

Guaranteed Income Supplementary Product Disclosure Statement (SPDS)

Issued by VicSuper Pty Ltd (VicSuper) ABN 69 087 619 412, AFSL 237333, the Trustee of VicSuper Fund (Fund) ABN 85 977 964 496

Dated 25 July 2019

This SPDS is dated 25 July 2019 and must be read together with the Guaranteed Income combined Financial Services Guide and Product Disclosure Statement (PDS) issued 1 July 2019 (the PDS).

This SPDS amends the PDS with the information below.

1. 'Opening a Guaranteed Income account' (page 14 of the PDS)

Remove the sixth paragraph under the sub-section 'Choosing your beneficiary'.

2. 'Maximum withdrawal periods: Guaranteed Income for Life' (page 35 of the PDS)

Replace the second paragraph with:

If you have nominated a reversionary, your life expectancy determines the maximum withdrawal period you can choose. If your life expectancy is shorter than the minimum withdrawal period of 10 years, then your life expectancy will be the length of your withdrawal period.

3. 'Maximum withdrawal periods: Guaranteed Income for Life' (page 35 of the PDS)

Replace footnote 1 with:

1. For the purposes of calculating the maximum withdrawal period for Guaranteed Income for Life accounts, a person's 'life expectancy' is the life expectancy number in the Australian Life Tables 2010-12 for that person's current age and gender. Note however that due to recent and expected improvements in medical science, a person's actual life expectancy is now higher than the number in the Australian Life Tables 2010-12 and that higher number may be used in illustrations and calculators in other VicSuper documents and tools, where appropriate.



A guaranteed regular income in retirement

**With Guaranteed income
For Life and Guaranteed
Fixed Term Income options.**



Ratings are just one factor to consider when deciding on a product. SuperRatings does not issue, sell, guarantee or underwrite this product. Go to superratings.com.au for details of its ratings criteria. For more information about the methodology used by Chant West, see chantwest.com.au. For more information about VicSuper's awards and ratings go to vicsuper.com.au/awards

Guaranteed Income

Combined Financial
Services Guide &
Product Disclosure Statement

1 July 2019

Product Disclosure Statement

Guaranteed Income

About this Product Disclosure Statement (PDS)

Guaranteed Income for Life and Guaranteed Fixed Term Income products are offered by VicSuper Pty Ltd (VicSuper) and are jointly referred to as Guaranteed Income accounts.

This PDS sets out the features, costs, benefits and risks of investing your money in a Guaranteed Income account. This publication will help you to compare the features of these products with other retirement income products.

In addition, this PDS provides important information on the Guaranteed Income accounts and Centrelink entitlements.

In the event of any inconsistency between the governing rules of the Guaranteed Income accounts (including the VicSuper Fund trust deed and any rules relating to the Guaranteed Income accounts made pursuant to the trust deed) and this PDS, the governing rules of the Guaranteed Income accounts will prevail.

For a copy of the Fund trust deed go to vicsuper.com.au/trustdeed or alternatively, you can contact the Member Centre on **1300 366 216**.

Where the term 'account' is used in this PDS, it refers to an interest in the income products covered by this PDS. However, there is no actual account balance attributable to a Guaranteed Income member's interest.

Guaranteed Income for Life is an innovative super income stream.

Your guarantee

The money you invest in a Guaranteed Income account is invested in a life policy (Policy) issued to VicSuper by Challenger Life Company Limited (ABN 44 072 486 938) (AFSL 234670) (Challenger Life), a life insurance company within the Challenger group of companies.

The benefits provided by the Guaranteed Income accounts are supported by the Policy issued by Challenger Life, and not VicSuper as trustee of the VicSuper Fund (Fund). VicSuper will only pay members their income payments to the extent that the Trustee receives payment from Challenger Life.

Challenger Life's ultimate parent is Challenger Limited (ABN 85 106 842 371, AFSL 234670). Neither Challenger Limited nor any other company within the Challenger group of companies guarantees the performance of Challenger Life's obligations or assumes any liability in connection with the Policy.

For more information about the guarantee and any limitations, read the 'Who provides the guarantee?' section on page 23 and the 'What are the risks?' section on page 7. It is important that you bear this information in mind as you read references to the guarantee in this PDS.

You can request a copy of the policy document by contacting our Member Centre.

Benefits and risks of investing your super in a Guaranteed Income account

A Guaranteed Income account allows you to invest your super in a low-cost, tax-effective environment while receiving a guaranteed regular income. It also allows you to choose the retirement income options that may best suit your needs.

Where applicable, the regular income payments you receive each year meet the applicable minimum limit prescribed by the Government.

The Guaranteed Income for Life account is designed to provide income payments for the rest of your life.

The Guaranteed Fixed Term Income account is designed to provide income payments until the end of your nominated term.

If you voluntarily withdraw from your Guaranteed Fixed Term Income account or from your Guaranteed Income for Life account during your nominated withdrawal period, the account has a withdrawal value which we will pay to you as a lump sum. You might receive less money than you invested or less than what you may have received had you continued to hold your investment for the full term.

The withdrawal value will vary over time because it depends on changing factors, including how long you've held the account and prevailing interest rates at that time.

Refer to the 'Managing your Guaranteed Income account' section on pages 16 to 17 for more information on withdrawing from your account.

More information

Due to the complexity of this offer, and that any decision you make now could last the rest of your life, you will need to see a VicSuper financial planner before you open a Guaranteed Income account.

In addition, it is important that you read this PDS before making a decision to invest in a Guaranteed Income account. If you require further information before making a decision, contact VicSuper or visit vicsuper.com.au

When you invest in a Guaranteed Income account, you have a 14-day cooling-off period. Refer to page 13 for more information.

Information in this *Guaranteed Income Combined Financial Services Guide and Product Disclosure Statement* should be seen as a guide only. Your personal circumstances are likely to be different and more complex than the examples used. VicSuper recommends you seek professional advice for your own circumstances. Before you take any action, contact VicSuper to make an appointment to see one of our VicSuper representatives. Under its Australian Financial Services Licence (AFSL), VicSuper is licensed to deal in, and provide financial product advice on superannuation products. At present, VicSuper representatives are limited to providing financial product advice on VicSuper products; ESSSuper - Revised, New, SERB and Transport Schemes; providing advice on whether a member should consolidate or roll over their superannuation holdings (excluding personal advice on self-managed superannuation funds) into VicSuper; and general superannuation matters.

If you require personal advice that is beyond the scope of advice permitted under VicSuper's AFSL, a VicSuper financial planner may be able to provide this advice to you on behalf of (or as a representative of) a third party AFSL holder for an additional fee. VicSuper will not assume any responsibility or liability for this advice.

Under exceptional circumstances (such as the closure of a major sharemarket), and in the interests of all members, VicSuper may temporarily suspend VicSuper transactions and/or unit prices.

Information in the PDS that is not materially adverse is subject to change from time to time and may be updated on the VicSuper website. Any such updated information can be accessed at any time by calling VicSuper's Member Centre or by visiting the VicSuper website. A paper copy of any updated information will be provided on request, without charge.

The organisations included in this document have provided their consent to the materials and statements attributed to them, in the form and context in which they appear and have not withdrawn this consent as at the date of preparation. Chant West has given its consent to the inclusion in this Product Disclosure Statement of the references to Chant West and the inclusion of the logos and ratings provided by Chant West in the form and context in which they are included.

Issued by VicSuper Pty Ltd ABN 69 087 619 412 AFSL 237333 the Trustee of VicSuper Fund ABN 85 977 964 496.
VicSuper Member Centre: **1300 366 216** Website: vicsuper.com.au Postal Address: GPO Box 89, Melbourne VIC 3001

The information contained in this publication is current as at 1 July 2019.

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Why choose VicSuper?

As a profit-to-member fund, VicSuper Fund is managed solely in the interests of members. This means any surplus is reinvested into the Fund for the benefit of members. Additionally, our super consultants and financial planners are not paid commissions, nor do we pay any commissions to any other groups to recommend VicSuper products.

Guaranteed Income for Life and Guaranteed Fixed Term Income accounts are offered as a product of the VicSuper Fund, a public offer super fund with over \$23 billion in net assets and approximately 250,000 members as at 31 May 2019.

Guaranteed Income forms one part of VicSuper's Retirement Income Solutions, which also includes other retirement income products and our advice service. This PDS is exclusively for Guaranteed Income.

Personal advice throughout Victoria

At VicSuper, we're committed to working with you to create the best strategies to ensure your retirement is as enjoyable as you've imagined it to be.

This commitment starts with advice. Everyone has different desires and needs in retirement and a financial solution must suit those needs.

There are a number of things to consider when you plan to retire. The Age Pension and the amount of tax you pay are just a couple of the important factors that can be optimised to get the most out of your retirement income.

These decisions are important. Much of the detail about the Guaranteed Income accounts is complex and any decision you make now could last the rest of your life. Therefore, you will need to see a VicSuper financial planner before you open a Guaranteed Income account.

A VicSuper financial planner can help you evaluate your financial situation and, if appropriate, recommend a VicSuper product to suit you.

This no-obligation service is currently available to you, your family and friends and in most cases, comes at no additional cost for VicSuper members.

You can meet with a financial planner at one of our advice centres and offices across Victoria. For advice centres and office locations visit [vicsuper.com.au](https://www.vicsuper.com.au)

During the meeting, you could discuss:

- your retirement plans
- the level of income you would like in retirement
- any Centrelink benefits that you may be entitled to in retirement now and in the future
- tax-effective strategies for your super
- choosing the right investment strategy
- which Retirement Income Solution may best suit your needs and circumstances.

Our personal advice service includes a broader range of financial matters and strategies, such as aged care and investing outside of super. This optional service is provided under the AFSL held by a third party and not VicSuper Pty Ltd, and is available to members for an additional fee.

If you would like to speak to a VicSuper financial planner, you can make an appointment by visiting [vicsuper.com.au/advice](https://www.vicsuper.com.au/advice) or by calling **(03) 9667 9200**.

General advice over the phone

Our consultants can assist you with general super matters over the phone that aren't specific to your personal circumstances. To speak to one of our consultants, call **1300 366 216**.

Seminars

VicSuper offers a range of seminars to help you with your super and retirement planning. Seminars are provided at no additional charge to you and are available throughout metropolitan Melbourne and regional Victoria to you, your family and friends.

Visit [vicsuper.com.au](https://www.vicsuper.com.au) to find a seminar near you.

Retirement income solutions to suit you

You can choose from a range of options to tailor your Guaranteed Income account to meet your requirements.

Please refer to the 'Choosing a Guaranteed Income account' section on pages 8 to 12 for more information.

Competitive fee structure

VicSuper has a competitive fee structure. For more information on VicSuper's fee structure and other costs affecting your super, refer to pages 18 to 22.

Helping create a better future

Helping our members achieve a better quality of life in retirement goes well beyond sound money management and great award winning service – it's just as much about taking a responsible approach to everything we do.

Which is why our corporate social responsibility commitments sit alongside our goal, purpose and employee values, guiding our business strategy.

Responsible investment is an integral part of our overall investment approach because we believe it puts us in a better position to protect and enhance members' retirement savings and incomes, and helps to create the type of world our members want to live in.

As a long-term investor, we have a vested interest in the sustainability of the global economy. Ultimately, if our members' retirement savings are to prosper and grow, the economy, society and the environment need to be healthy and productive.

We're here for our members, but we're also here to be a positive member of the communities we operate in and society as a whole – the two go hand in hand.

Our approach to corporate social responsibility aligns our strategy to both Federal and State Government priorities, and targets our members and employers, our people, and our community.

Super is a long-term investment and we all have a share in the future. From the way we work with our members, to the way we make our investment decisions, and how we work with and for our community – we do so with our shared future in mind.

Helpful communications

As a Guaranteed Income member, we will send you:

- an annual indexation review letter advising you of your new regular income payment amounts, if you choose an indexation option
- an Annual Statement which provides you with details of your account
- an online Annual Report that keeps you up-to-date with news at VicSuper.

Guaranteed Income accounts at a glance

	Guaranteed Income for Life	Guaranteed Fixed Term Income
Type of product	Non-account based pension	Non-account based pension
Who can join?	Members aged 60 or over who have access to an unrestricted non-preserved super benefit of at least \$10,000. You must be either an Australian citizen or a permanent resident of Australia.	Members aged 60 or over who have access to an unrestricted non-preserved super benefit of at least \$10,000. You must be either an Australian citizen or a permanent resident of Australia.
Minimum investment	\$10,000	\$10,000
Maximum investment	VicSuper does not impose maximums. However, there is a government imposed cap on retirement savings you can transfer into your retirement account/s without incurring additional tax. The cap for the 2019/20 year is \$1.6m.	VicSuper does not impose maximums. However, there is a government imposed cap on retirement savings you can transfer into your retirement account/s without incurring additional tax. The cap for the 2019/20 year is \$1.6m.
Investment term	Your lifetime or the lifetime of you and your reversionary.	1 to 40 years (refer to page 10).
Voluntary withdrawals	You can withdraw fully within the withdrawal period however, you cannot make a partial withdrawal. Refer to the 'Managing your Guaranteed Income account' section on pages 16 to 17.	You can withdraw fully before the end of the investment term however, you cannot make a partial withdrawal (refer to pages 16 to 17).
Withdrawal Period	The minimum withdrawal period is 10 years and the maximum period is life expectancy, subject to regulatory requirements. Refer to page 35 for the maximum withdrawal periods for each age.	1 to 40 years (refer to page 10).
Income amount	The amount of your regular income payments is determined at the time you invest in the account. It will depend on the initial investment, prevailing interest rates, the account options you choose, the nominated withdrawal period and your life expectancy (and the life expectancy of any reversionary life insured) at the time you invest in the account. Refer to the 'Choosing a Guaranteed Income account' section on pages 8 to 12 for more information.	The amount of your regular income payments is determined at the time you invest in the account and will depend on the initial investment, prevailing interest rates, the account options you choose, and the investment term selected. Refer to the 'Choosing a Guaranteed Income account' section on pages 8 to 12 for more information.
Capital repayment	Capital (your initial investment) is repaid to you as part of each of your regular income payments.	You can choose to have all of your capital repaid to you at the end of the investment term. Alternatively, you can choose to have some or all of your capital repaid to you as regular payments throughout the investment term.
Payment indexation	You can choose to have your regular income payments adjusted fully or partially in line with changes in the Consumer Price Index (CPI), or not at all. Refer to page 9 for more information about payment indexation.	If your chosen investment term is at least two years and you choose to have all your capital returned to you as part of your regular income payments throughout the term, you can choose to have your regular income payments adjusted annually in line with changes in the CPI or a fixed whole percentage rate of up to 5%.
Additional investment	Once you open your Guaranteed Income account you cannot make additional contributions into that account. However, if, after you open your account, you have other super funds from which you want to draw an income, you can open a second account (as long as the starting amount is at least \$10,000).	
Income payment frequency	You can choose to receive payments monthly, quarterly, half-yearly or yearly, unless you choose to invest in a one year Guaranteed Fixed Term Income account, in which case you can choose to receive payments monthly, quarterly or half-yearly.	
Taxation	Retirement income payments and lump sum withdrawals paid to you are tax-free. Death benefits are taxed differently. Refer to pages 27 to 28 for more information on taxation.	
Centrelink Assets Test	Initially 60% assessed under the Assets Test amount (refer to page 29).	
Centrelink Income Test	60% of the income is assessed against the Income Test (refer to page 29).	
Account options	There are a number of options that you must choose between when you invest in a Guaranteed Income account, so you can tailor the income stream to meet your needs (refer to pages 8 to 12). You cannot make any changes to your account options once your account has been established.	

