

Early release of your super due to financial hardship

March 2022

Your superannuation (super) is money put aside or 'preserved' for your retirement and rules apply as to how and when you can access it.

Generally, you can access your super once you have retired from the workforce and reached your Preservation Age, set out in the table below. Your Preservation Age is based on your date of birth.

Date of Birth	Preservation Age
Prior to July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

However, early release of your super may be available in certain circumstances, for example where your super fund approves payment because of severe financial hardship.

Temporary residents

If you are a temporary Australian resident, you can't apply for early release of your super. Please contact us using the details below to discuss what options are available to you.

Illness or injury

If you haven't been able to work because of illness or injury, please contact us to work out if you have any insurance cover in place.

Are you eligible?

You can apply to Prime Super (the Trustee) for early access to your super. The Trustee will assess your application and determine the amount to be released.

call 1800 675 839

visit primesuper.com.au

email administration@primesuper.com.au

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Early release if you haven't reached your Preservation Age

For the Trustee to consider an application for payment of super due to severe financial hardship, you will need to provide the Trustee with the following information:

1. proof that you have received Commonwealth income support payments for a continuous period of at least 26 weeks, and that you were receiving those payments on the date of the written evidence. You can provide proof by sending us either of the following options:
 - a) written evidence from an appropriate income support agency (e.g. a Centrelink Q230 letter)
 - b) a Customer Reference Number (CRN) and authority to confirm your Centrelink status.
2. establish to the Trustee's satisfaction that you are unable to meet reasonable and immediate family living expenses by completing the *Early Release of Super on Compassionate Grounds or Financial Hardship* form. On this form you will be asked to list all your income and expenses and, where possible, provide evidence of debt in the form of bills owing. Note that if you want to claim over \$5,000 gross, you must provide evidence of debt
3. provide authority for us to complete an electronic identity check, or provide a certified copy of your driver's licence or passport.

Your application cannot be accepted if all three conditions are not met.

How much super could you receive?

If the Trustee determines that you meet the conditions for release due to severe financial hardship, then you can receive up to a maximum of \$10,000 (before tax) from your super. The minimum amount you can receive is \$1,000 (before-tax).

If your account balance is less than \$1,000, the balance of your account may be released to you.

Early release if you have reached your Preservation Age

If you are over the Preservation Age and 39 weeks, you can apply for early release of your super due to severe financial hardship by either:

- a) meeting the previously listed requirements
- b) providing written evidence from Centrelink that you have received income support for a cumulative period of 39 weeks after reaching your Preservation Age.



Prime Super



How much super could you receive?

If you satisfy the Trustee that you meet either of these options, then you will be eligible to receive all or part of your super benefit.

Tax payable on benefit

Benefits tax may be payable on any lump sum released to you from your super. The tax payable will depend on your age and the amount of your tax-free and taxable components.

Financial hardship verification

Centrelink letter

You can provide the required written evidence of income support payments via a valid Q230 or Q251 letter from Centrelink. You can ask for this letter directly from Centrelink via humanservices.gov.au/earllysuper. Please note that your Q230 letter is not valid if it is dated more than 21 days before the date of your application for severe financial hardship. Alternatively, you can authorise us to source this information for you in Section 8 in our *Early Release of Super on Compassionate Grounds or Financial Hardship* form.

Proof of income

To assess an application, we require proof of income for yourself, and your spouse or partner, which may include:

- rent, shares or other investments
- Centrelink benefit income statements
- bank statements.

Proof of expenses

We also require proof of debts and expenses, which may include:

- mortgage payments, rent, bonds, board, rates, body corporate fees. You may be asked to provide a copy of your lease agreement for overdue rent
- household bills, e.g. electricity, gas, water, telephone, internet
- education and child support, e.g. school fees, childcare fees, child support payments.
- credit card or personal loan repayments – generally claims will cover the minimum outstanding balance on credit cards and personal loans from financial institutions, not the full balance
- transport costs, e.g. vehicle repayments, tolls, servicing or registration
- medical costs, e.g. specialist appointments, rehabilitation, scans, tests, dental
- government debts, e.g. Centrelink or Australian Tax Office debts, outstanding parking or traffic fines
- outstanding legal fees

Evidence of overdue debt in joint names will be divided by half.

In addition to items listed above, you will also need to provide a list all weekly expenses in Section 4 of your *Early Release of Super on Compassionate Grounds or Financial Hardship* form.

This factsheet contains general information only and does not take account of your personal circumstances. You should obtain personal advice where appropriate. This factsheet is current as at the date of publication and subject to change. Prime Super (ABN 60 562 335 823) is issued by Prime Super Pty Ltd (ABN 81 067 241 016, AFSL 219723). A Product Disclosure Statement and Target Market Determination is available from primesuper.com.au or from the issuer by calling 1800 675 839.

Excluded expenses and debts

- future expenses, debt or quotes
- debts for people other than you (or you and your spouse)
- debts between yourself and another individual which are not subject to a contract
- purchase of luxury items
- payment for a holiday or a new car
- home renovations (unless required due to disability or other mobility/physical requirement)
- business related expenses
- business related debt

Please note that this list is a guide only. Prime Super may request additional proof to assist in assessing your claim.

How to apply to the Trustee to release your super due to financial hardship

To apply for early release of your super, please:

- complete the relevant sections of the *Early Release of Super on Compassionate Grounds or Financial Hardship* form
- complete the Centrelink Authority in Section 8 of the form, or attach a valid Q230 or Q251 letter from Centrelink
- provide evidence of debt to the value of the amount you are claiming
- complete the Electronic verification authority, or provide proof of your identity in Section 5
- send the completed *Early Release of Super on Compassionate Grounds or Financial Hardship* form along with evidence and proof of your identification to Prime Super.

We're here to help. If you have any questions about this process, please call us. You can also book a meeting with one of our super specialists who can help you with your questions at primesuper.com.au/member/book-a-chat/

Need more information?

We're committed to helping you grow, manage and protect your wealth and retirement income. For more information on early release of super benefits on compassionate grounds please see

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-  administration@primesuper.com.au
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