



Are you facing
redundancy?



ENERGY INDUSTRIES®
SUPERANNUATION SCHEME



Redundancy often leads to trying times. Reading this brochure is the first step in helping you arrange your financial affairs as it provides you with some background information.

What termination payments can you expect?

If you accept a redundancy, you may be entitled to one or more of the following payments:

- Superannuation
- Annual and long service leave
- Accrued sick leave
- Redundancy package
- Gratuity or ex-gratia payment.

Some of these payments may be “Employment Termination Payments” (ETPs) and may be rolled over. If so they can be transferred or rolled into superannuation investments which may have significant tax advantages for you.

Payments which may be eligible for rollover

- Superannuation
- Redundancy payments in excess of the tax-free limit*
- Some sick leave payments** (if payable)
- Gratuity or ex-gratia payment**
- Payment in lieu of notice
- Unused rostered days off
- Severance payments.

Payments cannot be rolled over into superannuation unless they fall under transitional arrangements. Your

* The 2011-2012 tax-free limit is \$8,435 + \$4,218 for each completed year of service. When you roll over, tax will be deducted at 15% on the amount of your entitlement which relates to the proportion of your eligible service after 1 July 1983.

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employer can confirm if you qualify for any transitional arrangements. Please consult your financial adviser before making any decision.

Payments which can't be rolled over

- Unused annual leave
- Long service leave
- Redundancy payments (below the tax free limit).

How do you rollover your ETP?

You should advise your employer of your intention to rollover your ETP and provide them with the name of the rollover institution or superannuation fund. Once any benefit is paid directly to you from your employer or elsewhere, it can no longer be rolled over.

To ensure your rollover is properly handled, contact a FuturePlus financial planner, who will assist you with the paperwork and discuss your options and particular circumstances.

What Centrelink support are you eligible for?

If you are too young for the age pension you may still be eligible for some Centrelink support such as the Newstart Allowance. Any such payments are subject to assets and income testing to work out how much you will get. Benefits are payable after the relevant waiting period (over and above the ordinary waiting period of 1 week). There are two types of waiting periods:

- The Liquid Assets Waiting Period (LAWP)
- The Income Maintenance Period (IMP).

Please note that any ETPs rolled into superannuation may improve your eligibility for Centrelink support as these benefits are not included when assessing waiting periods.

What's the next step?

A number of extremely important questions may be raised when facing a redundancy:

- Will I find another job?
- Will I have enough money to live on?
- Am I entitled to Centrelink support?
- What are the tax implications?
- What is the best use to make of my redundancy payment?
- Should I pay off my mortgage?

The most important step now is to talk to a FuturePlus financial planner. You can contact the financial planning team on 1300 883 788 to work through all these issues or visit www.futureplus.com.au

Our offices

Sydney, Lismore, Newcastle, Nowra and Port Macquarie

*Bookings are essential. Phone 1300 369 901 to make an appointment.
Office hours 8.30am - 5.00pm Monday to Friday.

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