What are the benefits?

A Guaranteed Income account allows you to take advantage of the tax benefits of super while providing you with the security of a guaranteed, regular income.

Guaranteed dependable income

You are guaranteed¹ to receive regular income payments from your account until the end of your nominated investment term or, if selected, for the rest of your life.

You also have the option to nominate your spouse as a reversionary beneficiary. This means upon your death, the regular payments will continue to be paid to your spouse. Please refer to page 24 for more information about reversionary nominations.

The amount of the regular income payments is determined at the time you invest in the account and will depend on the initial investment amount, prevailing interest rates and the options you choose.

Refer to 'Choosing a Guaranteed Income account' on pages 8 to 12 for further details.

Protection against inflation

You can help protect the purchasing power of regular income payments by choosing to index your income payments each year. Please refer to pages 9 and 11 for more information on payment indexation.

Protection against market movements

A Guaranteed Income account provides you with the comfort of knowing that you will receive regular income payments for your selected term or, if selected, for your lifetime, regardless of how investment markets perform. You will not bear any market risk in relation to how your capital is invested. The market risk is borne entirely by Challenger Life, as it guarantees to make regular payments, irrespective of market performance. Please refer 'Who provides the guarantee?' on page 23 for more information.

Access to your money

If your circumstances change or if you simply change your mind within the withdrawal period, the account has a withdrawal value, which we will pay to you as a lump sum. It is important to note that you may receive back an amount less than your initial capital investment, even after taking into account the payments that have been made, or an amount less than what you may have received had you held the investment for your lifetime or the investment term (whichever is applicable). Once you are paid the withdrawal value, you will have no further rights to be paid any benefits (such as income payments) under the product. Please refer to 'Access to your money' on pages 16 and 17 for more information.

Competitive rates

Guaranteed Income accounts are based on competitive rates to determine the dollar amount of your income payments.

The dollar amount will depend on prevailing market conditions (such as interest rates at the time you invest in the account) and will also be influenced by the options you choose. Some options can give you higher or lower income payments. Please refer to 'Choosing a Guaranteed Income account' on pages 8 to 12 for more information.

Death benefits

You have the option to elect a reversionary. If elected, a reversionary will continue to receive regular income from the account, subject to any benefit reduction, upon your death up to either the end of your fixed term or for the life of your reversionary (whichever is applicable). If you don't elect a reversionary and you die within your nominated withdrawal period or investment term, we will pay any remaining benefits in accordance with your death benefit nomination. Please refer to 'How will your death benefits will be paid?' on page 26 for more information.

Tax benefits

Regular income payments and lump sum withdrawals you receive from your Guaranteed Income accounts are tax-free. Death benefits are taxed differently. Please refer to pages 27 to 28 for more information on taxes.

Centrelink and your Guaranteed Income account

Thousands of Australians supplement their retirement income with Centrelink entitlements.

Your eligibility for the Age Pension is based on Centrelink's Assets Test and Income Test, both of which may be affected by your Guaranteed Income account.

Your Guaranteed Income account may receive a deduction amount, which is considered for social security purposes to represent the return of capital and reduces the assessable asset value and assessable income.

For more information on the treatment of your retirement income for Centrelink purposes, see 'Centrelink entitlements' on page 29.

A VicSuper financial planner can provide advice on how your Guaranteed Income account affects your Centrelink benefits. To request a no obligation appointment with a VicSuper financial planner visit vicsuper.com.au/advice or call **(03) 9667 9200**.

1. Please refer to the 'What are the risks' section on page 7 for further details about the guarantee.

What are the risks?

All investments carry some risk. The appropriate level of risk for you will depend on factors such as your age, financial goals, investment timeframe, where other parts of your wealth are invested, and your risk tolerance. Listed below are the key risks that you should take into account when deciding whether to open a Guaranteed Income account.

Withdrawal risk

The risk that if the account is withdrawn (voluntarily or on death), the amount paid is less than the amount that was invested or less than what you may have received had you held the investment for your lifetime or the investment term (whichever applies).

The withdrawal value of your account will vary over time because it depends on how long you've held the account and the prevailing rates at that time. Once a withdrawal amount is paid the income stream payments cease to be payable.

See 'Access to your money' on pages 16 to 17 and 'How will your death benefits be paid?' on page 26.

You cannot withdraw from your account (and no lump sum withdrawal amount is payable on death) after the end of the withdrawal period.

Counterparty risk (including limitation of the Guarantee)

The risk that Challenger Life becomes unable to meet its commitment to VicSuper in making all guaranteed payments in respect of Guaranteed Income accounts. However, Challenger Life is subject to detailed legislative and regulatory requirements designed to ensure this does not occur. Challenger Life is regulated under the *Life Insurance Act 1995* (Life Insurance Act) (which governs the provision of these products in Australia) and the prudential standards made under it, which prescribe minimum capital and solvency requirements, for Challenger Life as well as for the policies it guarantees or underwrites.

The Australian Prudential Regulation Authority (APRA) supervises Challenger Life's compliance with these requirements which are designed to ensure that they are able to meet their obligations to investors. For example, Challenger Life is required to hold enough capital to withstand a 1 in 200-year shock event.

Even so, unforeseen and extreme circumstances, that might impact Challenger Life's ability to meet its financial commitment to you, could occur and can never be completely ruled out. VicSuper, as trustee, has a commitment from Challenger Life under the Policy to pay the termination value of existing interests in the event that the Policy is terminated. Any monies recovered under this commitment in respect of a member will be transferred to a new interest within VicSuper.

VicSuper, as issuer of the Guaranteed Income accounts, does not provide any guarantee in respect of the accounts. VicSuper will only pay you your income payments or withdrawal value or any other benefits under this product to the extent that VicSuper receives these benefits from Challenger Life.

For more information, see 'Who provides the guarantee?' on page 23.

Inflation risk

The risk that the purchasing power of your regular payments or capital reduce over time due to inflation.

To help manage inflation risk, we offer the option of indexing your regular payments each year fully or partially in line with changes in the CPI.

Choosing a full or partial indexation option will generally reduce the amount of your initial regular payments, but they will increase during times of high inflation.

For more information, see 'Indexation' on page 9 and 11.

Market risk

The risk that changes in the value of investment markets affect the value of the fund's investments.

Where you have selected a Guaranteed Fixed Term Income account, your earning rate is guaranteed for the Guaranteed Earning Rate Period.

This means that you may not be able to benefit from any favourable market movements that occur during the term of your selected investment term. However, you will also not be affected by any unfavourable market movements because your earning rate is guaranteed.

Longevity risk

The risk that you may outlive your retirement savings. For example if you plan to live on your retirement savings only to your estimated life expectancy, you take on the risk that you will live longer and run out of funds. This means that you may live for several years of retirement surviving on a more modest income.

Guaranteed Income for Life provides you with regular income payments for your lifetime to help manage this risk.

Choosing a Guaranteed Income account

A Guaranteed Income account offers a number of options so you can tailor it to meet your needs. Your regular payments will depend on the account options you choose when you open your account.

Guaranteed Income for Life

A Guaranteed Income for Life account is designed for retirees who:

- want to receive a regular income stream that is guaranteed¹ to last their lifetime, and if selected, the lifetime of their reversionary,
- want the option to maintain access to a part of their capital for a set period of time.

You must be at least 60 years of age and you must have unrestricted non-preserved super benefits (see 'Unrestricted non-preserved super benefits' on page 14) of at least \$10,000.

Who should consider a Guaranteed Income for Life account?

If any of the statements below apply to you, it may be worth considering a Guaranteed Income for Life account:

- I would like a regular cash flow for life.
- I would like income that is protected against share market volatility and inflation.
- I would like to receive a convenient and tax effective income stream in retirement.

How much to invest

The balance of your Guaranteed Income account will be subject to the transfer balance cap. The transfer balance cap applies to the amount of super you can transfer into your retirement account/s without incurring additional tax. For the 2019/20 financial year the cap is \$1.6 million. It is subject to CPI indexation (in \$100,000 increments) thereafter.

For more information, see 'Transfer balance cap' on page 28.

Account options

There are a number of account options available, which are explained on this page, so you can tailor the income to meet your needs. The level of income from your account is confirmed when the account is opened and will depend on the options chosen. You must choose your options at the time of application, as they cannot be changed once the account has been opened other than the cancellation of a reversionary beneficiary.

Payment frequency

You can choose to have your regular income payments paid monthly, quarterly, half-yearly or yearly. Your regular income payments are made to your nominated bank account at the end of each payment period. If you do not make a selection, the default payment frequency is monthly.

Monthly payments will commence one month after the date the account was opened, and will occur monthly from then on.

Withdrawal period

Your Guaranteed Income for Life account should be used as the foundation for your retirement plan and it is designed not to be cashed in. We understand however that your circumstances can change.

When you invest in the account you can generally nominate a withdrawal period between 10 years² and your life expectancy (rounded down to whole years then multiplied by 365 days). For more information, see 'Maximum withdrawal periods' on page 35.

You may be required to have a withdrawal period of less than 10 years if your life expectancy is less than 10 years, in which case your life expectancy (rounded down to whole years then multiplied by 365 days) will be the length of your withdrawal period.

During the withdrawal period:

- you can choose to cancel the account in return for a lump sum payment (see 'Access to your money' section on page 16);
- if you die and there is no surviving reversionary, a lump sum is payable (see page 26).

The withdrawal period must be chosen at the time of application and cannot be longer than your life expectancy (rounded down to whole years then multiplied by 365 days) (see page 35) and cannot be changed.

Nominating a beneficiary

You can nominate a beneficiary or beneficiaries to receive any remaining benefits of your account if you die. You can:

- nominate a reversionary (must be your spouse and can only be elected at the time you apply for the account), or
- make a binding death benefit nomination, or
- make a non-binding death benefit nomination.

For more information, refer to 'What happens to your money on your death?' on pages 24 and 25.

Benefit reduction

This option is only available if you have elected a reversionary.

With this option, when you apply for an account you can choose to have the regular income payments due after your death to be paid at a reduced level. If you make this choice, the regular income payments will reduce by 33%. Your payments do not reduce if your reversionary dies while you are still alive.

If you choose the benefit reduction option, you will generally receive higher regular income payments than if you do not choose this option (although the payments will reduce if and when the benefit reduction applies).

Benefit reduction example:

You are receiving monthly income payments of \$1,000 prior to your death. Following your death, monthly income payments to your reversionary will reduce to \$670.

The benefit reduction option only applies to regular income payments and does not apply to any lump sum payable (eg on voluntary withdrawal or on death within the withdrawal period).

1. For more information about the guarantee, see 'What are the risks' section on page 7 for further details about the guarantee.

2. In some circumstances (as explained on this page) you may be required to have a withdrawal period of less than 10 years.

Indexation

You can choose to have your regular income payments adjusted annually in line with movements in the CPI.¹ The adjustment occurs after each anniversary of the start of the account. You can choose full indexation or partial indexation and can also choose to have no indexation. If you do not make a choice, the default is partial indexation.

Full indexation

This option enables you to have your regular income payments indexed annually in line with the CPI. The change will be applied to the first payment after each anniversary of the start of your account, and the regular income payments for the year that follows will be made at the indexed level. If the CPI increases, your regular income payments will also increase by that proportion.

However, if the CPI decreases in any particular year, your regular income payments will also decrease. Please see the 'Indexation Illustration' section on page 40 for an example.

Partial indexation

This option enables you to have your regular income payments increased annually in line with any increase in the CPI to the extent that is greater than 2% and decreased annually in line with any decreases in the CPI. If the CPI increases but the increase is less than 2%, your regular income payments will not change, and if the CPI decreases, the full amount of the decrease will apply. If the CPI increases by more than 2%, your regular income payments will increase by the increase in the CPI, less 2%. Please see page 40 for an example.

Any change will be applied to the first payment after each anniversary of the start of your account, and the regular income payments for the year that follows will be made at the indexed level.

Although your regular income payments will not increase during periods of low inflation (eg less than 2%), and will decrease during periods of deflation, this option will provide some protection in periods of high inflation.

Choosing this option will generally mean that you will receive higher initial regular income payments, when compared to an account with full indexation, and lower initial regular income payments than an account with no indexation. It is not possible to predict how your future payments might compare, as it is not possible to predict changes in the CPI.

No indexation

This option fixes the dollar amount of your regular income payments. By choosing this option, the regular income payments will not change from year to year.

Choosing this option will generally mean that you will receive higher initial regular income payments when compared to an account with full or partial indexation.

However, because the regular income payments will not be adjusted, it means that, in periods of inflation, the purchasing power of your regular income payments will reduce, and your future regular income payments could be lower than if you had chosen full or partial indexation.



1. The CPI is the weighted average of the Eight Capital Cities Index, as published by the Australian Statistician, to provide a general measure of price inflation for all Australian households. We reserve the right to adjust the index used if there is a change in law which results in a material change to the CPI or its use. The index used to calculate the CPI can be changed at any time. CPI is only a proxy for inflation and does not exactly match actual price or wage inflation in the economy. To determine the increase in the CPI to apply to your regular payments, we calculate the difference in the CPI between the second-last complete quarter before the day on which the indexation is to apply and either the CPI for the same quarter of the immediately preceding year or the CPI used for the previous increase, and express this as a percentage.

B Features and Benefits

Guaranteed Income

Guaranteed Fixed Term Income

Guaranteed Fixed Term Income accounts are designed for retirees who wish to receive a regular income for a chosen investment term.

You must be 60 years of age or over and you must have unrestricted non-preserved super benefits (see 'Unrestricted non-preserved super benefits' on page 14) of at least \$10,000.

Who should consider a Guaranteed Fixed Term Income account?

If any of the statements below apply to you, it may be worth considering a Guaranteed Fixed Term Income account:

- I would like a regular cash flow that is guaranteed¹ for a chosen investment term.
- I would like income that is protected against share market volatility and inflation.
- I would like to receive a convenient, tax effective income stream in retirement.

How much to invest

The balance of your Guaranteed Income account will be subject to the transfer balance cap. The transfer balance cap applies to the amount of super you can transfer into your retirement account/s without incurring additional tax. For the 2019/20 financial year the cap is \$1.6 million. It is subject to CPI indexation (in \$100,000 increments) thereafter.

For more information, see 'Transfer balance cap' on page 28.

Account options

There are a number of account options available, which are explained below, so you can tailor the income to meet your needs. The level of income from your account is confirmed when the account is opened and will depend on the options chosen. You must choose your options when you apply for the account as they cannot be changed once the account has been opened other than the cancellation of a reversionary beneficiary.

Investment term

You can choose to receive regular income payments over a term of between 1 and 40 years, inclusive (in whole years), subject to being able to meet minimum payment requirements for the year. If you choose an account with no residual capital value, the maximum term is the number of whole years until you reach age 100. You can withdraw fully before the end of the investment term however you cannot make a partial withdrawal.

Payment frequency

You can choose to have your regular income payments paid monthly, quarterly, half-yearly or yearly. An account with a term of one year must have income payments made monthly, quarterly or half-yearly.

Your regular income payments are made to your nominated bank account at the end of each payment period. If you do not make a selection, the default payment frequency is monthly. Monthly payments will commence one month after the date the account was opened, and will occur monthly from then on.

Capital repayment

The money you use to open the account can be repaid to you:

- throughout the investment term as part of your regular income payments;
- at the end of the investment term; or
- a combination of both.

