

Flexi Pension

/ 1 October 2019 /

Product Disclosure Statement

Issued 1 October 2019 by UniSuper Limited ABN 54 006 027 121 AFSL No. 492806



About this Product Disclosure Statement

This Product Disclosure Statement (PDS) has been prepared and issued by UniSuper Limited. It's for current UniSuper members who are considering a Flexi Pension and deciding how to receive their retirement income. It describes the important features of a Flexi Pension membership, including the benefits and risks and how fees, costs and taxes may apply.

Information in this document may change from time to time. We'll provide updates of any changes at unisuper.com.au/pds. You can also request a paper or electronic copy of updated information without charge by calling us on 1800 331 685.

UniSuper is not bound to accept an application. Applications from outside Australia may not be accepted.

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The information in this document is of a general nature only and does not take into account your individual objectives, financial situation or needs. You should consider the appropriateness of the information having regard to your personal circumstances and consider consulting a qualified financial adviser before making an investment decision based on information contained in this document. The value of your investments can go up or down and investment returns can be positive or negative. The Trustee does not guarantee the performance of the Fund's investment options. To the extent that this document contains any information which is inconsistent with the UniSuper Trust Deed and Regulations (together, 'the Trust Deed') the Trust Deed will prevail.

USM, SuperRatings Pty Ltd and Chant West Pty Ltd have consented to their logo and/or statements being included in this document, in the form and context in which they have been included, and consent has not been withdrawn as at the date of this document.

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Important information documents

You should read the following documents together with this Product Disclosure Statement (PDS):

- *How we invest your money*
- *Risks of super, and*
- *What happens to your inbuilt benefits if you choose Accumulation ?? (if you're a Defined Benefit Division (DBD) member applying for a Flexi Pension - Transition to Retirement (TTR))*

AWARD-WINNING FUND

With a string of awards and high ratings from Australia's top ratings and research agencies, SuperRatings and Chant West, we're one of Australia's most award-winning super funds.



SuperRatings, a superannuation research company, has awarded UniSuper a Platinum Choice rating for its accumulation products, something only the 'best value for money' funds receive. Our accumulation products have also achieved a 10-year Platinum Performance rating. Go to www.superratings.com.au for details of its rating criteria. SuperRatings does not issue, sell, guarantee or underwrite this product. SuperRatings has consented to the inclusion in this document of the references to SuperRatings and the inclusion of its logos in the form and context in which they are included.



In 2019, Chant West awarded UniSuper 'Super Fund of the Year', 'Investments Best Fund' and 'Advice Services Best Fund'. Our accumulation products have received a 5 Apples rating. For information about the methodology used, see www.chantwest.com.au. Chant West has consented to the inclusion in this document of the references to Chant West and the inclusion of its logos in the form and context in which they are included.

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About our Flexi Pension

A UniSuper Flexi Pension lets you manage your retirement savings your way so you can live the retirement lifestyle you want.

The benefits of choosing a Flexi Pension

By choosing to receive a retirement income from a Flexi Pension:

- you decide how much you want to draw and how often—above the Government imposed minimum annual payment (refer page 6)
- your retirement savings can continue to be invested across our award-winning range of investment options—see the *How we invest your money* document for more information about our investment options
- you can access additional money whenever you need it (known as liquidity)¹
- your retirement income is generally tax-free—refer page 27, and
- you have secure online access to your account.

Starting a Flexi Pension

You can start a Flexi Pension account once you've met a 'condition of release' that allows you to access your preserved superannuation benefits (see page 30). Examples of conditions of release include:

- you've permanently retired after reaching your preservation age (retirement is not required if starting a Transition To Retirement (TTR) pension)
- you're age 60 or over and have ceased employment, or
- you've turned age 65.

You need a minimum of \$25,000 to start a Flexi Pension.

If you're starting a Flexi Pension to transition to retirement, then you must leave at least \$1,000 in your UniSuper accumulation account (or in your accumulation component for Defined Benefit Division members). See pages 14 to 16 for more information about transition to retirement.

GET YOUR SUPER TOGETHER BEFORE STARTING A FLEXI PENSION

Once you start a Flexi Pension, you can't add money to it. If you want to add money to an existing Flexi Pension account, then you'll have to start a new account. This is a legal requirement.

