

Guidelines

For early release of superannuation benefits

IMPORTANT INFORMATION

At Health Super, we do our best to help support you, even at the most difficult times.

For most members, you cannot access your super until you have permanently retired from the workforce and have reached preservation age (this is known as the preservation rule). However, as a member, there are special circumstances in which you can access your super before you retire.

Two ways to take out your super

Under Federal Government regulations, you can only access your super by early release in instances of:

- severe financial hardship or
- compassionate grounds.

IMPORTANT REMINDER: CERTIFYING YOUR IDENTITY

New 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 this application. Please see the Proof of ID page on our website for more details. Failure to provide certified copies of identification documents may delay payment, if your application is approved.

How to apply for severe financial hardship relief

Step 1. Apply

Please complete and return the attached application form with:

- documentary evidence of your debts and
- a letter from a Commonwealth Department or Agency that confirms you receive income support benefits.

The letter must be received by Health Super within 21 days from the issue date otherwise we cannot accept it.

Step 2. Eligibility Tests

If you lodge a financial hardship application, we will review your application based on one of two tests:

The All Ages Test or the Over Preservation Age Test. These tests are set by Government regulations.

Under the All Ages Test, you are eligible if you:

- are under 55 years of age
- have ceased employment
- have received Commonwealth Income Support payments* for a continuous period of 26 weeks, and the Trustee is satisfied of this based on written evidence provided by at least one Commonwealth department or agency
- have received income support payment on the date of the written evidence
- are unable to meet reasonable and immediate family living expenses**
- are not gainfully employed on a full-time or part-time basis at the date of your application.

*Commonwealth Income Support payments include certain pension payments under social security legislation, Austudy payments and other payments set out in relevant legislation.

**For proof of inability to sustain 'reasonable and immediate family living expenses', satisfactory evidence must accompany your application.

Under the Preservation Age Test, you are eligible if you:

- are over 55 years of age
- have reached your preservation age¹ 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
- are not gainfully employed on a full-time or part-time basis at the date of your application.

¹Your preservation age depends on your date of birth, as follows:

Date of birth	Preservation age
Before 1/7/60	55
1/7/60 – 30/6/61	56
1/7/61 – 30/6/62	57
1/7/62 – 30/6/63	58
1/7/63 – 30/6/64	59
After 30/6/64	60

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Step 3. Determining how much you can receive

If you are eligible in each 12-month period, you can claim a single lump-sum payment of up to \$10,000 (gross). The Health Super Trustee will not consider any further claims for severe financial hardship if you have been paid an amount due to severe financial hardship within a 12 month period.

Step 4. Wait for payment

Your application will be attended to promptly, provided we have received certified copies of original identification documents that confirm your identity, and all requested supporting documentation. Generally, payment is made in the form of a cheque in your name (the applicant). However, under special circumstances payment can be deposited into your nominated bank account.

Applying for severe financial hardship relief?

Make sure you supply current written evidence to demonstrate:

- ✓ the department or agency responsible for providing a Commonwealth Income Support payment to you
- ✓ how the money will be used if released (e.g. a brief explanation of the cause(s) of your financial hardship)
- ✓ your current total net income (for example provide pay slips, bank statements etc.) and current weekly expenses for yourself and your financial dependants (for example copies of outstanding bills etc.).

Here are some of Commonwealth Income Support payments you can list

- Age pension
- Bereavement allowance
- Carer service pension
- Disability wage supplement
- Invalidity service pension
- Newstart allowance
- Parenting allowance
- Sickness allowance
- Special benefit
- Widow allowance
- Wife pension
- Drought relief payment
- Commonwealth Development Employment Projects (CDEP) Scheme payments
- Age service pension
- Carer payment
- Disability support pension
- Income support supplement
- Mature age partner allowance
- Mature age allowance
- Partner service pension
- Sole parent pension
- Special needs pension
- Widow B pension
- Youth allowance (job seeker)
- Exceptional circumstance relief payment

Do you have a question about Income Support Benefits? Contact Centrelink, the Department of Veterans' Affairs or any other Commonwealth agency or department providing a payment.

Note that we require evidence of current debts in regard to your living expenses.

Complete the application form, compile your written evidence, and return it to:

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

Please ensure that all supporting documentation is included for both our application and for an Australian Prudential Regulation Authority (APRA) application to ensure your application is not rejected or delayed.

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Step 1. Check the expenses you can claim

You may have your super released early to pay for:

- medical treatment or medical transport (for you or a Dependant)
- modifications to your home or motor vehicle to accommodate the special needs of a person because of severe disability (for you or a Dependant)
- palliative care in the case of pending death (your own) or expenses associated with a Dependant's palliative care, or a Dependant's death, funeral or burial
- mortgage repayments to prevent your mortgagor from foreclosing or selling your home
- expenses in other cases consistent with one of the above grounds.

Step 2. Look at the risks

All members of Health Super can apply for the early release of their superannuation benefits (subject to the restrictions in Government regulations). But before you make a whole or partial withdrawal of your super, you should note that:

- you may incur tax on the withdrawal of your super (under early release provisions)
- if you have a Health Super Defined Benefit with a deferred component, your payment on compassionate grounds will be made from the Defined Benefit. You will have CPI applied to the offset account at the applicable rate each year, together with any applicable benefit, and this will be deducted from your Defined Benefit when it becomes payable.

Step 3. Contact APRA for an application form

If you are applying for the early release of your super on compassionate grounds, you will need to complete an application form and obtain your approval from the Australian Prudential Regulation Authority (APRA), GPO Box 9836, Canberra ACT 2601. Alternatively, visit www.apra.gov.au or telephone 1300 131 060 (Australia-wide).

APRA will assess your application and notify you of their decision. If you meet the criteria, Health Super will allow the early release of your super, subject to your meeting the Fund's identification requirements. You will need to forward APRA's notification of approval to us within 21 days to arrange for the super to be released.

Step 4. Wait for payment

Approval takes approximately 15 working days from the time we receive confirmation of APRA's approval for the release of benefits, provided we have received certified copies of original documentation confirming your identity. Generally, payment is made in the form of a cheque in your name (the applicant). Under special circumstances payment can be deposited into your nominated bank account.

Note:

- Any release of part of your benefits will be subject to tax.
- If you have non-preserved super, this will be released before preserved super.

Still have questions? Contact information.

Click

Email enquire@healthsuper.com.au

Call

Telephone 1800 331 719

Fax (03) 9614 8048

Post

Locked Bag 2900

COLLINS STREET WEST VIC 8007

Disclaimer

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