When you apply to invest, you choose between 0% and 100% of your initial investment that you wish to receive at the end of the term. This is known as the residual capital value (RCV).

If you choose RCV100, all of your initial investment will be repaid at the end of the term. If you choose RCV0, all your initial investment will be repaid to you during the investment term (and none at the end). Because of this, an RCV0 account will give you higher regular income payments but no capital at the end of the term, while an RCV100 account will give you lower regular income payments but all your capital returned at the end.

You can choose a combination of both capital repayment methods and your regular income payments will adjust accordingly. For example, if you invest \$10,000 and choose to receive 90% of your capital back at the end of the term (RCV90), you will receive a capital repayment at the end of the term of \$9,000. Throughout the term you will have received the other \$1,000 of your initial capital as part of your regular income payments (the precise amount of capital per payment will depend on the investment term and the payment frequency).

In a low interest rate environment it may not be possible to choose an RCV of 100% as you may be required to choose a lower percentage in order for your account to meet the Government's minimum payment standards. For more information on the Government's minimum payment standards, refer to page 13.

1. Please refer to the 'What are the risks' section on page 7 for further details about the guarantee.

Indexation

If you choose to have all of your capital repaid throughout the investment term (RCVO), and the term is at least two years, you can choose to have your regular income payments indexed annually.

The increase can either be in line with increases in the CPI¹ or by a fixed percentage between 1% and 5%.

The increase will be applied to the first payment after each anniversary of the start of the account and applies to the dollar amount of the regular income payments as at the anniversary date.

If you choose to index in line with CPI and the change in the CPI is negative, then your regular income payments will not reduce, however the next time there is an increase in the CPI, the income payment will only increase to the extent that the CPI increase exceeds the previous decreases in the CPI which did not reduce the income payments.

If you choose fixed indexation, your regular income payments will be increased by your chosen percentage, each year.

If you do not choose indexation, your regular income payments will not be adjusted, which means that in periods of inflation, the purchasing power of your regular income payments will reduce, and your future regular income payments could be lower than if you had chosen indexation.

By choosing indexation, your initial regular income payments will be lower than if you start an account without indexation; however, the income payments should increase over time.

Indexation example

If you are receiving monthly income payments of \$1,000 and you have chosen 3% indexation, then on the first payment after the first anniversary of the start of the account your monthly income payments would increase to \$1,030 (an increase of 3%), effective from the 13th monthly income payment. We will then make monthly income payments of \$1,030 throughout the second year of your account. On the 2nd anniversary your monthly income payments would increase to \$1,060.90 (a further 3% increase) throughout the third year of your account.

This process occurs annually over the term of the account and the indexation is applied to the dollar amount of the regular income payments as at the anniversary date.

Nominating a beneficiary

You can nominate a beneficiary or beneficiaries to receive the remaining benefits of your account if you die during the investment term. You can:

- nominate a reversionary (must be your spouse and can only be elected at the time you apply for the account), or
- make a binding death benefit nomination, or
- make a non-binding death benefit nomination.

For more information, refer to 'What happens to your money on your death?' on pages 24 and 25.

1. The CPI is the weighted average of the Eight Capital Cities Index, as published by the Australian Statistician, to provide a general measure of price inflation for all Australian households. We reserve the right to adjust the index used if there is a change in law which results in a material change to the CPI or its use. The index used to calculate the CPI can be changed at any time. CPI is only a proxy for inflation and does not exactly match actual price or wage inflation in the economy. To determine the increase in the CPI to apply to your regular payments, we calculate the difference in the CPI between the second-last complete quarter before the day on which the indexation is to apply and either the CPI for the same quarter of the immediately preceding year or the CPI used for the previous increase, and express this as a percentage.



B Features and Benefits

Guaranteed Income

Which Guaranteed Income account is right for me?

Key features and benefits of the Guaranteed Income accounts are outlined below.

	Guaranteed Income for Life	Guaranteed Fixed Term Income
Can I open a Guaranteed Income account with preserved super benefits?	✗	✗
Can I fully withdraw from my account?	✓ ¹	✓ ²
Can I partially withdraw from my account at any time?	✗	✗
Are my income payments tax-free?	✓ ³	✓ ³
Are lump sum withdrawals tax-free?	✓ ³	✓ ³
Is my income guaranteed for life?	✓ ⁴	✗
Will my income payments run for a fixed term?	✗	✓
Can I choose to have my regular income payments indexed by CPI? ⁵	✓	✓
Can I choose to have my regular income payments partially indexed by CPI?	✓	✗
Is my Guaranteed Income account assessed under the Assets Test for Centrelink?	✓ ⁶	✓ ⁶
Is my Guaranteed Income account assessed under the Income Test for Centrelink?	✓ ⁷	✓ ⁸
Can I elect a reversionary to continue receiving the income payments in the event of my death?	✓ ⁹	✓ ⁹
Can I make a binding or non-binding death benefit nomination? ¹⁰	✓	✓
Is a death benefit payable if I die?	✓ ¹¹	✓ ¹²

1. Only during the nominated withdrawal period.

2. Up until the end of the investment term.

3. Based on current tax laws.

4. As long as you do not withdraw from your account earlier.

5. In some circumstances, in order to be able to meet the minimum payment requirement, you may not be able to select an indexation option.

6. Refer to 'Centrelink entitlements' on page 29 for more information on how your account is treated for Centrelink purposes.

7. Refer to page 29 for more information on how your regular income payments are treated for Centrelink purposes.

8. The assessable income is reduced by any deduction amount only if the selected term is greater than 5 years. Otherwise, deeming rules apply (refer to page 29 for more information on how your regular income payments are treated for Centrelink purposes).

9. You can only nominate your spouse.

10. This is available where you do not make a reversionary nomination or your reversionary has died.

11. For Guaranteed Income for Life, the death benefit amount is only payable during the selected withdrawal period. Refer to page 26 for more information.

12. For Guaranteed Fixed Term Income, the death benefit amount is payable only during the investment term of the account. Refer to page 26 for more information.

Opening a Guaranteed Income account

Meeting a VicSuper financial planner

At VicSuper, we're committed to helping our members receive the best possible solutions to meet their retirement goals.

This commitment is dependent upon providing the right advice to create a retirement income that is optimised for each member.

As the joining process is quite comprehensive and the decisions you make may last the rest of your life, you will need to meet with one of our financial planners before opening a Guaranteed Income account.

During this no-obligation meeting, we can:

- tailor a retirement income solution to meet your needs, guide you through the joining process and help you complete the application
- advise you on how to organise your super benefits before you open a Guaranteed Income account, and
- provide you a Statement of Advice before you open a Guaranteed Income account.

In most instances, the advice you receive from VicSuper will be at no additional cost.

However, a fee may be payable for certain types of advice.

If you would like to speak to a VicSuper financial planner, you can make an appointment by visiting vicsuper.com.au/advice or by calling **(03) 9667 9200**.

Cooling off

When you open a Guaranteed Income account you have a 14-day cooling-off period. This period commences when a welcome letter is sent to you or (if earlier) on the fifth day after the account is opened. During this time you can close your account and have your initial capital investment repaid. You cannot exercise your cooling-off right after you have exercised a right or power under the product, such as after you have received an income payment.

Opening an account

You must be aged 60 or over and use 'unrestricted non-preserved' money held in another VicSuper account.

If you hold a term deposit in another VicSuper account you must wait until the term finishes (or terminate the term deposit early – subject to VicSuper approval and any early termination interest adjustment) to use those funds to open your Guaranteed Income account.

Your account will generally be opened within three to six business days of receipt of a completed application and relevant monies.

Please note, you are not able to use Employment Termination Payments (formerly known as Eligible Termination Payments) to open your account.

Contributing to your super

You cannot make additional contributions into your Guaranteed Income account once your account has been opened but you can open a new account on separate terms. You may therefore like to consider combining all your super before opening an account. You can do this through VicSuper FutureSaver. VicSuper FutureSaver is an accumulation product issued by VicSuper.

A PDS for VicSuper FutureSaver can be obtained by calling our Member Centre on **1300 366 216**. You should consider the PDS in deciding whether to obtain or continue to hold a VicSuper FutureSaver account.

Choosing your options

Guaranteed Income accounts offer a number of account options that you must choose at commencement.

Your account cannot commence until you have chosen your options.

You can select these options when you get a quote from your financial planner.

Once the account has commenced, you cannot change your account options. Please refer to pages 8 to 12 for more information on your options.

Minimum payment amounts

Government legislation requires that the regular income payments from your Guaranteed Income account may need to meet the Government's minimum payment requirements (percentage of the initial investment), set out in the following table.

Age	Minimum annual regular income payment (% of the initial investment)
Under 65	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%
95 and over	14%

If you invest in a Guaranteed Fixed Term Income account with no residual capital value, the minimum payment requirements must be met in the first year of payments only. In relation to a Guaranteed Income for Life account, these minimum payment requirements do not apply.

If you invest in a Guaranteed Fixed Term Income account with a residual capital value, the minimum payment requirements must be met in each year of payment. In some circumstances you may be required to reduce the chosen investment term and/or residual capital value to meet the requirement.

The regular payments shown on the quote provided by your financial planner will meet these minimum payment requirements.

If you request a full withdrawal, government legislation may require a minimum regular income payment to be paid to you. The minimum payment is based on the scheduled payment apportioned for the number of days the income was payable. The withdrawal value will take into account any payments made under the minimum payment requirement.

B Features and Benefits

Guaranteed Income

Payment frequency

You can choose how often you'd like to receive income payments from the following options:

- monthly
- quarterly
- half yearly
- yearly.

A Guaranteed Fixed Term Income with a term of one year must have income payments made monthly, quarterly or half-yearly.

Your regular income payments are made to your nominated bank account at the end of each payment period. If you do not make a selection, the default payment frequency is monthly.

Your payment will be in your bank account between one and three business days after each payment has been made (depending on your financial institution's processing times).

Monthly payments will commence one month from the date the account was opened, and be made on a monthly basis from then on.

Choosing your beneficiary

There are three options for choosing your beneficiary in the event of death.

You can elect a reversionary or make a binding death benefit nomination or non-binding death benefit nomination.

If you would like to elect a reversionary, you must do so when you apply for your account.

If you do not elect a reversionary or make a binding death benefit nomination, your death benefit will be distributed according to Trustee discretion.

Please refer to 'What happens to your money on your death?' and 'How will your death benefits be paid?' sections on pages 24 to 26 for more information regarding death benefit options.

If you nominate a reversionary, the longer of your or your reversionary's life expectancy and age will be used to calculate your deduction amount for Centrelink purposes.

In some circumstances, in order to be able to meet the minimum payment requirement, you may not be able to elect a reversionary.

Nominate a representative

VicSuper allows you to nominate a representative (eg your spouse) to make enquiries or obtain information about your account. Your nominated representative will not be able to change your details. They can make enquiries about things such as your contact details, payment amounts and your account withdrawal value. You can nominate a representative in writing or upon application.

Unrestricted non-preserved super benefits

Your super will be classified as unrestricted non-preserved if one of the following applies:

- you have reached your preservation age and have permanently retired from the workforce eg you have a present intention to never become gainfully employed for 10 hours or more per week
- after reaching age 60 you cease an employment arrangement with an employer
- you have reached age 65
- you are permanently incapacitated (although to open a Guaranteed Income account you must be aged 60 or over).

Please note, to be able to open a Guaranteed Income account you must be one of the following:

- an Australian citizen, or
- a permanent resident of Australia.

SPEAK TO A FINANCIAL PLANNER



This information can be used as a general guide, but does not take into account your personal circumstances. You should consider your own circumstances before making decisions. Due to the complex nature of some of the information and decisions surrounding retirement incomes, the Guaranteed Income products are only available through one of our VicSuper financial planners. Call us on **(03) 9667 9200** to arrange an appointment.

Your application process

Due to the complexity of this offer, and that any decision you make now could last the rest of your life, you will need to see a VicSuper financial planner before you open a Guaranteed Income account.

If you are interested, follow the steps below to set up your Guaranteed Income account.

<input type="checkbox"/> Step 1 Read this publication	Read this PDS and arrange an appointment to discuss your account options with a financial planner. If you would like to speak to a VicSuper financial planner, you can make an appointment by visiting vicsuper.com.au/advice or by calling (03) 9667 9200 .
<input type="checkbox"/> Step 2 Speak to a financial planner	A VicSuper financial planner can discuss your account options with you. Your planner will review your situation and if appropriate, prepare a Statement of Advice recommending a Guaranteed Income account as part of a tailored retirement income solution for you.
<input type="checkbox"/> Step 3 Consider the recommendation given	Read your Statement of Advice and this PDS and ensure you understand the recommendations and reasons for them. If you have any questions, contact your financial planner to discuss.
<input type="checkbox"/> Step 4 Wish to proceed?	If you wish to proceed, you will need to meet with your planner again to complete the application process. This is the implementation meeting. To make an implementation meeting with your financial planner, you can visit vicsuper.com.au/advice or call us on (03) 9667 9200 .
<input type="checkbox"/> Step 5 What to bring to the meeting	To comply with the law, we are required to collect member proof of identity and to verify it. This means for your implementation meeting, you will need to bring suitable identification documents with you to accompany your application. For more information on the proof of identity documents you need to provide, visit vicsuper.com.au/idproof You will also need to provide details of where the money to open your account is coming from.
<input type="checkbox"/> Step 6 Complete the application process with your planner	In the implementation meeting, your financial planner will provide you with an up-to-date quote for your Guaranteed Income account. If you wish to proceed, they will prepare an application for you. When the application is completed, you must read and sign it and your financial planner will lodge the application.
<input type="checkbox"/> Step 7 Opening your account	We will open your account once we process and approve the application. An application will generally be processed within 3-6 business days of receipt of the application. The quotes provided are only valid for 14 days, unless you have a birthday within this 14 day period, in which case the quote will change on your birthday. If we receive your application less than six days before the expiry of the quote, we may not be able to process your application according to the rate in the quote.
<input type="checkbox"/> Step 8 Payments commence	Once your application is accepted, we will send you a welcome letter and your regular income payments will commence at the end of your first payment period. Monthly payments will commence one month from the date your account was opened and be made on a monthly basis from then on. See page 14 for more information.

NEED ASSISTANCE OR ADVICE?

If you have any questions about the joining process, call our Member Centre on **1300 366 216** or your financial planner to discuss.



Managing your Guaranteed Income account

Information you will receive about your account

Welcome pack

When you open your Guaranteed Income account, you will be sent an Account Schedule, which sets out your account details. We will also send you a Centrelink Schedule for social security purposes. You should read these documents carefully and contact your financial planner or our Member Centre on **1300 366 216** if you have any queries or concerns about this information.

While we take all care in producing your Account Schedule and other investment documentation, we reserve the right to correct the documentation if we make an administrative error.

Annual Benefit Statement

You will receive an Annual Benefit Statement with details of your account, including payments made over the period and other relevant information.

Continuity certificates

If you invest in a Guaranteed Income for Life account, prior to the end of the withdrawal period and every six months thereafter, we will send you (and any reversionary) a form to complete as evidence of survival.

Where you have chosen the benefit reduction option, you will be sent the form to complete every six months after the commencement of the account.

The form must be returned to us within 30 days of it being sent to you. If evidence of survival is not provided to us, we reserve the right to discontinue any regular income payments and/or close the account.

Making changes to your account

You cannot make any changes to your account options in a Guaranteed Income for Life or Guaranteed Fixed Term Income account once it has been opened, although you can change your binding or non-binding death benefit nomination.

You cannot make additional deposits to your account, but you can open a new account on separate terms. It is also not possible to switch between Guaranteed Income accounts.