So it may be worth gathering any money you might have with other super funds, or outside of super, and transfer it to one UniSuper account before opening a Flexi Pension. Before transferring money from other super funds, you should also check whether it could affect any entitlements (like loss of insurance cover).

If you've told us on your application that you're transferring money from other super funds into UniSuper before opening a Flexi Pension, then we won't open your account until we receive all transfers.

THINKING OF DOWNSIZING YOUR HOME?

If you're at least age 65 and have owned your home for at least 10 years, then you may be able to contribute up to \$300,000 (or \$600,000 per couple) to your super account from the proceeds of selling your home. This is called a downsizer contribution.

¹ Restrictions may apply – see 'Access to your money' on page 4 for more information.

To make a downsizer contribution, you need to complete the relevant form from the ATO and send it to us, along with your contribution payment, generally within 90 days of settlement.

For more information, visit ato.gov.au and search 'downsizer contribution'.

How much you can transfer into a Flexi Pension

There's a limit on how much you can transfer from your super accounts to retirement-phase accounts (like the Flexi Pension). This is known as the Transfer Balance Cap, which:

- is \$1.6 million (as at 2019-20)
- includes the total amount transferred from any super accounts you have to any retirement-phase accounts, including defined benefit schemes
- is monitored by the ATO
- excludes TTR pensions (until you reach age 65 or you inform us that you've met a specified condition of release).

It's important you know how much you have in total, as there are tax consequences for exceeding the cap. Read more about this on page 29.

Contact the ATO directly for information about your personal transfer balance cap.

How long your Flexi Pension will last

Your Flexi Pension will continue until the balance reduces to \$10,000, after which the full balance will be paid to your nominated bank account. The length of time it takes for your account balance to reduce to \$10,000 will depend on your opening balance, investment returns (positive or negative), your annual pension payments and lump-sum withdrawals, and any applicable taxes, and fees and costs deducted from your account.

To close your Flexi Pension or transfer some funds back to your super account, complete the *Transfer your Flexi Pension to a super account application* available on our website or by calling us.

Are you a Defined Benefit Division (DBD) member?

STARTING A FLEXI PENSION WITH YOUR DEFINED BENEFIT (DB) COMPONENT

If you use all or part of your DB component to start a Flexi Pension, then your DB component will be transferred to your new Flexi Pension account and your DBD account will be closed. You will forego eligibility for a DBD membership in the future.

If you're under age 65, still working and receiving employer contributions, then any remaining DB component and accumulation component will be transferred to an Accumulation 2 account. Your transferred DB component will be invested according to your 'future contributions strategy'. If you haven't chosen a future contributions investment strategy, then the transferred DB component will be invested in our default Balanced investment option. The accumulation component will maintain its existing investment strategy, which you can change by logging in to your account from our website.

If you're aged 65 or over and you use part of your DB component to start a Flexi Pension, then the remaining DB component will be transferred into an Accumulation 1 account. All future employer and member contributions will be made into that account.

If you're a DBD member and only use your accumulation component to start your Flexi Pension, then you'll remain a DBD member and retain your DB entitlements.

WHAT HAPPENS TO YOUR INBUILT BENEFITS?

If your DBD account is closed to start a Flexi Pension account, then your DBD inbuilt benefits will be transitioned to external insurance cover and added to any existing external insurance cover you have through your UniSuper membership, subject to satisfying eligibility criteria, terms and conditions and the Automatic Acceptance Limits (AALs). For more information, visit our website and read the *What happens to your inbuilt benefits if you choose Accumulation 2?* document.

If you have a DBD account and only use your accumulation component to start a Flexi Pension, then you'll retain inbuilt benefits.

Government benefits

Centrelink and/or the Department of Veterans' Affairs applies both the assets and income tests to determine your eligibility for a social security or Veterans' Affairs benefit or allowance.

Your entire Flexi Pension account balance will count towards the assets test and Centrelink deeming rates will generally be applied to your account balance to determine the amount that counts towards the income test.

