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## Flood victims may qualify for early-release superannuation but circumstances limited

The Australian Institute of Superannuation Trustees (AIST) today reminded super fund members affected by flooding across Australia that they may, depending on their circumstances, be able to seek early access to some of their superannuation.

AIST CEO Fiona Reynolds said the rules for early-release of super were necessarily very strict and that those in need of immediate assistance should first contact Centrelink which is administering Government programs specifically put in place to assist people in disaster zones.

However in the medium term - for those with continuing hardship - there were grounds under which members could qualify for early-release including 'severe financial hardship' and 'compassionate grounds'.

"The superannuation industry sympathises with the many flood victims across Australia and wishes to ensure that those affected, particularly those who are not insured, understand the avenues available to them for financial assistance," said Ms Reynolds.

Many funds had already begun to prioritise assistance to flood victims including those needing help with superannuation-linked insurance claims such as total and permanent disability (TPD) or income protection, she said.

Ms Reynolds said while applications for early-super release payments on prescribed 'compassionate grounds' were separately administered by the Australian Prudential Regulatory Authority (APRA) members should contact their super fund in the first instance.

Ms Reynolds said it was important to note that early-release superannuation was limited to certain purposes and financial amounts. (see below 'Grounds for early release of superannuation').

Further information on early access to superannuation is available at [www.centrelink.gov.au](http://www.centrelink.gov.au) or APRA's website at [www.apra.gov.au](http://www.apra.gov.au) by following links to superannuation.

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### Grounds for early release of superannuation

- Applications for the early release of superannuation benefits can be made on the grounds of severe financial hardship and in a limited number of specified compassionate circumstances.

#### 1) Financial hardship

- To be eligible on this ground, an applicant must demonstrate to the fund that:

- they have been in receipt of Commonwealth Government income support payments for a continuous period of 26 weeks; and
  - they are unable to meet reasonable and immediate family living expenses.
- Centrelink and the fund can provide more information on the severe financial hardship ground of release. Centrelink can be contacted on 13 28 50.

## 2) Compassionate grounds

- The Australian Prudential Regulation Authority (APRA) has the power to approve the early release of superannuation benefits on specified compassionate grounds. These include instances where the applicant faces financial difficulties as a result of:
  - their (or their dependant's) medical condition;
  - their (or their dependant's) transport for medical attention;
  - modifications to a home or vehicle because of a severe disability;
  - palliative care, funeral and burial expenses;
  - a forced sale of an applicant's principal place of residence by their mortgagee; or
  - in circumstances consistent with the above.
- Application forms and brochures for the early release of superannuation benefits can be downloaded from: <http://www.apra.gov.au/Superannuation/Early-Release-of-Superannuation-Benefits.cfm>

***AIST is the peak industry body for the \$450 billion not-for-profit super sector which includes industry, corporate and public sector funds covering the super interests of nearly 2/3 of the Australian workforce.***