You can make changes to the personal information that we hold about you and to the bank account into which your payments will be made.

If your situation changes

VicSuper offers quality advice to help you plan for the future. We recommend that you see your VicSuper financial planner every couple of years to ensure that your strategy remains appropriate for your circumstances and to discuss any changing requirements.

You should also consider seeing a VicSuper financial planner if you are planning to fully withdraw the account, or your situation has changed significantly.

To arrange an appointment, visit **vicsuper.com.au/advice** or call **(03) 9667 9200**.

Access to your money

Requesting voluntary withdrawals

Only full (not partial) withdrawals can be made within the relevant withdrawal period or investment term and the account will then be closed.

If you want to withdraw, contact your financial planner or our Member Centre on **1300 366 216** for your withdrawal value.

If requested, we will send you a letter with your withdrawal value as at the date of that request, along with a withdrawal form for you to complete and return to us. On this form you can instruct us to roll over the withdrawal value (reduced by any final minimum income payment that we must make under Superannuation legislation) to your VicSuper FutureSaver account, a new Guaranteed Income account, another super product, or to pay it to your nominated bank account.

If you are withdrawing from your Guaranteed Income for Life account, we must receive this withdrawal request documentation no later than five business days prior to the last day of the withdrawal period.

The withdrawal value on the day we make the payment may vary from the withdrawal value stated in the letter we send you.

Guaranteed Income for Life

Withdrawal value

The account has a withdrawal value for the duration of the withdrawal period.

The withdrawal value is payable as a lump sum if during this period you:

- choose to close your account early;
- die without a reversionary; or
- die and your reversionary also dies.

After the end of the withdrawal period the account does not have a withdrawal value.

Calculating the withdrawal value

Your withdrawal value will reduce over the withdrawal period. At the start of the account the withdrawal value is equal to your initial investment. It will then reduce over the withdrawal period generally in a linear manner until it reaches zero at the end of the withdrawal period. The calculation of the withdrawal value is dependent on movements in interest rates between the time you open the account and the time the withdrawal is processed. As the withdrawal value is impacted by changing rates, it is only possible to determine the withdrawal value at the time of withdrawal.

Any lump sum payable on death is also calculated using this method. After the withdrawal period ends there is no death benefit payable.

Below is an example, which is only for illustrative purposes.

Withdrawal example

You invest \$100,000 and you are a male aged 65. You choose partial indexation and a withdrawal period of 15 years. You receive yearly payments of \$5,980 during the first year.¹ If you want to withdraw on the seventh anniversary of your account, an estimate of your withdrawal value is set out in the following table.

Change in interest rates (between commencement and time of withdrawal)	Estimated withdrawal value
No change	\$53,333
Decreased by 1.5%	\$53,333
Increased by 1.5%	\$49,901

This is an estimate only and assumes that each year the change in the CPI is 2.5% (such that your regular income payments are increased each year by 0.5%). Actual outcomes will depend on factors such as inflation and prevailing rates. For more withdrawal value illustrations see pages 36 and 37.

Guaranteed Fixed Term Income

Withdrawal value and capital repayment

Guaranteed Fixed Term Income accounts are designed to be held for the term you choose; however, you can fully withdraw prior to the end of the investment term.

The withdrawal value is the value of future projected payments remaining for the entire investment term, considering indexation, and discounted to reflect that the payments will be made prior to the scheduled payment dates (the 'present value'). The discount rate will vary depending on the actual changes in the CPI and the actual movement in interest rates (relevant Government bond rates) between the time of your investment and the time of your withdrawal.

Withdrawal requests will generally be processed within five business days from the date VicSuper receives all the necessary paperwork.

Calculating the voluntary withdrawal value

To calculate the voluntary withdrawal value, we will work out the present value of all the payments (including any residual capital value) that you would have received from the date of calculation to the end of the investment term. The calculation is as follows:

1. We calculate the present value of your RCV to reflect the fact that the payment will be made earlier than the maturity date.
2. We calculate the present value of each of the future regular income payments you would have received during the remainder of the investment term (to reflect their early payment).
3. Then we add together the present value of your RCV and all future regular income payments (as calculated in steps 1 and 2).

The combined total in step 3 is your withdrawal value.

The withdrawal value may be less than what you invested, even after taking into account payments you have already received. The calculation method of the present value is impacted by changing rates, which means it is only possible to determine the withdrawal value at the time of withdrawal.

Please see pages 38 and 39 for voluntary withdrawal illustrations.

What happens at the end of a fixed term?

The last day of your Guaranteed Fixed Term Income account is called the maturity date. If you choose not to have any capital repaid at the end of the investment term, your account will end on the maturity date.

If you choose to have some or all of your capital repaid at the end of the term, we will notify you at least 30 days prior to the maturity date. At this time you will be required to choose one of the following:

- commence a new Guaranteed Income account
- roll over your residual capital value to an existing VicSuper or other super fund account, or
- have your capital repaid to you as a lump sum.

If you choose to commence a new Guaranteed Income account, you must make an appointment to speak with a VicSuper financial planner in order to confirm that the new account is appropriate for your needs/circumstances and to complete the application process.

1. These yearly payments are based on Guaranteed Income for Life rates applicable at 1 April 2019.

Fees and other costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000). You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.*

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

* This wording is required by law. VicSuper's fees and costs are not negotiable. Investment performance does not impact the amount of your income payments.

Fees and other costs

This document shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole. Other fees, such as activity fees and advice fees for personal advice, may also be charged, but these will depend on the nature of the activity or advice chosen by you. Entry fees and exit fees cannot be charged. Taxes are set out in another part of this document. You should read all the information about fees and other costs because it is important to understand their impact on your investment.

Guaranteed Income for Life

Type of fee	Amount	How and when paid
<i>Investment fee</i>	Nil ¹	Not applicable
<i>Administration fee</i>	0.15% pa of initial investment	Included in the calculation of the income payment (not deducted directly from an account of yours or from your income payments)
<i>Buy-sell spread</i>	Nil	Not applicable
<i>Switching fee</i>	Nil	Not applicable
<i>Advice fees</i> Relating to all members investing in the product	Nil	Not applicable
<i>Other fees and costs</i>	Refer to 'Additional explanation of fees and costs' for information about other fees and costs such as advice fees for personal advice.	
<i>Indirect cost ratio</i>	Nil ¹	Not applicable

1. Challenger Life and VicSuper do not impose additional fees or expense recoveries in relation to your account. In setting the amount of regular payments, Challenger Life takes into account various assumptions about longevity and investment returns as well as the cost of providing the product to VicSuper and its members. For more information about how Challenger Life derives income and the guarantee, see 'Who provides the guarantee?' on page 23.

Guaranteed Fixed Term Income

Type of fee	Amount	How and when paid
Investment fee	Nil ¹	Not applicable
Administration fee	<i>RCV100</i> 0.20% pa of initial investment <i>RCV 0-99</i> 0.20% pa of reducing initial investment ²	Included in the calculation of the income payment (not deducted directly from an account of yours or from your income payments)
Buy-sell spread	Nil	Not applicable
Switching fee	Nil	Not applicable
Advice fees Relating to all members investing in the product	Nil	Not applicable
Other fees and costs	Refer to 'Additional explanation of fees and costs' for information about other fees and costs such as advice fees for personal advice	
Indirect cost ratio	Nil ¹	Not applicable

1. Challenger Life and VicSuper do not impose additional fees or expense recoveries in relation to your account. In setting the amount of regular payments, Challenger Life takes into account various assumptions about longevity and investment returns as well as the cost of providing the product to VicSuper and its members. For more information about how Challenger Life derives income and the guarantee, see 'Who provides the guarantee?' on page 23.
2. The initial investment is reduced after each regular income payment by an amount calculated as: initial investment minus any residual capital value, divided by the total number of income payments in the investment term.



C Fees and other costs

Guaranteed Income

Additional explanation of fees and costs

Defined fees

Type of fee or cost	Definition	How it applies to your Guaranteed Income account
Activity fees	A fee is an activity fee if: (a) the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee: (i) that is engaged in at the request, or with the consent, of a member; or (ii) that relates to a member and is required by law; and (b) those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an advice fee or an insurance fee.	VicSuper does not charge activity fees.
Administration fees	An administration fee is a fee that relates to the administration or operation of the superannuation entity and includes costs that relate to that administration or operation, other than: (a) Borrowing costs; and (b) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee [OR the trustees] of the entity or in an interposed vehicle or derivative financial product; and (c) costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.	The administration fee applicable to your Guaranteed Income for Life account is: • 0.15% pa of your initial investment. The administration fee applicable to your Guaranteed Fixed Term Income product is: • 0.20% pa of your initial investment for RCV100 • 0.20% pa of the reducing initial investment ¹ for RCV 0-99. For further information see page 22.
Advice fees	A fee is an advice fee if: (a) the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by: (i) a trustee of the entity; or (ii) another person acting as an employee of, or under an arrangement with, the trustee of the entity; and (b) those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.	The cost of most superannuation advice provided to VicSuper members is covered by the administration fee structure above. For further information see page 22.
Buy-sell spreads	A buy-sell spread is a fee to recover transaction costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.	VicSuper does not charge buy-sell spreads
Indirect cost ratio	The indirect cost ratio (ICR) , for an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for the investment option, to the total average net assets of the superannuation entity attributed to the investment option. Note: A fee deducted from a member's account or paid out of the superannuation entity is not an indirect cost.	The indirect cost ratio applicable to your account is nil.

1. The initial investment is reduced after each regular income payment by an amount calculated as: initial investment minus any residual capital value, divided by the total number of income payments in the investment term.

Type of fee or cost	Definition	How it applies to your Guaranteed Income account
Investment fees	An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes: (a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and (b) costs that relate to the investment of assets of the entity, other than: (i) borrowing costs; and (ii) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee [OR the trustees] of the entity or in an interposed vehicle or derivative financial product; and (iii) costs that are otherwise charged as an administration fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.	The investment fee applicable to your account is nil.
Switching fees	A switching fee for a superannuation products other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.	VicSuper does not charge a switching fee.

Example of annual fees and costs for Guaranteed Income for Life

This table gives an example of how the fees and costs for the Guaranteed Income for Life account can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE – Guaranteed Income for Life		INVESTMENT OF \$50,000
Investment fees	Nil	For every \$50,000 you have in Guaranteed Income for Life you will be charged \$0 each year
PLUS Administration fees	0.15%	And , you will be charged \$75 in administration fees (included in the calculation of the income payment, not deducted directly from an account of yours or from your income payments)
PLUS Indirect costs for the product	Nil	And , indirect costs of \$0 each year will be deducted from your investment
EQUALS Cost of product		If your investment was \$50,000, then for each year you will be charged fees of \$75 .

Note: * Additional fees may apply. VicSuper does not apply buy/sell spreads.

Example of annual fees and costs for Guaranteed Fixed Term Income

This table gives an example of how the fees and costs for the Guaranteed Fixed Term Income account can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE – Guaranteed Fixed Term Income		INVESTMENT OF \$50,000
Investment fees	Nil	For every \$50,000 you have in Guaranteed Fixed Term Income you will be charged \$0 each year
PLUS Administration fees	0.20%	And , you will be charged \$100 in administration fees (included in the calculation of the income payment, not deducted directly from an account of yours or from your income payments)
PLUS Indirect costs for the product	Nil	And , indirect costs of \$0 each year will be deducted from your investment
EQUALS Cost of product		If your investment was \$50,000, then for each year you will be charged fees of \$100 . ¹

Note: * Additional fees may apply. VicSuper does not apply buy/sell spreads.

1. The fees for Guaranteed Fixed Term Income are based on your reducing initial investment in the case of RCV0 to RCV99 accounts.

C Fees and other costs

Guaranteed Income

Changes to fees

VicSuper may change or introduce new fees in its discretion without your consent. VicSuper would notify you at least 30 days before any change is introduced (other than an increase in a fee as a result of an increase in costs).

If there are changes to fees and costs that are not materially adverse, updated information will be available at **vicsuper.com.au/forms-and-disclosure** or by calling us on **1300 366 216**.

Advice fee for personal advice

VicSuper provides its members with quality super advice to help them plan for their future.

In most instances, the super advice you receive from VicSuper will be at no additional cost.

An advice fee of \$300 including GST, is payable for certain types of personal super advice. This can be paid via EFTPOS from a bank or credit union account, or paid by credit card.

The following types of personal super advice will attract a \$300 fee:

- personal advice to join VicSuper provided to non-members
- personal advice on non-VicSuper products (eg ESSSuper – Revised, New, SERB & Transport Schemes)
- personal advice regarding the consolidation of super accounts
- ongoing personal advice (any advice that occurs within 2 years of a previous advice).

Therefore, personal advice about opening a Guaranteed Income account for existing VicSuper members will be provided at no additional cost.

Personal super advice provided to non-members about joining VicSuper will attract a \$300 fee. This can be paid directly via EFTPOS from a bank or credit union account or paid by credit card.

Other super advice services not listed here will continue to be provided to VicSuper members at no additional charge. A VicSuper financial planner will work with you to determine your advice needs and clearly explain any fees that may be applicable before proceeding with the advice.

VicSuper members have access to personal financial advice on a broader range of matters and products. This optional service is provided under the AFSL, held by a third party and not VicSuper, and is available to members for a separate fee.

The fee will vary depending on the scope and nature of the advice. Your financial planner will work with you to determine your advice needs and clearly explain and agree upon the fees with you before proceeding with the advice. More information is available at **vicsuper.com.au/advice**

Indirect cost ratio (ICR)

The ICR represents the estimated investment-related costs for investing your super. It includes costs in relation to interposed vehicles.

Challenger Life and VicSuper do not impose additional fees or expense recoveries in relation to your account. In setting the amount of regular payments, Challenger Life takes into account various assumptions about longevity and investment returns as well as the cost of providing the product to VicSuper and its members. For more information about how Challenger Life derives income and the guarantee, see 'Who provides the guarantee?' on page 23.

No commissions

VicSuper financial planners are paid salaries by VicSuper. They are not offered commissions to provide advice or recommendations about VicSuper.

Taxes

For more information about tax, see the 'Taxes' section on pages 27 to 28.

Administration fee

VicSuper receives an administration fee of 0.15% per annum on Guaranteed Income for Life accounts. This fee is calculated on the initial investment amount and is factored into the calculation of the income payments.

VicSuper receives an administration fee of 0.20% per annum on Guaranteed Fixed Term Income accounts. This fee is calculated on the initial investment amount (where the 100% residual capital amount at maturity option is selected) or on a reducing nominal account balance (where the residual capital amount at maturity of less than 100% is selected). The administration fee is factored into the calculation of the income payments.

Transactional and operational costs and borrowing costs

Transactional and operational costs include certain costs in acquiring and disposing assets such as brokerage, buy-sell spreads, settlement costs, clearing costs and government duties.

Borrowing costs are the costs relating to any credit facility used in implementing an investment strategy.

Transactional and operational costs and borrowing costs (if any) are not borne by VicSuper members.

Property operational costs

Property operational costs are transactional and operational costs that relate to the management of real property held within an investment option.

Property operational costs (if any) are not borne by VicSuper members.

Who provides the guarantee?

Your guarantee

Your investment in a Guaranteed Income account is invested in a life policy issued by Challenger Life Company Limited (ABN 44 072 486 938) (AFSL 234670) (**Challenger Life**), a life insurance company within the Challenger group of companies.