If you receive a government benefit, Centrelink may periodically require information about your Flexi Pension. We regularly produce Centrelink schedules and provide these directly to Centrelink as a service to our members.

It's important to stay up to date with changes that may be made to the income and assets tests from time-to-time. To check how any legislative changes may affect you, we recommend you speak to a qualified UniSuper Financial Adviser. Email advice@unisuper.com.au or call UniSuper Advice on **1800 823 842**.

Also visit the Centrelink (humanservices.gov.au) and/or the Department of Veterans' Affairs (dva.gov.au) websites for more information.

Access to your money

You can make lump-sum withdrawals of at least \$2,000 from your Flexi Pension at any time if you have enough money in your account. For a Flexi Pension - TTR, lump sum withdrawals are only available in very limited circumstances (see page 14).

Withdrawals are paid into your nominated bank account, usually within five business days of receiving your request.

You can also 'commute' your Flexi Pension (i.e. convert all or part of it to a lump sum) to purchase another account-based pension or transfer it to a super account. If you're considering commuting your Flexi Pension, then you should speak to a qualified UniSuper Financial Adviser to discuss any implications.

If you choose to close your Flexi Pension and you have an active accumulation account, then the transferred balance will be invested in line with your rollover strategy. If you don't have a rollover strategy, it will be invested in our default Balanced investment option. If you don't have an active accumulation account, then we'll establish a new Accumulation 1 account for you and the transferred balance will be invested in our default Balanced investment option.

To close your Flexi Pension account, complete the *Transfer your Flexi Pension to a super account application* available on our website or by calling us.

Need to increase your Flexi Pension account balance?

If you choose to close your existing Flexi Pension account to start a new Flexi Pension account, then the account balance will be transferred to either your existing accumulation account or, if you don't have one, to a new accumulation account that we'll establish for you. The *Transfer your Flexi Pension to a super account application* will guide you through the process and is available from our website.

You'll continue to earn an investment return (positive or negative) on your Flexi Pension account until the transfer to your accumulation account is complete.

How to apply

Setting up an account with our award winning Flexi Pension has never been easier.

- Log in to your account on our website and follow the prompts¹ or
- Fill out and return the *Flexi Pension application* at the back of this PDS.

Before starting a Flexi Pension

- If you're under age 60, you'll need to complete an ATO *Tax file number declaration*.
- Ensure you first claim a tax deduction for any personal contributions you've made into a super account.
- Consider combining super from other funds into your UniSuper accumulation account (find out if you'll lose any entitlements such as insurance cover).

Changing your mind (cooling-off period)

You get 14 days from when you start a Flexi Pension (except for TTRs) to cancel it if you change your mind.

This cooling-off period starts from the earlier of the:

- date you receive your Flexi Pension confirmation letter, or
- end of the fifth business day after your Flexi Pension starts.

To withdraw your application, you must advise us in writing within the cooling-off period. You won't be charged for withdrawing your application within the cooling-off period. Your balance will be paid as a lump sum, minus any taxes or payments already made to you. Your balance may also be adjusted for any market movements in that time.

This means that the amount you receive back may differ from the original amount used to open your Flexi Pension account.

Once we receive your application

We'll start your Flexi Pension once we've received your completed documents and have processed your application—this may include confirming your employment details with your employer and processed any transfers you've requested. Once your Flexi Pension starts, we'll confirm:

- when your income payments will start
- your gross annual pension income
- your chosen investment option/s, and
- your chosen payment period, if applicable (read more on page 7).

Until your Flexi Pension commences, your super will remain invested in your existing account according to your chosen investment option/s, and any delays in receiving rollovers from other funds or finalising payments may affect the amount used to establish your Flexi Pension account.

¹ The online application isn't yet available to all members. We'll update our website with more information as we roll out the feature more broadly.

Your payments

A Flexi Pension gives you the flexibility to choose the amount and frequency of your income payments.

Annual income payments

At the start of each financial year, we'll inform you of the minimum income you must draw from your Flexi Pension that year (as set by the Government). You'll then need to inform us of how much income you'd like to draw from your Flexi Pension that year, keeping in mind it must be over the minimum amount.

Different rules apply to a Flexi Pension - TTR—read more on pages 14 to 16.

