

Early Release of Superannuation Benefits

Financial Hardship or Compassionate Grounds

Prepared on 1 November 2011

Generally, you cannot access your super until you are aged 55-60 and have retired from the workforce (this is known as the preservation rule). However, there are special cases in which you can access your super before you retire.

Under Government regulations, you can access your super by Early Release under:

- Severe Financial Hardship; or
- Compassionate Grounds.

IMPORTANT REMINDER: CERTIFYING YOUR IDENTITY

Anti-money laundering and counter terrorism financing legislation requires the Trustee to identify a member before making any payment.

Please ensure you provide certified copies of original identification documents with your application.

Please refer to the *Identification requirements* brochure, or see the Proof of ID page on our website healthsuper.com.au for more details about how to obtain certified identification.

Failure to provide certified copies of identification documents may delay payment, if your application is approved.

How to apply under Severe Financial Hardship

Step 1. Check that you are eligible

There are two tests, depending on your age, under which you could be eligible to apply for Early Release – Severe Financial Hardship. Under each test there are certain criteria that must be met:

1. The 'All ages' test under preservation age

If you are aged under 55 years and 39 weeks, you are eligible if you:

- have received Commonwealth Income Support payments for a continuous period of 26 weeks. You must provide written evidence from at least one Commonwealth department or agency,
- have received income support payments on the date of the written evidence; and
- are unable to meet reasonable and immediate family living expenses. If your balance is over \$5,000 (at time of application) you will need to provide documentary evidence such as bills and receipts to support your application.

2. The 'Preservation age' test

If you are aged over 55 years and 39 weeks, you are eligible if you:

- have reached your preservation age (see below table) plus 39 weeks;
- have been receiving Commonwealth Income Support payments for a total (cumulative) period of 39 weeks after you have reached your preservation age; and
- are not gainfully employed on a full-time or part-time basis at the date of your application.

Your date of birth	Your preservation age
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
After 30 June 1964	60

Your application is subject to the Trustee's approval and satisfaction of written evidence.

Step 2. Determine how much you can claim

Eligibility	Amount you can claim
If you are eligible under the 'All ages' test in each 12-month period	You can claim a single lump-sum payment of up to \$10,000 (gross).
If you are eligible under the 'Preservation age' test	There is no restriction on how much you can receive (up to your account balance).

The Trustee will not consider any further claims for Severe Financial Hardship if you have been paid an amount due to Severe Financial Hardship in a 12 month period.

Step 3. Apply to Health Super

Complete and return the *Application for Early Release – Financial Hardship* form and provide:

- the original letter from a Commonwealth department or agency which confirms that you receive income support benefits. The letter from a Commonwealth department or agency must be received by Health Super within 21 days from the issue date otherwise it cannot be accepted;
- certified copies of original documentation confirming your identity;
- for account balances over \$5,000 please provide documentary evidence of your debts in relation to your living expenses (this requirement is not applicable if you are over 55 years plus 39 weeks).

We may need to request further supporting documentary evidence to assist with the assessment of your application.

Please return the form and accompanying documentation to:

Member Benefits Manager
Health Super
Locked Bag 2900
COLLINS ST WEST VIC 8007

Step 4. Wait for payment

We will assess and process your application as soon as we have received certified copies of original identification documents confirming your identity and all requested supporting documentation. The process can take up to 15 days. For approved financial hardship applications, the payment can be made in the form of an electronic funds transfer into your nominated bank account or issued to you by cheque.

Please note that:

- any release of your benefits may be subject to tax.
- if you have non-preserved super, this will be released before any preserved super amounts.

How to apply on Compassionate Grounds

Step 1. Check that you are eligible

You can apply to have your super released early to pay for:

- medical treatment or medical transport (for you or your dependants);
- modifications to your home or motor vehicle to accommodate the special needs of a person because of severe disability (your own or for a dependant);
- the cost of palliative care for you or your dependant;
- the funeral costs of the death of a dependant;
- mortgage repayments to prevent foreclosure of the loan;
- expenses in other cases consistent with one of the above grounds.

If any of the above applies to you, you can apply to the Department of Human Services (DHS) for the release of your super on Compassionate Grounds. If DHS approves your application, Health Super can release your super early, subject to you meeting the Fund's identification requirements and completing an *Application for Early Release – Compassionate Grounds* form.

Step 2. Apply to DHS

Contact DHS to find out whether you're eligible. You can also access detailed information and the relevant forms from the DHS website:

Department of Human Services (DHS),
Early Release of Superannuation Branch
PO Box 1001
Tuggeranong DC ACT 2901
Visit www.humanservices.gov.au
Phone 1300 131 060
Email ERSBenquiries@humanservices.gov.au

DHS will assess your application and notify you of its decision in writing.

Step 3. Apply to Health Super

If DHS approves your claim, please complete the *Application for Early Release – Compassionate Grounds* form and return it to us with the following:

- a certified copy or the original DHS approval notification within 30 days of receipt from DHS.
- certified copies of original documentation confirming your identity.

Please return the form and accompanying documentation to:

Member Benefits Manager
Health Super
Locked Bag 2900
COLLINS ST WEST VIC 8007

Step 4 – Wait for Payment

We will assess and process your application as soon as we have received certified copies of original identification documents confirming your identity and all requested supporting documentation. The process can take up to 15 days. The payment can be made in the form of an electronic funds transfer into your nominated bank account or issued to you by cheque.

Note:

- any release of your benefits may be subject to tax.
- if you have non-preserved super, this will be released before any preserved super amounts.

This document is issued by FSS Trustee Corporation ABN 11 118 202 672 AFSL 293340 as Trustee of the First State Superannuation Scheme ABN 53 226 460 365 of which Health Super is a division (Health Super).

The information contained in this document is of a general nature only. It should not be considered as a substitute for reading the Health Super Product Disclosure Statement (PDS) that contains detailed information about the services and features of Health Super. Before making a decision about this product, you should consider the appropriateness of the product to your personal objectives, financial situation and needs. It may also be beneficial to seek professional advice from a licensed financial planner or adviser. A Health Super PDS is available at healthsuper.com.au or by calling 1800 331 719.