Challenger Life allocates your investment to a fund with money from other Guaranteed Income account members and other investors who have also bought a life policy issued by Challenger Life. Challenger Life adds to this fund from its own money. This is known as a statutory fund and is regulated under the *Life Insurance Act*.

All payments are made from the statutory fund and Challenger Life is required to keep the fund above a minimum level needed to meet its guarantees to all investors, including VicSuper. If it falls below this level, Challenger Life can be required to top up the fund with its own money. The Australian Prudential Regulation Authority supervises this requirement and has extensive powers to intervene to ensure that Challenger Life can meet its guarantees even during volatile or adverse movements in the broader financial markets.

If the statutory fund receives additional investment return above the amount necessary to make all guaranteed payments, then Challenger Life can take some surplus income from it as its remuneration for providing benefits under the policy: however, it is only legally permitted to do so after it has made sure that there are sufficient funds to meet the current and future payments for all investors in the statutory fund, which includes VicSuper.

Challenger Life will invest the statutory fund, subject to investment restrictions in the *Life Insurance Act*. Generally, the fund will be invested in cash, shares, corporate bonds, convertible notes, debt instruments, geared and ungeared property investments, infrastructure investments and other assets. The investment objectives for the fund include achieving consistent returns on investments, so that the cash flow in from investments matches the cash flow out thereby ensuring that all present and future guaranteed payments can be made to all investors.

The name of Challenger Life's statutory fund that your money will go to when you invest in a Guaranteed Income account is Challenger Life's Statutory Fund No 2.

All references to guarantees refer to payments being guaranteed from the available assets of that statutory fund (which Challenger Life can be required to top up).

Challenger Life takes account of labour standards and environmental, social and ethical considerations in selecting, retaining and realising an investment through its adherence with Challenger Limited policies related to responsible investment.

Challenger Limited is a signatory to the Principles of Responsible Investment (PRI) and aims to be a responsible investor by considering environmental, social and governance (ESG) factors when investing the assets of the statutory fund. In signing up to PRI, Challenger Limited has committed to extending ESG integration activities across its investments, as it recognises that such factors are important factors impacting investment performance over the longer term.

While Challenger Life takes into account ESG considerations when investing the assets of the statutory fund, it does not adhere to any particular set of standards and has no predetermined view as to what constitutes such considerations, or the extent to which they will be taken into account in its investment management practices.

Further details of Challenger Limited's approach to responsible investment are set out in the Responsible Investment Policy available at challenger.com.au

VicSuper, as issuer of the Guaranteed Income accounts, does not provide any guarantee in respect of the accounts. In order to pay you your entitlements in respect of a Guaranteed Income account, VicSuper relies wholly on Challenger Life to fund your agreed income amounts, any withdrawal value you request and any residual capital value (for a Guaranteed Fixed Term Income). If, for any reason, Challenger Life is unable to pay these amounts to VicSuper, then VicSuper will be unable to pay you your regular income payments, withdrawal value or residual capital value. Under no circumstances will VicSuper pay your entitlements if Challenger Life is unable to fund these entitlements.

What happens to your money on your death?

A death benefit, if applicable, is paid once VicSuper has received all the necessary documentation.

Choosing what happens to your account

If you would like to choose what happens to your account on your death, you can:

- nominate your spouse as your reversionary (which can only be elected at the time you apply for a Guaranteed Income account); or
- make a binding death benefit nomination; or
- make a non-binding death benefit nomination.

If you have not nominated a reversionary or made a binding death benefit nomination any applicable death benefit will be paid in accordance with Trustee discretion.

Trustee discretion

When a member dies, VicSuper is responsible for the fair and reasonable distribution of the member's death benefit by allocating the benefit between the member's dependants and/or legal personal representative.

This is done after considering any non-binding death benefit nomination and seeking input from potential beneficiaries, a process which allows VicSuper to consider all relevant circumstances at the time of the member's death.

If the nomination of a reversionary or a binding death benefit nomination of a beneficiary is invalid for any reason, Trustee discretion will apply.

Who can I nominate as a beneficiary?

Under current super law and VicSuper Fund's Trust Deed, your death benefit may be paid to your dependants (including financial dependants) and/or your legal personal representative.

For super purposes, a dependant is defined as:

- a spouse, which includes another person (whether of the same sex or a different sex), who, although not legally married to the person, lives with the person on a genuine domestic basis in a relationship as a couple, or another person with whom the person is in a relationship that is registered under a law of a State or Territory
- a child of any age, which includes an adopted child, a step child, an ex-nuptial child or a surrogate child recognised by the court, or a child of the person's spouse
- any other person who is wholly or partially financially dependent on you at the time of your death
- any other person with whom you have an interdependency relationship with at the time of your death.

Two people have an interdependency relationship if:

1. they have a close personal relationship, and
2. they live together, and
3. one or each of them provides the other with financial support, and
4. one or each of them provides the other with domestic support and personal care.

Also, two people (whether or not related by family) have an interdependency relationship if they have a close personal relationship, but do not satisfy points 2, 3 and 4 listed above because either or both of them suffer from a physical, intellectual or psychiatric disability or because they are temporarily living apart.

It should be noted that adult children are dependants for super purposes, but are generally not dependants for tax purposes unless they are financially dependent.

Reversionary nomination

For both Guaranteed Income for Life and Guaranteed Fixed Term Income accounts, you can elect that, on your death, payments continue to be made to your spouse, who is called your 'reversionary'. Regular income payments will continue to be made to your reversionary provided they are your spouse at the time of your death. You can only nominate your spouse as your reversionary.

You must elect your reversionary at the time you apply for the account, and you cannot change that nominated person.

If you nominate a reversionary, you cannot also make a binding or non-binding death benefit nomination.

If the reversionary is not eligible to continue to receive the regular income payments (eg you divorce), your reversionary nomination will no longer be valid and any death benefit will be paid to your dependant(s) and/or your legal personal representative at VicSuper's discretion unless you make a binding death benefit nomination that is valid at the time of your death. Please refer to the 'How will your death benefits be paid' section on page 26 for more information.

Binding death benefit nominations

A binding death benefit nomination enables you to decide who will receive your death benefit as a lump sum (provided they are a dependant or a legal personal representative). Please refer to the definitions of a dependant described in 'Who can I nominate as a beneficiary?' section on page 24.

VicSuper is obliged to pay your death benefit in accordance with a valid binding death benefit nomination to your dependants and/or legal personal representative in the proportions you have determined.

Binding nominations are subject to specific legislative conditions and witnessing formalities, and will lapse if they are not updated every three years.

It is important to update your binding death benefit nomination if there is a significant change to your family circumstances to ensure your nomination continues to reflect your wishes. Significant changes may include the death of a dependant, the birth of a child or the end of a relationship.

We will not accept binding death nominations made under a Power of Attorney.

For a binding death benefit nomination to be valid at the time of your death, ensure:

- you have correctly completed the *Make, amend or cancel a death benefit nomination* form (V830)
- your nominated beneficiary or beneficiaries are dependants (refer to page 24 for the definition of a dependant) and/or your legal personal representative
- your nomination was signed and dated by you in the presence of two witnesses who are age 18 or over and are not nominated as beneficiaries
- your nomination includes a signed and dated declaration by the witnesses which confirms they were present when you signed the form
- the allocation of the death benefit among all beneficiaries is clear. When nominating multiple beneficiaries, only full percentages can be accepted
- your nomination is in effect – this means that you have completed the form correctly and no more than three years have passed since you signed or last confirmed your nomination.

If there is any information on your form that is unclear, VicSuper will contact you to confirm the details. An unclear nomination may not be valid.

If your binding death benefit nomination is not valid or ceases to be valid for any reason, your death benefit will be paid to your dependant(s) and/or your legal personal representative in accordance with Trustee discretion.

An invalid nomination may still be an important consideration for VicSuper when determining the payment of your death benefit, even though it is not binding.

Nominating your legal personal representative

You can nominate your legal personal representative on the *Make, amend or cancel a death benefit nomination* form (V830).

This means that your death benefit will be paid to your executor if you have a valid will at the date of your death or an administrator if you do not have a will.

How long is my binding death benefit nomination valid for?

Your binding death benefit nomination is valid for three years from the date it is signed by you and your witnesses.

It is your responsibility to keep your binding death benefit nomination valid.

You should also consider any change to your personal circumstances and check that your binding death benefit nomination continues to reflect your wishes.

If you require assistance, please call our Member Centre on **1300 366 216**.

Can I change or revoke my binding death benefit nomination?

You can complete a *Make, amend or cancel a death benefit nomination* form (V830) at any time to change or revoke your binding death benefit nomination, providing the form is correctly completed and all the requirements indicated on the form are met.

If you elect a binding death benefit nomination and you wish to change your nomination so it is paid according to Trustee discretion, the binding death nomination must be formally revoked or have lapsed.

If you revoke your binding death benefit nomination, your death benefit will be paid to your dependants or your legal personal representative in accordance with Trustee discretion.

Non-binding death benefit nominations

A non-binding death benefit nomination enables you to nominate a preferred beneficiary or beneficiaries for the payment of your death benefit and is subject to Trustee discretion.

Nominated beneficiaries must be your dependants and/or your legal personal representative.

This nomination does not bind VicSuper to pay your death benefits to your preferred beneficiary or beneficiaries, but it will be an important consideration when VicSuper determines how to apportion the benefit payable on your death.

To make a non-binding death benefit nomination, complete the *Make, amend or cancel a death benefit nomination* form (V830).

How will your death benefits be paid?

Guaranteed Income for Life

Reversionary election

If you die within the withdrawal period and you have elected a reversionary, regular income payments will continue to be made for their lifetime. If you have chosen the benefit reduction option, the regular income payments that the reversionary receives will be 33% lower than the payments received prior to your death. If you die and your reversionary receives the regular payments and they die within the withdrawal period, a withdrawal value applies and is payable in accordance with any valid binding death benefit nomination your reversionary makes or, if there is no valid binding death benefit nomination, in the proportion determined by VicSuper. If they die after the withdrawal period has ended, no further payments will be made after their date of death.

If you have elected a reversionary, the Australian Taxation Office (ATO) will add a credit (calculated as at just after your date of death) to your reversionary's transfer balance account, 12 months after your date of death.

If the value of the death benefit makes your reversionary's transfer balance account exceed the transfer balance cap, there will be 12 months from the date of your death for your reversionary to reduce their transfer balance account without penalty. See the 'Taxes' section for information in relation to the transfer balance cap.

What happens if no reversionary has been elected?

If you die within the withdrawal period and you have not elected an eligible reversionary, a lump sum is payable to your dependants or legal personal representative in the proportions you have determined in a valid binding death benefit nomination or, if there is no valid binding death benefit nomination, in the proportion determined by VicSuper. The lump sum is calculated by the method described on page 17.

If you die after the withdrawal period has ended and you have not elected a reversionary, no further payments will be made after the date of death and there is no death benefit payable.

Guaranteed Fixed Term Income

Reversionary election

If you die within the investment term and have elected a reversionary, regular income payments (and any residual capital value) will continue to be made to them.

If you have elected a reversionary, the ATO will add a credit (calculated as at just after your date of death) to your reversionary's transfer balance account, 12 months after your date of death.

If the value of the death benefit makes your reversionary's transfer balance account exceed the transfer balance cap, there will be 12 months from the date of your death for your reversionary to reduce their transfer balance account without penalty. See the 'Taxes' section for information in relation to the transfer balance account.

Alternatively, they can elect to withdraw the payments as a lump sum.

What happens if no reversionary has been elected?

If you have not elected an eligible reversionary, generally a lump sum is payable to your dependants or legal personal representative in the proportions you have determined in a valid binding death benefit nomination or, if there is no valid binding death benefit nomination, in the proportion determined by VicSuper. The lump sum is calculated by the method described on page 17. If you have chosen to have a residual capital value of zero, your death benefit will equal the voluntary withdrawal amount. If, however, you have chosen an RCV greater than zero, your death benefit may be greater than your voluntary withdrawal amount.

Where the death benefit is payable as a lump sum, there will be a period of time between death and payment of the lump sum. Where this occurs, any regular income payments that you would have received during that period (had you been alive) will be suspended, until the withdrawal value is paid. Those suspended payments will form part of the lump sum payment.

If there is one eligible beneficiary, then they may continue to receive the regular income payments (and any residual capital value) provided they are younger than you and they are a dependant for tax purposes. Please refer to page 27 for a definition of a tax-dependant. Please note that regular income payments can only be made to your child if they are:

- under the age of 18;
- between the age of 18 and 24 and financially dependent on you; or
- disabled within the meaning of s8(1) of the *Disability Services Act* 1986.

Where a death benefit is paid to an eligible dependant as a retirement phase income stream, the value of the death benefit will generally be credited to the dependant's transfer balance account.

If they do not meet these conditions, we will pay them the withdrawal value as a lump sum instead. If the regular income payments are being made to your child who then ceases to meet the relevant criteria, the remaining benefits under the account must be withdrawn as a lump sum at that time.

Payment information

The following information applies to both Guaranteed Income for Life and Guaranteed Fixed Term Income.

No part-payments

Part-payment, in respect of the period that has elapsed between the last regular income payment that was guaranteed to be made and the date of death, will not be made. We will include in the calculation of the lump sum death benefit or seek to recover any payments made after the date of death that had not been guaranteed to be made under the terms of the account. It is therefore important that we are notified promptly of a death.

Payment of death benefit

We will only pay the death benefit to the nominated bank account of the beneficiary or estate, or by cheque payable to an eligible beneficiary or estate. We will not make payments to any other third party.

Taxation of death benefits

For information relating to the taxation of death benefits, refer to pages 27 and 28.

Taxes

A Guaranteed Income account is a tax effective retirement income stream.

All the taxes explained in this section are set by the Commonwealth Government and administered by the Australian Taxation Office (ATO). They only relate to super benefits paid from a taxed source, such as VicSuper Fund.

You do not pay any tax on income payments or lump sum withdrawals paid to you. There is also no tax payable on investment earnings. In the event of any changes to taxation law or other applicable regulations, VicSuper may be required to adjust payment amounts to comply with the new regulations.

Providing your tax file number

The collection of tax file numbers (TFNs) by VicSuper is authorised under the *Superannuation Industry (Supervision) Act 1993*, the *Privacy Act 1988* and tax laws.

Your TFN will only be used for lawful purposes.

By providing your TFN to VicSuper, you are authorising us to use your TFN for the purposes specified in the *Superannuation Industry (Supervision) Act 1993* and in the tax laws for making super payments.

Authorised purposes for which VicSuper may use your TFN include:

- taxing super at concessional rates (if applicable)
- finding and consolidating your super entitlements (subject to obtaining consent and complying with other regulatory requirements)
- conducting a search for other super accounts held in your name, using the ATO online facility. If other accounts are found, contacting those funds seeking information to facilitate consolidation
- providing your TFN to the ATO when you receive a benefit, or if you have unclaimed super money
- providing your TFN to the ATO to determine if any Commonwealth super contributions tax is payable
- providing your TFN to the ATO to help determine your eligibility for the Government co-contribution

- providing your TFN to the ATO to validate your details when you roll out your benefit
- providing your TFN to the trustee of a complying super fund, the trustee of an exempt public sector super scheme or to a Retirement Savings Account provider receiving any funds you may roll over from VicSuper Fund, unless you tell VicSuper in writing you do not want your TFN passed on to your new fund.

There is no requirement for you to provide your TFN and failing to do so is not an offence. However, if you do not provide VicSuper with your TFN, more tax may have to be deducted on your super benefits or withdrawal amount than would otherwise have been necessary.