HOW MUCH INCOME YOU'LL RECEIVE

This table shows the minimum income you must draw annually as a percentage of your account balance. Minimum payments are calculated on 1 July each year.

YOUR AGE WHEN YOU START YOUR FLEXI PENSION AND THEN EVERY 1 JULY	THE MINIMUM % OF YOUR BALANCE YOU MUST TAKE
55 – 64	4%
65 – 74	5%
75 – 79	6%
80 – 84	7%
85 – 89	9%
90 – 94	11%
95 or older	14%

HOW YOUR MINIMUM ANNUAL INCOME PAYMENTS ARE CALCULATED

Your minimum annual income payments are calculated by multiplying your opening account balance by your age-based percentage factor at the start of each financial year (see the table).

Minimums aren't recalculated if you make a withdrawal during the year.

Flexi Pension accounts require a minimum ongoing balance of \$10,000 to remain open. If we anticipate an income payment or lump sum withdrawal request will reduce your Flexi Pension balance to below \$10,000, then we'll close the account, pay the entire balance into your nominated bank account and notify you.

INCOME PAYMENTS DURING YOUR FIRST YEAR

Income payments in your first year are calculated in proportion to the number of days between your Flexi Pension account's opening date and the following 1 July. This means your income will be a portion of what you would've received in the full financial year. No minimum annual income payment must be paid if you start your Flexi Pension between 1 June and 30 June. If you don't want to receive a payment in June, you can specify this when you apply. The following example shows how this works.

Example- calculating regular income payments for a Flexi Pension that starts during the financial year

Steve purchased his Flexi Pension on 1 April. His income payments for the remainder of the financial year are based on the number of months to the end of the 2018-19 financial year (three in this case).

Steve has selected an annual income of \$16,000, which is above the government minimum. The actual monthly income payable to Steve for the rest of the financial year is calculated as follows:

$\$16,000 \div 12 \text{ months in a year} = \$1,333.33$
per month (payable for three months equalling \$4,000)

The monthly amount will be paid into his nominated bank account by the 28th of April, May and June.

Payments are made into your nominated bank account(s) by every second Friday for fortnightly payments, or by the 28th of each month you choose for all other payment frequencies. If your account is held with a credit union, you may not be able to access your income payment on these days, as some credit unions take longer to clear funds.

You can change your bank account, income amount, payment frequency and other personal details online. Log in to your account and select the 'Your payments' option from the 'Income payments' tab menu. If you're not registered for online access, visit our website and follow the prompts from the 'Login' screen.

THE IMPACT OF CHANGING YOUR INCOME PAYMENT FREQUENCY

If you change the frequency, then the amount of your future payment(s) will be based on the income you haven't yet taken.

When are payments made?

You can receive your income payments when it suits you:

- fortnightly
- monthly
- quarterly (March, June, September and December)
- half-yearly (June and December), or
- annually (any month you like).

You must tell us when you want to receive your income payments before you start getting paid. You can change your frequency any time online. If you don't nominate a frequency, you'll receive your payments monthly.

Example

Helene has selected an annual income of \$15,200, which is paid in fortnightly amounts of \$580 (rounded to the nearest \$10). She has already received two fortnightly payments for the year. On 1 August, she writes to us requesting a change to her quarterly payments. There are four quarterly payments for the remainder of the year, with the next one due in September.

Helene's quarterly pension payments for the rest of the financial year will be calculated as follows:

$\$15,200 - (\$580 \times 2) \div 4 \text{ quarterly payments} = \$3,510 \text{ per quarter.}$

Choose how to invest your money

With a Flexi Pension, you get to choose how your money's invested.

Before deciding on your investment strategy, you should consider:

- your risk profile
- if you'll be receiving money from other sources (like the Government Age Pension)
- how much income you'll draw
- how long you need your savings to last.

Learn more about our range of investment options by reading the *How we invest your money* document. It contains general information to help you make an investment decision based on your own investment needs. We also recommend you speak to a qualified UniSuper Financial Adviser about setting the right investment strategy for your Flexi Pension. Email advice@unisuper.com.au or call UniSuper Advice on **1800 823 842**.

