in circumstances where the trustee pays unclaimed superannuation to the Commissioner of Taxation under Division 3 of Part 3A of the *Unclaimed Money Act*. If this has occurred, you have the right of a non-resident to make an application to the Commissioner of Taxation to claim the unclaimed superannuation under the *Unclaimed Money Act*. For more information visit [ato.gov.au](http://ato.gov.au).

## Complaints

Complaints are very important to us and we are committed to resolving complaints as quickly as possible.

If you wish to make a complaint you can contact us in writing or by phone using the following contact details:

- phone the AMP Life Customer Service Centre on **133 731** from 8:30am to 7pm (Sydney time), Monday to Friday
- email [askamplife@amplife.com.au](mailto:askamplife@amplife.com.au), or
- post:

AMP Life Limited  
GPO Box 5441  
SYDNEY NSW 2001

If you make a complaint, we will resolve it through our internal dispute resolution process within the required timeframe.

You can refer your complaint to the Australian Financial Complaints Authority.

## Australian Financial Complaints Authority (AFCA)

AFCA is an independent body which provides a fair and free complaint resolution service for financial complaints made by consumers and small businesses about financial firms. Usually, AFCA will not deal with your complaint until our internal dispute resolution process has been completed. The contact details for AFCA are:

Australian Financial Complaints Authority Limited  
GPO Box 3  
MELBOURNE VIC 3001, Australia

**Phone:** 1800 931 678  
**Email:** [info@afca.org.au](mailto:info@afca.org.au)  
**Website:** [afca.org.au](http://afca.org.au)

There may be a time limit for referring your complaint to AFCA. Other limitations may also apply. You should contact them or visit their website for more details.

## Enquiries

If you need any additional information about the operation or management of the fund or your product, you can contact the AMP Life Customer Service Centre on **133 731** from 8:30am to 7pm (Sydney time), Monday to Friday using the contact details that appear in the 'Contact us' section on the back page.

## Contact Us

phone 133 731  
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