The lawful purposes and the consequences of not quoting your TFN may change in the future as a result of legislative change.

If you provide your TFN, it will be kept confidential by VicSuper and the Commissioner of Taxation.

Taxation of death benefits

Please note that the tax arrangements outlined here relate to death benefits paid from a taxed fund only, such as VicSuper Fund.

The tax treatment of a death benefit will differ depending on whether it is being paid to dependants or non-dependants for tax purposes, and whether it is being paid as a lump sum or as an income stream.

Lump sum death benefits paid to a dependant

Lump sum death benefits paid to a dependant for tax purposes will be paid tax-free.

A dependant for this purpose is defined in the 'Who can I nominate as a beneficiary?' section on page 24.

Lump sum death benefits paid to a non-dependant

If your account is paid as a lump sum death benefit to a non-dependant for tax purposes, the lump sum will consist of two components as listed below.

1. A tax-free component

This consists of any post 1 July 2007 non-concessional contributions (this is called the 'contributions segment'). It also includes the following components that were fixed as at 30 June 2007:

- undeducted contributions before 1 July 2007
- pre-July 1983 component
- capital gains tax exempt component
- concessional and post-June 1994 invalidity components.

2. A taxable component

This is simply the total benefit less the tax-free component. Lump sum death benefits paid to non-dependants for tax purposes such as adult children who are not financially dependent will be subject to 15% tax plus applicable levies on the taxed element of the taxable component of the benefit.

A lump sum paid as a result of a member's death will always be treated as a lump sum death benefit.

Lump sum death benefits paid to the estate

Lump sum death benefits may be taxable in the hands of the estate.

If the estate pays benefits to a tax dependant, they are tax free. If the estate pays benefits to a non-dependant for tax purposes such as adult children who are not financially dependent, the taxable component will be subject to 15% tax.

Death benefits paid as an income

If regular income payments are being made to a tax dependant or reversionary, then no tax will apply if the deceased is age 60 or over at the date of death or the tax dependant or reversionary is age 60 or over when the benefit is received.

For tax related information, contact the Australian Taxation Office Superannuation Helpline on **13 10 20**.

This tax information is based on tax laws that were current at 1 July 2019.

Transfer balance cap

About the cap

A transfer balance cap applies to the amount of super you can transfer into your retirement account/s without incurring additional tax. The transfer balance cap for the 2019/20 financial year is \$1.6 million and is subject to CPI indexation (in \$100,000 increments) thereafter.

Excess balances must be transferred back to an accumulation account or commuted to a lump sum, as tax consequences will apply for the period you exceeded the transfer balance cap.

For a Guaranteed Income account, the initial investment value of your account will be reported to the ATO, who will credit the value to your transfer balance account.

Death benefits

Where a death benefit is paid to an eligible dependant as a retirement phase income stream, it will generally be credited to the dependant's transfer balance account. Special rules apply when the recipient is a dependent child.

If you die and have elected a reversionary, a credit will be added to the reversionary's transfer balance account 12 months after reversion.

If the value of the death benefit makes the reversionary's transfer balance account exceed the transfer balance cap, they will have 12 months to reduce their transfer balance account without penalty.

NEED A LITTLE HELP?



We understand the rules for beneficiaries and taxes are complex and that your decisions can affect your Centrelink benefits.

If you would like assistance, contact our Member Centre on **1300 366 216** or to arrange an appointment visit vicsuper.com.au/advice

Centrelink entitlements

Centrelink benefits are impacted by two means tests – an assets test and an income test. This section outlines how your Guaranteed Income account is assessed under these tests. The information provided is general only, and we recommend you seek advice regarding your individual circumstances. Your local Centrelink office can help answer any question you may have. Your financial planner can also help.

Guaranteed Income for Life

Your Guaranteed Income for Life account is assessed as follows:

Assets Test	Income Test
60% of the purchase price until the life expectancy ¹ for a 65-year-old male (currently 84 years old) or a minimum of five years. 30% of the purchase price thereafter.	60% of the regular payments received.

Where you are over Age Pension age, the social security treatment of your retirement income under the assets test and income test will be outlined in your quote.

For those born between 1 July 1952 and 31 December 1953, the Age Pension age is 65.5.

Guaranteed Fixed Term Income

Where Centrelink considers your income to be a long term income stream, your Guaranteed Income account will receive a deduction amount which is considered for social security purposes to represent the return of capital and reduces the assessable asset value and assessable income.

You can use the following formula to calculate your annual deduction amount:

$$\text{Deduction amount} = \frac{\text{(Initial investment - RCV)} / \text{term of the income}}{\text{term of the income}}$$

A short term Guaranteed Fixed Term Income account (term of five years or less and not considered to be a long term income) is assessed as follows:

Assets Test	Income Test
The value of your account is deemed to be the initial investment less 50% of the deduction amount for every six months that have elapsed since your account was opened (or 100% of the deduction amount for every 12 months that have elapsed since your account was opened, where yearly payments are made).	The amount of income assessed is based on deeming rules. Under these rules, an assumption is made that financial investments earn a certain amount of income, regardless of the income they actually earn.

A long term income (term that is greater than five years or equal to or greater than the member's life expectancy) is assessed as follows:

Assets Test	Income Test
The value of your account is deemed to be the initial investment less 50% of the deduction amount for every six months that have elapsed since your account was opened (or 100% of the deduction amount for every 12 months that have elapsed since your account was opened, where yearly payments are made).	The amount of income assessed is the regular income payments received, less the deduction amount. Where the deduction amount is greater than your regular payment, the amount assessed is zero.

Where you are over Age Pension age and the term of your account is greater than five years the social security treatment of your retirement income under the assets test and income test will be outlined in your quote.

For details of the current deeming rates, visit humanservices.gov.au

1. For the purposes of calculating the maximum withdrawal period for Guaranteed Income for Life accounts, a person's 'life expectancy' is the life expectancy number in the Australian Life Tables 2010-12 for that person's current age and gender. Note however that due to recent and expected improvements in medical science, a person's actual life expectancy is now higher than the number in the Australian Life Tables 2010-12 and that higher number may be used in illustrations and calculators in other VicSuper documents and tools, where appropriate.

Privacy

This section outlines how personal member information is collected, used and disclosed by VicSuper. In certain situations VicSuper may be required to collect personal information from people who are not VicSuper Fund members.

This information is collected, handled and disclosed in the same careful and diligent manner in which personal information from VicSuper members is collected, handled and disclosed.

This section includes two parts – a Collection Statement and a Privacy Policy. The Collection Statement explains why VicSuper collects personal information and outlines possible consequences if this information is not provided to VicSuper.

It also lists organisations to which VicSuper may disclose personal member information.

The Privacy Policy explains how VicSuper is obligated to handle personal information and how further information about privacy can be obtained.

If you would like to access your personal information held by VicSuper, you can contact us on **1300 366 216**.

Collection Statement

VicSuper advises the following in regard to the collection of personal information:

- VicSuper Pty Ltd (VicSuper) ABN 69 087 619 412 is the Trustee of the VicSuper Fund (R1000580). You can contact VicSuper on **1300 366 216**.
- You can gain access to your personal information held by VicSuper by contacting us on the above number.
- VicSuper collects personal information about you primarily to:
 - establish you as a member
 - assist your employer to meet its super obligations (where relevant)
 - invest and administer your super entitlements
 - provide information and advice to you about super, retirement planning or VicSuper Fund features
 - pay and/or transfer your super benefits
 - enable VicSuper to undertake research on members' views.
- In respect of the purposes listed, the types of organisations to which VicSuper may disclose personal information include:
 - VicSuper Fund's administration software provider
 - Regulators and other Commonwealth Government agencies
 - professional advisers
 - other super funds, RSAs and rollover entities to facilitate the transfer of benefits on your behalf
 - other product providers who administer products on VicSuper's behalf
 - any individual or organisation as required by the *Family Law Act 1975*
 - your beneficiaries or their representatives in relation to death benefits
 - a person nominated by you in writing
 - printers and mail houses
 - service providers including, but not limited to, internationally-based providers of internet, data storage and data access services and systems which may be located in countries including US, UK, Canada and New Zealand
 - research organisations
 - employers (where applicable)
 - medical practitioners and medico-legal consultants (if applicable).
 - VicSuper Fund's insurer and underwriter (if applicable).
- VicSuper is required to collect information to meet its obligations under relevant law, including the following Commonwealth legislation as amended from time to time and including any regulations made there under:
 - *Superannuation Industry (Supervision) Act 1993*
 - *Income Tax Assessment Acts 1936 and 1997*
 - *Superannuation (Unclaimed Money & Lost Members) Act 1999*
 - *Superannuation Contributions Tax (Assessment and Collection) Act 1997*
 - *Superannuation Guarantee (Administration) Act 1992*
 - *Corporations Act 2001*
 - *Family Law Act 1975*
 - *Superannuation (Government Co-contribution for Low Income Earners) Act 2003*
 - *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

- The main consequences of you not providing all or part of your personal information to VicSuper are:
 - VicSuper may be unable to pay your super benefit to you or may be delayed in paying or processing your super benefit
 - VicSuper may not be able to correctly calculate your super benefit
 - processing of your death or personal incapacity claim may be delayed
 - you may have to pay more tax than may otherwise apply
 - VicSuper may not be able to contact you
 - VicSuper may not be able to provide appropriate information and advice to you about super, retirement planning or VicSuper Fund features.

Privacy Policy

VicSuper, as trustee of the VicSuper Fund (the Fund) has an obligation to comply with all relevant State and Commonwealth legislation with regard to the management and administration of the Fund.

This includes the *Privacy Act 1988* (the Act), which:

1. protects the privacy of personal information held by organisations in the private sector and
2. regulates the appropriate collection, holding, use, correction, disclosure and transfer of personal information by private sector organisations.

The provisions of the Act apply to the Trustee of the Fund because it holds personal information about each member or prospective member of the Fund. VicSuper will be bound by, and will check that it complies with, the Privacy Principles prescribed in the Act.

The information held by VicSuper may include your personal particulars, tax file number, contact details, nominated beneficiaries, preferred rollover institutions, membership and contribution history, salary details, level of death and disability cover (if applicable) and surcharge debts.

This information is collected directly from the member or prospective member or the member's employer, including any associated company of the employer which participates in the Fund, pursuant to the employee records exemption.

Personal information about members or prospective members is held and used for the purposes of establishing membership. This includes:

- arranging any insurance cover (if applicable)
- assisting employers in meeting their super obligations
- investment and administration of the members' super entitlements
- the provision of information and advice about super, retirement planning or VicSuper Fund features to members and prospective members
- paying and transferring super benefits including any insured component (if applicable), and
- enabling VicSuper to undertake research on members' views.

Sensitive information about members or prospective members, such as medical and health information, is held and used for the purposes of assessing eligibility for insurance cover (if applicable), the provision of information and advice about super, retirement planning or VicSuper Fund features, and where a death or disability claim has been lodged with VicSuper. Sensitive information is not collected, used or disclosed without your express consent.

A collection notice with details about how sensitive information may be collected, used or disclosed will be provided when consent is requested.

A member's or prospective member's personal information may be disclosed by VicSuper to third parties such as the member's employer, an individual or organisation as required by the *Family Law Act 1975*, other super funds, other product providers who administer products on VicSuper's behalf, RSAs and rollover entities, their beneficiaries or their representatives, a person nominated by them in writing, auditors, VicSuper's insurer, reinsurers, actuaries, medical consultants, professional advisers, printers, mail houses, administration software providers (and website hosts), service providers (including, but not limited to, internationally-based providers of internet, data storage and data access services and systems which may be located in countries including US, UK, Canada and New Zealand), and research organisations, or as expressly authorised by law.

It may also be disclosed to government agencies such as the Australian Prudential Regulation Authority, Australian Securities & Investments Commission, ATO, Australian Financial Complaints Authority, AUSTRAC and Centrelink.

Otherwise, information is kept confidential and stored on the Fund's database and only disclosed to the member or prospective member.

A member or prospective member has certain rights including the right to access and correct personal information, and to complain about any breaches of the Act.

If any personal information that VicSuper holds about you is subject to unauthorised access or disclosure or is lost, VicSuper will notify you about the breach if you are likely to suffer serious harm as a result of the unauthorised access. VicSuper will also notify the Officer of the Australian Information Commissioner (OAIC).

VicSuper's Privacy Policy sets out how VicSuper intends to comply with the provisions of the Act and gives further details of the collection, holding, use and disclosure of your personal information.

The policy also explains the processes to be followed for a member or prospective member to access their own personal information, to make a complaint about possible breaches of policy, and the options available to them if they are dissatisfied with VicSuper's internal review.

The Privacy Policy and Collection Statement may change from time to time. The latest version will be available on our website.

If members or prospective members wish to make a complaint about any breaches of the Act, they can contact the Fund's Complaints Coordinator.

The contact details are:

Tel: **1300 366 216**

Fax: **(03) 9667 9610**

Address:

Complaints Coordinator
VicSuper Fund
GPO Box 89
MELBOURNE VIC 3001

If a member or prospective member feels that VicSuper, through the internal complaints procedure, has not adequately dealt with their privacy complaint, they may seek to contact OAIC.

The contact details are:

Tel: **1300 363 992**

Fax: **(02) 9284 9666**

Address:

Office of the Australian
Information Commissioner
GPO Box 5218
SYDNEY NSW 2001
Email: enquiries@oaic.gov.au

If members or prospective members wish to make a request for access to personal information or for further information concerning privacy, they should contact the Fund's Privacy Officer.

The contact details are:

Tel: **1300 366 216**

Fax: **(03) 9667 9610**

Address:

Privacy Officer
VicSuper Fund
GPO Box 89
MELBOURNE VIC 3001

Generally, there is no charge for the provision of personal information. A member or prospective member's request will be acknowledged within 14 days and responded to within 28 days.

If members or prospective members request access to sensitive information, there may be a delay in providing this information (eg until VicSuper has made a decision regarding a disability claim).

For more information, contact VicSuper's Member Centre on **1300 366 216** between 8.30am and 5pm, Monday to Friday.

Complaints resolution and other information

Complaints resolution

VicSuper always aims to provide you with helpful and professional service by addressing your concerns as compassionately and quickly as possible.

VicSuper has a procedure for dealing with member enquiries or complaints about the operation or management of VicSuper Fund.

If you feel that you have been treated unfairly or disadvantaged by a decision made by VicSuper, you can phone to register your complaint with us and we will review the matter.

The contact details are:

Tel: **1300 366 216**

Fax: **(03) 9667 9610**

Address:

Complaints Coordinator
VicSuper Fund
GPO Box 89
MELBOURNE VIC 3001

Our Complaints Coordinator will ensure your complaint is dealt with by the most appropriate person quickly and impartially and, if necessary, seek the review of VicSuper on your behalf.

If you are not satisfied by a decision made by VicSuper, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: **www.afca.org.au**

Email: **info@afca.org.au**

Telephone: **1800 931 678** (free call)

Address: GPO Box 3

MELBOURNE VIC 3001

AFCA will only consider a member's complaint if they have first lodged a complaint with VicSuper that was not resolved to their satisfaction.

Please also note that AFCA cannot consider privacy complaints. Refer to the Privacy section on page 30.

Information about VicSuper – your Trustee

For information about VicSuper including its board of directors, their appointment and election procedures and Australian Prudential Regulation Authority (APRA) and Australian Financial Services licences, visit **vicsuper.com.au**

Customer identification

In accordance with Anti-Money Laundering and Counter Terrorism Financing legislation, we need verification of your identity before your account can be opened.