Changing your investment options

You can switch your investment options online anytime by logging in to your account on our website. You can also view your balance by asset class and get a breakdown of the major holdings you're invested in.

The first investment switch per financial year is free—second and subsequent switches incur a switching fee (see page 19).

If you don't make an investment choice

Your Flexi Pension account will automatically be invested in the default Balanced investment option.

MORE INFORMATION

Before setting an investment strategy, read the *How we invest your money* document for information on how our investment options are structured. It's available at unisuper.com.au/pds or call us and we'll send you a copy.

Flexible drawdown options

If your account is invested in more than one investment option, then you can choose where payments (and lump-sum withdrawals) come from—this is also known as drawdown. You can choose from:

1. 'Default' – payments are made from the default drawdown order
2. 'Your choice' – you choose the order of investment options your payments are made from
3. 'Pro-rata' – payments are made in proportion to the amount held in each investment option at the time of payment.

You can update this anytime by logging in to your account on our website.

DRAWDOWN – DEFAULT

If your account is invested in more than one investment option and you don't choose how your annual income and lump sum withdrawals are paid, then they will be deducted from your investment options in the following order.

1. Cash
2. Australian Bond
3. Conservative
4. Conservative Balanced
5. Diversified Credit Income
6. Balanced
7. Sustainable Balanced
8. Growth
9. High Growth
10. Sustainable High Growth
11. Listed Property
12. Australian Shares
13. International Shares
14. Global Environmental Opportunities
15. Australian Equity Income
16. Global Companies in Asia

DRAWDOWN – YOUR CHOICE

With this method, you choose the order of investment options your income and lump sum payments come from.

If there's no amount invested in an investment option you've chosen, then the payment will come from the next investment option you've chosen that has a balance.

If the payment amount is higher than the balance in the investment option you've chosen, part of the payment will be made from the amount in that investment option, and the remainder will come from the next nominated investment option with a balance.

Example

Sam uses the 'Your choice' option to choose:

1. Conservative
2. Cash
3. Growth
4. High Growth.

This means that his payments will come from Conservative first until the balance in this investment option reaches zero. His payments will then come from Cash, until the balance reaches zero, and so on.

Once your chosen investment options have been exhausted, the default order will apply.

It's important to review this order from time-to-time. As your payments come out, the spread of your account balance across your chosen options will change, and the number of different assets or asset classes your balance is invested in will reduce. Over time, your account may reflect a strategy that's quite different from your original selection, and you should think about whether this is appropriate for your financial needs and circumstances.

DRAWDOWN – PRO-RATA

With this method, regular payments and lump-sum withdrawals are drawn from your investment options in proportion to the balance in each investment option at the time of payment.

Example

Keith's balance is invested in 60% Cash and 40% Australian Shares.

By choosing pro-rata, the payments will be made proportionally from each investment option— so 60% from Cash and 40% from Australian Shares.

Nominating beneficiaries

Your Flexi Pension account doesn't automatically form part of your estate, so it's important to nominate a beneficiary to receive your balance if you die.

Nominating a beneficiary now will save your loved one's precious time and stress down the line.

How to nominate

If you die, UniSuper is required to pay the balance of your Flexi Pension (if any) to one or more of your dependants and/or your legal personal representative. To provide greater certainty about what happens to your Flexi Pension balance after your death, you have three options to choose from:

- Reversionary beneficiary
- Binding nomination (lapsing or non-lapsing), or
- Non-binding nomination.

If you choose not to make a nomination, the Trustee will evaluate your personal circumstances and determine in what proportion to pay the balance of your Flexi Pension to your eligible beneficiaries.

The most appropriate nomination will depend on your personal circumstances. As there may be taxation, Centrelink and other implications to consider when nominating your beneficiaries, we recommend you speak to a qualified UniSuper Financial Adviser before making your nomination.

Reversionary beneficiary nomination

A reversionary beneficiary nomination ensures your income continues to be paid to an eligible dependant after you die. The balance of your Flexi Pension (if any) isn't paid as a lump sum as with binding or non-binding beneficiary nominations.

