

Manildra Flour Mills Retirement Fund

Changes to Superannuation

The Australian Government has made significant changes to the superannuation system and these changes are gradually being introduced into law. Many of these changes will affect you and the Manildra Flour Mills Retirement Fund (the “Fund”). The changes have been given the name “Stronger Super” by the Government and their purposes are to provide greater transparency to members of superannuation funds to allow for easier comparisons between funds, more efficient administration, simpler and cheaper default superannuation products and improvements in the governance and regulation of superannuation funds.

For employees of the Manildra Group, the most important change is the introduction of MySuper funds. These funds are to be the default funds for those employees who do not actively choose a superannuation fund to which their mandated employer contributions are to be paid. Mandated employer contributions are those made to comply with Superannuation Guarantee Legislation and those required to be paid under an industrial agreement or award. MySuper funds are designed to be relatively simple and low-cost. MySuper funds will be offered from 1 July 2013 and employers will be compelled to contribute to MySuper funds from 1 January 2014.

The alternative for a MySuper fund is what is termed a Choice fund. A Choice fund is a fund that is actively chosen by an employee to which employee contributions are paid.

The Trustee of the Fund has determined that the Manildra Flour Mills Retirement Fund will be a Choice fund and not a MySuper fund.

What you need to do

If you want to retain your membership of the Fund after 1 January 2014 then the Trustee asks that you sign the **attached** form and return it to the Fund Secretary **by 31 July 2013** if you wish to continue to have your employer contributions paid to the Fund. The address is shown on the form.

By signing this form you are confirming that the Fund is the fund to which your mandated employer contributions are to be paid and you wish to retain your existing balance in the Fund. You may still have salary sacrifice contributions, in excess of mandated contributions, paid to the Fund or any another superannuation fund, if you wish.

The advantages of being a member of the Fund are:

1. **Currently, the Manildra Group meets all expenses of managing the Fund, other than investment management fees, as well as death and permanent disablement insurance premiums for the standard level of cover. (The Manildra Group reserves the right to change this in the future. You would be advised in advance of such a change.)**
2. The Fund is a simple, easy to understand superannuation fund run solely to benefit employees of the Manildra Group.
3. It allows you to grow your superannuation with both employer and personal contributions.
4. It provides you with retirement benefits, as well as insured death and disablement benefits and, from 1 July 2013, income protection insurance. This insurance can help protect you and

your family against the financial burdens that would arise if you die, become terminally ill, or are temporarily or permanently disabled and cannot work.

5. As well as helping you save money for your retirement while you're working, the Fund offers a Retirement Pension and Pre-Retirement Pension.
6. The Fund has a single, balanced investment strategy which has returned reasonable and relatively stable returns to members over many years.
7. The Fund is managed by a Trustee whose directors are employer nominated and member elected. These directors are all members of the Fund.

If you do not provide a signed form as requested, from 1 January 2014 your mandated employer contributions will be paid to a MySuper fund to be selected by the Manildra Group. Your existing balance in the Fund must also be transferred to the MySuper fund by 1 July 2017. You may, of course, select an alternative Choice fund to which your contributions can be paid and we will transfer your balance in the Fund accordingly. Note that if you cease to be a member of the Fund then all insurance benefits offered by the Fund will also cease.

You should obtain advice from a licensed financial adviser before making any decisions about your superannuation. Neither the Trustee, nor your Employer nor the Fund's Administrator is licensed to provide you with any financial advice.

If you require further information then please contact the Fund Secretary.

Issued 11 June 2013 by Manildra Flour Mills Retirement Fund Pty Limited (ABN 74 065 680 195) as trustee of the Manildra Flour Mills Retirement Fund (ABN 32 448 411 930)