You will be required to identify yourself in one of two ways:

Online verification

During the online application process with your financial planner, there is the option of using an integrated online identification validation service. You will need to provide some personal details including name, address and date of birth. You will also be required to provide additional verification information from a photographic identification eg passport or driver's license.

Certified documents

The second option for verification is to provide certified copies of your identification documents. Details regarding who and how documents must be certified will be included with the application form.

Glossary

Where possible, explanation of technical terms are included within the text of this Product Disclosure Statement. A further glossary for technical terms is available on **vicsuper.com.au/glossary**

Super and Bankruptcy

Under the *Bankruptcy Act*, super contributions made on or after 5 August 2006 in order to defeat creditors can be recovered by the trustee of a bankrupt's estate. In certain circumstances a super trustee can be served with freezing orders and payment orders from the Official Receiver in respect of a bankrupt's super account. There are also circumstances in which a court can order payment of money from the account to the trustee of the bankrupt's estate.

VicSuper is required by law to comply with such orders. Income payments are considered to be income for the purposes of the Bankruptcy Act and will be taken into account in determining whether a bankrupt has income above the threshold amount beyond which payments must be made to the trustee in bankruptcy.

Family law legislation

Under the *Family Law Amendment (Superannuation) Act 2001*, in the event of a divorce the Family Court treats super benefits in the same way as other property that can be valued and split or offset, and makes orders that bind a super fund trustee.

These options are also available to de facto couples, including same sex couples, on the breakdown of the relationship.

Alternatively, divorcing partners may draw up their own financial agreement regarding their super which, when properly executed and served, will be binding on the trustee.

A trustee, such as VicSuper, may be required to:

- divide super benefits between the former partners
- create a new account for a spouse who was not previously a member of the Fund to hold their share of super benefits as a result of divorce
- flag benefits to be divided later on (eg after a disability claim is resolved).

Although super may be divided like property, super benefits that are split or offset on divorce will retain their preservation status and will be subject to relevant legislation governing payment and taxation of super benefits.

In addition, under the legislation trustees are obliged to provide each spouse with the information necessary to value super benefits so court orders or agreements can be made.

The amount counted towards your transfer balance cap (\$1.6m for the 2019/20 financial year) is affected by family law super splits on Guaranteed Income accounts.

Compliance

Any legislative provision or regulatory requirement which is either required to be included in this PDS, or must be complied with by VicSuper, in order for the offer to qualify:

- as an annuity for the purposes of super law; or
- for concessional tax treatment in relation to payments by Challenger Life is deemed to be included in this PDS for so long as such requirement must be complied with.

An investment in Guaranteed Income for Life is designed to be treated as an 'innovative superannuation income stream' governed under new pension rules.

Financial Services Guide

1 July 2019

VicSuper Pty Ltd ABN 69 087 619 412 is the Trustee of VicSuper Fund ABN 85 977 964 496. The Trustee holds an Australian Financial Services Licence (237333).

VicSuper Member Centre:
1300 366 216

vicsuper.com.au

GPO Box 89
Melbourne VIC 3001

Advice centres

- Bendigo
- Blackburn
- Geelong
- Melbourne CBD
- Traralgon.

VicSuper Pty Ltd (VicSuper) is the Trustee of VicSuper Fund. VicSuper Fund was established in 1994 and is a public offer fund.

VicSuper is required to provide you with this Financial Services Guide. It is designed to help you understand the important features of the general financial advisory services provided by VicSuper, and to assist you in deciding whether to use any of these services.

General advice does not take into account your individual objectives, financial circumstances or needs. This guide will help you understand how our general super advisory service works and what you can expect when you use this service. It also contains information about the remuneration that may be paid to representatives authorised to provide these services under VicSuper's Australian Financial Services Licence (AFSL), as well as details about how you can make a complaint and the services provided to you.

Key information about the general financial advisory services provided by VicSuper is set out in this Financial Services Guide in question and answer format. Please contact VicSuper if you require more information or clarification.

Where personal advice is provided to you by VicSuper, you will be provided with a separate personal advice Financial Services Guide, which is designed to help you understand how our personal super advisory service works, any fees that may be charged for the advice provided and what you can expect when using the service.

Where you receive personal advice from us, you will also be provided with a Statement of Advice, which is a document that outlines the personal advice that is being given to you.

Your questions

Who is my VicSuper representative?

You may have received, or will in future receive, general advice from a VicSuper representative. VicSuper representatives are employees of VicSuper.

Who will be responsible for the advice given to me?

Your VicSuper representative will be acting on behalf of VicSuper. VicSuper is therefore responsible to you for any general advice your VicSuper representative provides.

Under its AFSL, VicSuper is authorised to provide financial product advice on super products.

Does VicSuper have any relationships or associations that may affect the advice given to me?

VicSuper is not a member of any financial group nor does it have any ownership links or affiliations that would affect the advice provided by its representatives.

If you are given advice by a VicSuper representative in relation to VicSuper Fund, you should be aware that VicSuper is both the employer of the adviser and the Trustee of the Fund.

VicSuper is required by law to act in your best interests.

Also, VicSuper's fees are used in the general running and administration of VicSuper Fund for the benefit of members.

What advisory services are available to me?

Where general advice is provided to you, VicSuper representatives are limited to providing financial product advice on VicSuper Fund products, the Emergency Services & State Super (ESSSuper) – Revised, New, SERB and Transport Schemes and general super matters.

This includes general information about:

- all VicSuper products and how they operate
- VicSuper Fund's investment strategies, objectives and risks
- how to join VicSuper Fund
- how to change your VicSuper Fund investment options
- benefit quotes and account balances
- contribution options in VicSuper FutureSaver
- retirement income streams
- the insurance options available through VicSuper Fund
- the options available to ESSSuper – Revised, New, SERB and Transport Scheme members
- general super matters.

If you have super savings in two or more funds, you may consider whether to consolidate them into one fund, having regard to your own circumstances and any other consequences (such as fees, tax and insurance) that may be relevant in your other funds. VicSuper can give you general advice about consolidation. Your financial planner will explain that this advice does not take into account which funds are involved, your individual objectives, financial circumstances or needs.

How will I pay for the service?

VicSuper does not charge any fees or pay any commissions for its general advisory service. VicSuper receives a combination of percentage-based and fixed dollar fees in respect of the super accounts that it administers. These fees cover the costs associated with the general advice service.

What remuneration or commissions will my VicSuper representative be paid for providing this advice to me?

VicSuper representatives are paid salaries by VicSuper and may be eligible for an annual discretionary bonus based on Key Performance Indicators relating to compliance, service standards and business objectives. No other person or entity is paid conflicted remuneration to recommend VicSuper products.

Will you give me advice that is suitable to my investment needs and financial circumstances?

General advice you receive from VicSuper will not take into account your individual investment objectives, financial situation or needs. As general advice will not be specific to your personal circumstances, you will need to consider if the general advice provided is suitable for your super investment objectives, financial circumstances and needs before taking any action.

If you require advice which is tailored to your specific circumstances, contact VicSuper to discuss our personal super advice service.

Most advice you receive will be at no additional charge however a fee is payable for certain types of personal advice.

If you require personal advice that is beyond the scope of advice allowed under VicSuper's AFSL, a VicSuper financial planner may be able to provide this advice to you on behalf of (or as a representative of) a different AFSL holder under a different licence. It will be provided by an authorised representative of Guideway Financial Services (Guideway) AFSL 420367.

If advice is provided under Guideway's licence, you should receive a separate FSG. Guideway is responsible for this advice.

What should I know about any risks of the investments or investment strategies you recommend to me?

VicSuper representatives can provide you with general advice about the risk profile and strategies of VicSuper Fund's products and investment options. This advice will not be tailored to your circumstances.

Does VicSuper have professional indemnity insurance in place?

VicSuper has professional indemnity insurance in place that covers claims in respect of current and former representatives and employees for services provided on behalf of VicSuper.

This insurance satisfies the requirement for compensation under Section 912B of the *Corporations Act 2001*.

Who can I complain to if I have a complaint about the advisory service?

If you have any complaints about the service provided to you, you should take the following steps.

1. Contact your VicSuper representative and tell them about your complaint or call or write to VicSuper's Complaints Coordinator

Telephone:
1300 366 216

Address:
GPO Box 89
MELBOURNE VIC 3001

We will try to resolve your complaint quickly and fairly and the matter may be reviewed by VicSuper.

2. If you consider the outcome is still unsatisfactory, you can lodge a complaint with AFCA. They provide fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au
Email: info@afca.org.au
Telephone: **1800 931 678** (free call)
Address:
GPO Box 3
MELBOURNE VIC 3001

Maximum withdrawal periods: Guaranteed Income for Life

The table¹ on the right shows the maximum withdrawal period you can choose based on your sex and age. These terms are based on life expectancies¹ (rounded down to whole years then multiplied by 365 days).

If you have nominated a reversionary, the longest life expectancy determines the maximum withdrawal period you can choose. If the longest life expectancy is shorter than the minimum withdrawal period of 10 years, then that life expectancy will be the length of your withdrawal period.

The withdrawal period must be chosen when you apply for a Guaranteed Income for Life account and cannot be changed once your account starts.

Age	Male	Female
60	23	26
61	22	25
62	21	24
63	20	23
64	20	22
65	19	22
66	18	21
67	17	20
68	16	19
69	16	18
70	15	17
71	14	16
72	13	16
73	13	15
74	12	14
75	11	13
76	11	13
77	10	12
78	9	11
79	9	10
80	8	10
81	8	9
82	7	8
83	7	8
84	6	7
85	6	7
86	5	6
87	5	6
88	4	5
89	4	5
90	4	4
91	3	4
92	3	4
93	3	3
94	3	3
95	3	3
96	2	3
97	2	2
98	2	2
99	2	2
100	2	2

1. For the purposes of calculating the Centrelink deduction amount and the maximum withdrawal period for Guaranteed Income for Life accounts, a person's 'life expectancy' is the life expectancy number in the Australian Life Tables 2010-12 for that person's current age and gender. Note however that due to recent and expected improvements in medical science, a person's actual life expectancy is now higher than the number in the Australian Life Tables 2010-12 and that higher number may be used in illustrations and calculators in other VicSuper documents and tools, where appropriate.

Voluntary withdrawal value illustration: Guaranteed Income for Life

The following illustrations are based on an initial investment of \$100,000. A yearly payment frequency and partial indexation were chosen. The withdrawal values are as at the end of each year of the illustrated withdrawal period.

The tables below and on the next page provide some examples of withdrawal values and how they are impacted by rate movements.

65 year old female

Interest rate movement	65 year old female 10 year withdrawal period			65 year old female 15 year withdrawal period			65 year old female 22 year withdrawal period		
	-1.50%	0%	1.50%	-1.50%	0%	1.50%	-1.50%	0%	1.50%
End of year									
1	\$90,000	\$90,000	\$82,596	\$93,333	\$93,333	\$83,169	\$95,455	\$95,455	\$82,293
2	\$80,000	\$80,000	\$74,393	\$86,667	\$86,667	\$77,881	\$90,909	\$90,909	\$78,686
3	\$70,000	\$70,000	\$65,870	\$80,000	\$80,000	\$72,488	\$86,364	\$86,364	\$75,066
4	\$60,000	\$60,000	\$57,066	\$73,333	\$73,333	\$66,993	\$81,818	\$81,818	\$71,430
5	\$50,000	\$50,000	\$48,014	\$66,667	\$66,667	\$61,397	\$77,273	\$77,273	\$67,776
6	\$40,000	\$40,000	\$38,745	\$60,000	\$60,000	\$55,699	\$72,727	\$72,727	\$64,102
7	\$30,000	\$30,000	\$29,286	\$53,333	\$53,333	\$49,901	\$68,182	\$68,182	\$60,406
8	\$20,000	\$20,000	\$19,661	\$46,667	\$46,667	\$44,004	\$63,636	\$63,636	\$56,684
9	\$10,000	\$10,000	\$9,893	\$40,000	\$40,000	\$38,008	\$59,091	\$59,091	\$52,933
10	\$0	\$0	\$0	\$33,333	\$33,333	\$31,914	\$54,545	\$54,545	\$49,152
11	\$0	\$0	\$0	\$26,667	\$26,667	\$25,723	\$50,931	\$50,000	\$45,336
12	\$0	\$0	\$0	\$20,000	\$20,000	\$19,435	\$47,452	\$45,455	\$41,482
13	\$0	\$0	\$0	\$13,333	\$13,333	\$13,051	\$43,775	\$40,964	\$38,418
14	\$0	\$0	\$0	\$6,667	\$6,667	\$6,573	\$39,890	\$37,557	\$35,427
15	\$0	\$0	\$0	\$0	\$0	\$0	\$35,787	\$33,905	\$32,171
16	\$0	\$0	\$0	\$0	\$0	\$0	\$31,455	\$29,991	\$28,630
17	\$0	\$0	\$0	\$0	\$0	\$0	\$26,884	\$25,799	\$24,781
18	\$0	\$0	\$0	\$0	\$0	\$0	\$22,062	\$21,310	\$20,600
19	\$0	\$0	\$0	\$0	\$0	\$0	\$16,975	\$16,507	\$16,061
20	\$0	\$0	\$0	\$0	\$0	\$0	\$11,612	\$11,369	\$11,135
21	\$0	\$0	\$0	\$0	\$0	\$0	\$5,958	\$5,874	\$5,792
22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Important information: This table illustrates withdrawal values for Guaranteed Income for Life accounts opened on 1 April 2019. The withdrawal values are indicative only. Your actual withdrawal value will depend on the account options you choose, actual changes in the CPI and the actual movement in interest rates (relevant Government bond rates) between the time of your investment and the time of withdrawal. Actual interest rate movements can be more or less than 1.5%. For the illustrations above, we have assumed CPI increases each year by 2.5% and have used interest rates available as at 1 April 2019.

65 year old male

Interest rate movement	65 year old male 10 year withdrawal period			65 year old male 15 year withdrawal period			65 year old male 19 year withdrawal period		
	-1.50%	0%	1.50%	-1.50%	0%	1.50%	-1.50%	0%	1.50%
End of year									
1	\$90,000	\$90,000	\$82,671	\$93,333	\$93,333	\$83,280	\$94,737	\$94,737	\$82,887
2	\$80,000	\$80,000	\$74,420	\$86,667	\$86,667	\$77,949	\$89,474	\$89,474	\$78,695
3	\$70,000	\$70,000	\$65,869	\$80,000	\$80,000	\$72,524	\$84,211	\$84,211	\$74,470
4	\$60,000	\$60,000	\$57,050	\$73,333	\$73,333	\$67,004	\$78,947	\$78,947	\$70,209
5	\$50,000	\$50,000	\$47,993	\$66,667	\$66,667	\$61,389	\$73,684	\$73,684	\$65,911
6	\$40,000	\$40,000	\$38,725	\$60,000	\$60,000	\$55,680	\$68,421	\$68,421	\$61,571
7	\$30,000	\$30,000	\$29,271	\$53,333	\$53,333	\$49,875	\$63,158	\$63,158	\$57,188
8	\$20,000	\$20,000	\$19,652	\$46,667	\$46,667	\$43,975	\$57,895	\$57,895	\$52,759
9	\$10,000	\$10,000	\$9,889	\$40,000	\$40,000	\$37,980	\$52,632	\$52,632	\$48,279
10	\$0	\$0	\$0	\$33,333	\$33,333	\$31,890	\$47,368	\$47,368	\$43,748
11	\$0	\$0	\$0	\$26,667	\$26,667	\$25,704	\$42,105	\$42,105	\$39,160
12	\$0	\$0	\$0	\$20,000	\$20,000	\$19,422	\$36,941	\$36,842	\$34,512
13	\$0	\$0	\$0	\$13,333	\$13,333	\$13,044	\$32,457	\$31,579	\$29,802
14	\$0	\$0	\$0	\$6,667	\$6,667	\$6,570	\$27,729	\$26,607	\$25,556
15	\$0	\$0	\$0	\$0	\$0	\$0	\$22,745	\$21,969	\$21,236
16	\$0	\$0	\$0	\$0	\$0	\$0	\$17,493	\$17,011	\$16,550
17	\$0	\$0	\$0	\$0	\$0	\$0	\$11,961	\$11,711	\$11,469
18	\$0	\$0	\$0	\$0	\$0	\$0	\$6,135	\$6,048	\$5,964
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Important information: This table illustrates withdrawal values for Guaranteed Income for Life accounts opened on 1 April 2019. The withdrawal values are indicative only. Your actual withdrawal value will depend on the account options you choose, actual changes in the CPI and the actual movement in interest rates (relevant Government bond rates) between the time of your investment and the time of withdrawal. Actual interest rate movements can be more or less than 1.5%. For the illustrations above, we have assumed CPI increases each year by 2.5% and have used interest rates available as at 1 April 2019.