Income payments only revert once the Trustee is satisfied that the person you've nominated is still a valid reversionary beneficiary. Income payments cannot be split between your reversionary beneficiary and other dependants. Reversionary nominations override any binding nominations you may have.

You can nominate a reversionary beneficiary when completing a Flexi Pension online application, or in the relevant section of the *Flexi Pension application* at the back of this PDS.

WHO CAN I NOMINATE?

Eligible reversionary beneficiaries include:

- a spouse
- a child
- a financial dependant (at the time of your death), or
- an interdependent (both at the time of nomination and at the time of your death).

You can't nominate your child aged 18 or older unless they're:

- between age 18 and 24 and financially dependent on you immediately before your death, or
- disabled within the meaning of the *Disability Services Act 1986 (Cwlth)*.

If your child receives a reversionary pension, then they'll continue to receive the income until age 25, unless the account balance reduces to \$10,000 earlier. Once your child turns age 25, they'll receive the remaining balance as a lump sum. However, if your child is disabled they'll continue to receive an income until the account balance reduces to zero.

Changing your beneficiary

If you make a reversionary beneficiary nomination for your Flexi Pension, then it will override any other nomination you have made. Any beneficiary nominations you make for any other UniSuper accounts won't be affected by your reversionary beneficiary nomination.

POTENTIAL IMPACTS ON GOVERNMENT ENTITLEMENTS

Before deciding to nominate or remove a reversionary beneficiary, we recommend you speak to a qualified UniSuper Financial Adviser, as there may be Centrelink or Department of Veterans' Affairs implications.

For example, updating or removing a reversionary beneficiary may affect the amount of your assessable income payments for the income test.

Visit unisuper.com.au/forms and read our *Selecting a reversionary beneficiary* fact sheet and form.

Binding death benefit nomination

A binding death benefit nomination is a written directive by you which details the dependants or legal personal representative you want to receive your account balance after you die. If the nomination is valid and still in effect, the Trustee must pay your account balance to the beneficiaries in the proportions you've nominated.

A binding death benefit nomination:

- can be **lapsing**, which means you have to update it every three years, or **non-lapsing**, which means it will stay valid until you change or revoke it, or becomes invalid for another reason, and
- requires two witness' signatures signed at the same time.

A valid binding death benefit nomination overrides any non-binding beneficiary nomination you've made.

Binding death benefit nominations may have implications for DBD members who joined before 1 January 1990—read our *Binding death benefit nomination fact sheet and form* available on our website or by calling us.

There may be tax implications if your beneficiary doesn't meet the definition of 'dependant' for tax purposes.

Make, amend or revoke binding death benefit nominations any time by completing a *Binding death benefit nomination* form.

If you have more than one UniSuper account, you can submit a separate valid binding death benefit nomination for each account or submit a single valid binding death benefit nomination to apply to all your UniSuper accounts.

Visit unisuper.com.au/forms and read our *Binding death benefit nomination* fact sheet and form.

Non-binding beneficiary nomination

A non-binding nomination allows you to nominate whom you'd prefer your account balance to be paid to after you die.

- You can nominate one or more of your dependants and/or your legal personal representative.
- These nominations aren't binding on the Trustee.
- The Trustee will decide who receives your account balance, taking into consideration your nomination, circumstances (e.g. if you have any other dependants) and the relevant laws at the time of your death.
- This nomination won't expire unless you change or revoke it.

So while a non-binding nomination helps us identify potential beneficiaries, it neither:

- guarantees your account balance will be paid to those you nominate, nor
- excludes others from receiving your benefit, if the Trustee determines them to be a dependant.

Like with binding nominations, there may be tax implications if your beneficiary doesn't meet the definition of 'dependant' for tax purposes.

To make a non-binding beneficiary nomination, log in to your account and select 'Beneficiaries' or complete the relevant section of the *Flexi Pension application* at the back of this PDS.

If you don't make a nomination

If you haven't nominated any beneficiaries, when you die the Trustee must pay the remaining balance of your Flexi Pension (if any) to one or more of your dependants and/or legal personal representatives in proportions determined by the Trustee.

If you don't have any dependants or a legal personal representative at the date of your death, the Trustee will pay your remaining balance to any other person it determines, as required by superannuation law.

Visit [unisuper.com.au/beneficiaries](https://www.unisuper.com.au/beneficiaries) to find out more.

Keep your nomination up to date

Regardless of the type of nomination you make, it's important you keep it up to date, especially if your circumstances change (e.g. you get married, change partner, have a child, or someone you have nominated dies or ceases to be a dependant).

Log in to your account to check your beneficiaries.

Definitions

DEPENDANT

Your dependants include:

- your spouse (including legal or de facto spouse of same sex or opposite sex)
- your children or the children of your spouse (regardless of age)
- any person who was in an interdependency relationship with you at the date of your death, and
- any other persons (irrespective of age) who, in the opinion of the Trustee, are or were financially dependent on you at the date of your death.

SPOUSE

The definition of spouse for a UniSuper member is:

- a person to whom you are legally married
- a person, whether of the same sex or opposite sex, with whom you are in a relationship that is registered under a relevant Australian State or Territory law, or
- a person, whether of the same sex or opposite sex, with whom you are not legally married but whom you live with on a genuine domestic basis as a couple.

CHILD

A child in relation to a UniSuper member or the member's spouse includes a child, adopted child, foster child, ward or child within the meaning of Family Law legislation.

LEGAL PERSONAL REPRESENTATIVE

Your legal personal representative is the executor of your Will or, if you die without a Will, the administrator of your estate. If you nominate your legal personal representative under a binding death benefit nomination, your benefit will form part of your estate and may be distributed in accordance with your Will (if you have one), or in line with the laws that govern people who die without a Will.

INTERDEPENDENCY RELATIONSHIP

An interdependency relationship may exist between two people (whether or not related by family) if, for example, they live together in a close personal relationship, and one or each of them provides the other with financial support, domestic support and personal care.

If two people have a close personal relationship but don't live together or provide this support or care because either, or both, of them suffer from a physical, intellectual or psychiatric disability, or because they are temporarily living apart, they may still be deemed to have an interdependency relationship.

Before any benefit can be paid to a person with whom you had an interdependency relationship, the Trustee requires a statutory declaration that sets out the nature of your interdependency relationship.

You can make this statutory declaration at the same time that you make your nomination, or it can be made after your death by the person with whom you had an interdependency relationship. This statutory declaration can be made on the *Applying for a death benefit* form, which is available by calling us.

DEPENDANT FOR TAX PURPOSES

For the definition, see page 28.

Transition to retirement with a Flexi Pension

Transition to retirement (TTR) rules allow you to access some of your super while you're still working, provided you've reached your preservation age.

What is a Flexi Pension – TTR?

A Flexi Pension – TTR allows you to maintain your income if you choose to wind back on work or choose to salary sacrifice more into your super.

How it works

It works alongside your super account and may reduce the overall tax you pay. Since you're still working, your employer can continue to make contributions, which means your super account balance will continue to grow. And at the same time, you can receive income from your Flexi Pension – TTR, paid directly into your bank account.

WHEN YOU CAN START

You can start a Flexi Pension – TTR if you've reached your preservation age (see page 30).¹ There are no minimum or maximum hours that you must work.

You need to transfer at least \$25,000 from your super account balance into a Flexi Pension account. To make this transfer, you can use part or all of your:

- defined benefit component², and/or
- accumulation component/account.

If you use only a portion of your accumulation component/account, you must leave at least \$1,000 in your accumulation component/account.

The easiest way to find out if you're eligible to open a Flexi Pension – TTR is to call us.

LIMITED ABILITY TO MAKE LUMP-SUM WITHDRAWALS

You can make one-off withdrawals from a Flexi Pension – TTR in very limited circumstances, including:

- accessing any unrestricted non-preserved benefits
- giving effect to a Family Law payment split, or
- giving effect to an ATO release authority under income tax legislation.

Once you reach age 65 or let us know you've met a condition of release allowing unrestricted access to your super (e.g. retired from the workforce or terminate employment from age 60), your Flexi Pension – TTR will become a standard Flexi Pension, and you can make full or partial withdrawals from your balance as needed. Any money you have in Flexi Pension will also count towards the transfer balance cap. Read more about this on page 29.