Voluntary withdrawal value illustration: Guaranteed Fixed Term Income

The following illustrations are based on an initial investment of \$100,000. A yearly payment frequency was chosen. The withdrawal values shown are as at the end of each year of investment.

The tables below and on the next page provide some examples of withdrawal values and how they are impacted by rate movements.

5 year term

RCV	RCV80			RCV 0 (no indexation)			RCV 0 (CPI indexation)		
Interest rate movement	-1.50%	0%	1.50%	-1.50%	0%	1.50%	-1.50%	0%	1.50%
End of year									
1	\$91,942	\$87,322	\$83,008	\$78,755	\$76,047	\$73,487	\$80,383	\$78,257	\$75,590
2	\$89,128	\$85,635	\$82,330	\$60,200	\$58,525	\$56,928	\$62,338	\$61,010	\$59,331
3	\$86,203	\$83,856	\$81,605	\$40,909	\$40,046	\$39,215	\$42,974	\$42,283	\$41,401
4	\$83,162	\$81,979	\$80,830	\$20,852	\$20,556	\$20,268	\$22,219	\$21,979	\$21,671
5	\$80,000*	\$80,000*	\$80,000*	\$0	\$0	\$0	\$0	\$0	\$0

* This is your residual capital value.

Important information: This table illustrates withdrawal values for Guaranteed Fixed Term Income accounts opened on 1 April 2019. The annual income payments used to calculate the values are based on the following rates: 2.67% for RCV80, 2.75 % for RCV0 (no indexation) and 3.33 % for RCV0 (CPI indexation). The withdrawal values are indicative only. Your actual withdrawal value will depend on the account options you choose, actual changes in the CPI and the actual movement in interest rates (relevant Government bond rates) between the time of your investment and the time of withdrawal. Actual interest rate movements can be more or less than 1.5%. For the illustrations above, we have assumed CPI increases each year by 2.5% and have used interest rates available as at 1 April 2019.

10 year term

RCV	RCV75			RCV 0 (no indexation)			RCV 0 (CPI indexation)		
Interest rate movement	-1.50%	0%	1.50%	-1.50%	0%	1.50%	-1.50%	0%	1.50%
End of year									
1	\$91,307	\$91,307	\$84,979	\$87,212	\$87,212	\$82,607	\$88,481	\$88,481	\$85,682
2	\$89,782	\$89,782	\$84,085	\$79,005	\$79,005	\$75,211	\$81,419	\$81,419	\$79,088
3	\$88,192	\$88,192	\$83,144	\$70,461	\$70,461	\$67,421	\$73,752	\$73,752	\$71,865
4	\$86,534	\$86,534	\$82,154	\$61,567	\$61,567	\$59,219	\$65,446	\$65,446	\$63,973
5	\$84,806	\$84,806	\$81,110	\$52,309	\$52,309	\$50,580	\$56,464	\$56,464	\$55,369
6	\$83,005	\$83,005	\$80,011	\$42,670	\$42,670	\$41,483	\$46,768	\$46,768	\$46,008
7	\$81,127	\$81,127	\$78,854	\$32,637	\$32,637	\$31,903	\$36,317	\$36,317	\$35,842
8	\$79,169	\$79,169	\$77,635	\$22,192	\$22,192	\$21,814	\$25,069	\$25,069	\$24,822
9	\$77,128	\$77,128	\$76,352	\$11,319	\$11,319	\$11,189	\$12,979	\$12,979	\$12,893
10	\$75,000*	\$75,000*	\$75,000*	\$0	\$0	\$0	\$0	\$0	\$0

* This is your residual capital value.

Important information: This table illustrates withdrawal values for Guaranteed Fixed Term Income accounts opened on 1 April 2019. The annual income payments used to calculate the values are based on the following rates: 3.25% for RCV75, 3.10% for RCV0 (no indexation) and 3.61% for RCV0 (CPI indexation). The withdrawal values are indicative only. Your actual withdrawal value will depend on the account options you choose, actual changes in the CPI and the actual movement in interest rates (relevant Government bond rates) between the time of your investment and the time of withdrawal. Actual interest rate movements can be more or less than 1.5%. For the illustrations above, we have assumed CPI increases each year by 2.5% and have used interest rates available as at 1 April 2019.

20 year term

RCV	RCV 0 (no indexation)			RCV 0 (CPI indexation)		
Interest rate movement	-1.50%	0%	1.50%	-1.50%	0%	1.50%
End of year						
1	\$88,543	\$88,543	\$79,432	\$89,478	\$89,478	\$82,688
2	\$85,466	\$85,466	\$77,016	\$87,803	\$87,803	\$81,431
3	\$82,254	\$82,254	\$74,461	\$85,896	\$85,896	\$79,952
4	\$78,901	\$78,901	\$71,760	\$83,744	\$83,744	\$78,235
5	\$75,400	\$75,400	\$68,903	\$81,330	\$81,330	\$76,262
6	\$71,745	\$71,745	\$65,883	\$78,638	\$78,638	\$74,014
7	\$67,929	\$67,929	\$62,689	\$75,651	\$75,651	\$71,471
8	\$63,945	\$63,945	\$59,313	\$72,349	\$72,349	\$68,613
9	\$59,786	\$59,786	\$55,742	\$68,714	\$68,714	\$65,417
10	\$55,444	\$55,444	\$51,967	\$64,725	\$64,725	\$61,859
11	\$50,911	\$50,911	\$47,975	\$60,360	\$60,360	\$57,914
12	\$46,179	\$46,179	\$43,754	\$55,597	\$55,597	\$53,556
13	\$41,238	\$41,238	\$39,292	\$50,412	\$50,412	\$48,756
14	\$36,080	\$36,080	\$34,573	\$44,779	\$44,779	\$43,484
15	\$30,695	\$30,695	\$29,583	\$38,673	\$38,673	\$37,708
16	\$25,073	\$25,073	\$24,308	\$32,065	\$32,065	\$31,393
17	\$19,204	\$19,204	\$18,729	\$24,925	\$24,925	\$24,505
18	\$13,076	\$13,076	\$12,831	\$17,223	\$17,223	\$17,004
19	\$6,679	\$6,679	\$6,594	\$8,926	\$8,926	\$8,850
20	\$0	\$0	\$0	\$0	\$0	\$0

Important information: This table illustrates withdrawal values for Guaranteed Fixed Term Income accounts opened on 1 April 2019. The annual income payments used to calculate the values are based on the following rates: 3.40% for RCV0 (no indexation) and 3.83% for RCV0 (CPI indexation). The withdrawal values are indicative only. Your actual withdrawal value will depend on the account options you choose, actual changes in the CPI and the actual movement in interest rates (relevant Government bond rates) between the time of your investment and the time of withdrawal. Actual interest rate movements can be more or less than 1.5%. For the illustrations above, we have assumed CPI increases each year by 2.5% and have used interest rates available as at 1 April 2019.

Indexation illustration: Guaranteed Income for Life

The following example illustrates the potential impact of full, partial or no indexation. It is based on a Guaranteed Income for Life account with monthly income payments of \$1,000, to demonstrate the changes in those monthly income payments where there are changes in the CPI¹, depending on the indexation option chosen. The example demonstrates what occurs on the first anniversary of the start of the account. This process occurs annually throughout the life of the account, and the indexation is applied to the dollar amount of the regular income payments as at the anniversary date.

	CPI increases by 1%	CPI decreases by 1%	CPI increases by 2.5%	CPI decreases by 2.5%
Full indexation	On the first anniversary of your account, the monthly income payments would increase to \$1,010 (an increase of 1%) effective from the 13th monthly income payment. We will then make monthly income payments of \$1,010 throughout the second year of your account.	On the first anniversary of your account, the monthly income payments would decrease to \$990 (a decrease of 1%) effective from the 13th monthly income payment. We will then make monthly income payments of \$990 throughout the second year of your account.	On the first anniversary of your account, the monthly income payments would increase to \$1,025 (an increase of 2.5%) effective from the 13th monthly income payment. We will then make monthly income payments of \$1,025 throughout the second year of your account.	On the first anniversary of your account, the monthly income payments would decrease to \$975 (a decrease of 2.5%) effective from the 13th monthly income payment. We will then make monthly income payments of \$975.00 throughout the second year of your account.
Partial indexation	As below.	As above.	On the first anniversary of your account, the monthly income payments would increase to \$1,005 (an increase of 0.5%, which is the increase in CPI above 2%) effective from the 13th monthly income payment. We will then make monthly income payments of \$1,005 throughout the second year of your account.	As above.
No indexation	The monthly income payments continue to be \$1,000 and would not be adjusted.			

1. The CPI is the weighted average of the Eight Capital Cities Index, as published by the Australian Statistician, to provide a general measure of price inflation for all Australian households. We reserve the right to adjust the index used if there is a change in law which results in a material change to the CPI or its use. The index used to calculate the CPI can be changed at any time. CPI is only a proxy for inflation and does not exactly match actual price or wage inflation in the economy. To determine the increase in the CPI to apply to your regular payments, we calculate the difference in the CPI between the second-last complete quarter before the day on which the indexation is to apply and either the CPI for the same quarter of the immediately preceding year or the CPI used for the previous increase, and express this as a percentage.

Indexation illustration: Guaranteed Fixed Term Income

The following example illustrates the potential impact of full, fixed or no indexation. It is based on a Guaranteed Fixed Term Income account with monthly income payments of \$1,000, to demonstrate the changes in those monthly income payments depending on the indexation option chosen. The example demonstrates what occurs on the first anniversary of the start of the account. This process occurs annually throughout the term of the account, and the indexation is applied to the dollar amount of the regular payments as at the anniversary date.

	CPI ¹ increases by 1%	CPI decreases by 1%	CPI increases by 2.5%	CPI decreases by 2.5%
Full indexation	On the first anniversary of your account, the monthly income payments would increase to \$1,010 (an increase of 1%) effective from the 13th monthly income payment. We will then make monthly income payments of \$1,010 throughout the second year of your account.	Your monthly income payments will not reduce. The next time we calculate indexation the portion of any increase that will apply to your regular payments will be the increase in the CPI since the last time we applied CPI indexation to your regular payments.	On the first anniversary of your account, the monthly income payments would increase to \$1,025 (an increase of 2.5%) effective from the 13th monthly income payment. We will then make monthly income payments of \$1,025 throughout the second year of your account.	Your monthly income payments will not reduce. The next time we calculate indexation the portion of any increase that will apply to your regular payments will be the increase in the CPI since the last time we applied CPI indexation to your regular payments.
Fixed indexation	Your regular payments are increased by your chosen percentage, each year. If you have chosen 3% indexation, then on the first anniversary of your account, the monthly payments would increase to \$1,030 (an increase of 3%), effective from the 13th monthly payment. We will then make monthly payments of \$1,030 throughout the second year of your account.			
No indexation	The monthly income payments continue to be \$1,000 and would not be adjusted.			

1. The CPI is the weighted average of the Eight Capital Cities Index, as published by the Australian Statistician, to provide a general measure of price inflation for all Australian households. We reserve the right to adjust the index used if there is a change in law which results in a material change to the CPI or its use. The index used to calculate the CPI can be changed at any time. CPI is only a proxy for inflation and does not exactly match actual price or wage inflation in the economy. To determine the increase in the CPI to apply to your regular payments, we calculate the difference in the CPI between the second-last complete quarter before the day on which the indexation is to apply and either the CPI for the same quarter of the immediately preceding year or the CPI used for the previous increase, and express this as a percentage.

Centrelink income test illustration

Guaranteed Income for Life

The asset value of your Guaranteed Income for Life account, under the Centrelink Assets test is calculated as follows:

- 60% of the purchase price until the life expectancy for a 65-year-old male (currently 84 years old) or a minimum of five years.
- 30% of the purchase price thereafter.

Please note that the number of expected years remaining in a 65 year-old male's life is used as the base for this calculation, no matter how old you are or whether you are male or female.

The amount of income being received from your Guaranteed Income for Life account that is assessed under the Centrelink income test is calculated as follows:

- 60% of the regular payments received.

Example

Bill is 60 years old and invests in a Guaranteed Income for Life account on 1 July 2019 with \$200,000 from his VicSuper FutureSaver account. He receives \$8,000 in regular payments in the first year.

The asset value is calculated as follows:

$$\text{\$200,000} \times 60\% = \text{\$120,000}$$

At age 84, the asset value is $\text{\$200,000} \times 30\% = \text{\$60,000}$

The assessable income is calculated as follows:

$$\text{\$8,000} \times 60\% = \text{\$4,800}$$





1 July 2019

To whom it may concern

Letter of confirmation of complying fund status – VicSuper Fund

This letter confirms that:

- VicSuper Fund is a complying and resident regulated fund within the meaning of the *Superannuation Industry (Supervision) Act 1993* – SFN 5003/589/94, ABN 85 977 964 496, R1000580
- VicSuper is not subject to a direction under Section 63 of the *Superannuation Industry (Supervision) Act 1993*
- the trust deed of VicSuper Fund permits the acceptance of rollovers of superannuation monies from members
- all amounts transferred into VicSuper Fund will retain their preservation status established in their previous fund. The transferred benefit is fully vested, ie it is credited to the member's personal account
- VicSuper Fund and VicSuper Pty Ltd as corporate trustee of VicSuper Fund are subject to the *Superannuation Industry (Supervision) Act 1993* and the *Corporations Act 2001* and are regulated by the Australian Prudential Regulation Authority (APRA) and the Australian Securities & Investments Commission (ASIC)
- the Unique Superannuation Identifier (USI) for Guaranteed Income is 85977964496003.

VicSuper Pty Ltd ABN 69 087 619 412 has issued this letter in its capacity as Trustee of VicSuper Fund ABN 85 977 964 496. The Trustee holds an Australian Financial Services Licence (237333) under the *Corporations Act 2001*.

Yours sincerely

A handwritten signature in black ink, appearing to read "Michael Dundon".

Michael Dundon
Chief Executive Officer

Get in touch – we're here to help

Call our Member Centre

1300 366 216 (from outside Australia +61 3 9667 9875)
and speak to a VicSuper super consultant
between 8.30am and 5pm, Monday to Friday

Visit us

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Monday to Friday
8.30am to 5pm

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call **(03) 9667 9200**

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VicSuper
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