¹ Restrictions apply for temporary residents—see the *Flexi Pension application* at the end of this PDS.

² If you're a DBD member and want to start a Flexi Pension, then read the information on page 3.

Accumulation 1 and 2, and Personal Account members

If you're an Accumulation 1, Accumulation 2 or Personal Account member, you can use part or all of your balance to start a Flexi Pension – TTR. If you use a portion of your balance, then you must leave at least \$1,000 in your super account. While you're still employed, you'll remain an Accumulation 1, Accumulation 2 or Personal Account member and your employer and member contributions will continue to be paid into your super account.

Defined Benefit Division members

If you're a DBD member, you can use all or part of your DB component or accumulation component to start a Flexi Pension – TTR. However, if you use any part of your DB component to open a Flexi Pension, you'll cease to be a DBD member. This is because your DB component will be converted to an accumulation benefit and used to start your Flexi Pension.

Read more about how this works on page 3.

FURTHER READING

You should read the *What happens to your inbuilt benefits if you choose Accumulation 2?* document together with the *Defined Benefit Division and Accumulation 2 PDS* before you make any decisions about starting a Flexi Pension – TTR using a DB component. They're available at unisuper.com.au/pds or call us and we'll send you a copy.

Your payments

MINIMUM ANNUAL INCOME PAYMENTS

The same minimum annual income payments that apply to a standard Flexi Pension also apply to a Flexi Pension – TTR—see page 6.

MAXIMUM ANNUAL INCOME PAYMENTS

Your annual income payments are limited to a maximum of 10% of your account balance at the start of each financial year (or your initial account balance for the first year). This maximum limit is recalculated on 1 July each year, based on your account balance at that time.

Your annual payments under TTR rules must be between your minimum age-based percentage and the 10% maximum limit. The maximum annual pension amount for Flexi Pension – TTR isn't subject to the pro-rata rules.

Example

Spencer is 63 years old and starts a Flexi Pension – TTR on 1 July 2019 with \$100,000.

His minimum annual payment is:

$$\text{\$100,000} \times 4\% = \text{\$4,000}$$

The maximum is:

$$\text{\$100,000} \times 10\% = \text{\$10,000}$$

Therefore, Spencer can choose an annual income payment of between \$4,000 and \$10,000 for the 2019-20 financial year.

Calculating the maximum income payments for a Flexi Pension – TTR during the financial year

Example

Diana starts a Flexi Pension – TTR on 1 April with \$400,000 and chooses the maximum annual income payments of \$40,000 (\$400,000 x 10%). When she started, there were three months left in the current financial year.

Unless Diana advises us otherwise, her annual income will be spread over the remaining three months—April, May and June.

That is $\$40,000 \div 3 = \$13,330$ per month (rounded to the nearest \$10).

REQUIREMENTS

Your payments and any lump-sum withdrawals must be taken from your balance in the following order:

1. unrestricted non-preserved
2. restricted non-preserved, and
3. preserved.

See pages 30 and 31 for more on preservation components. These components are also shown on your benefit statement.

Tax on investment earnings

Generally, if you're in retirement phase and you start a Flexi Pension, then no tax applies to investment earnings up to the transfer balance cap of \$1.6 million.

FOR FLEXI PENSION - TTR

Investment earnings on a Flexi Pension – TTR are subject to tax of up to 15%—in line with other investment earnings in super.

FOR FLEXI PENSION (RETIREMENT PHASE)

If you reach age 65 or notify us that you have met a condition allowing unrestricted access to super before reaching age 65, then investment earnings on a Flexi Pension will no longer be subject to tax.

Your Flexi Pension account will then be considered to be in retirement-phase and be subject to the applicable fees for a Flexi Pension and the transfer balance cap (see page 29 for more information).

Closing your Flexi Pension – TTR

You can transfer (or commute) your Flexi Pension – TTR to another retirement income product or close your Flexi Pension – TTR and return the account balance to a super account at any time.

Is your insurance cover affected?

As long as you continue to have an accumulation component or account and meet all other eligibility criteria, any insurance cover you have within your accumulation component/account will continue.

If you have insurance cover:

- your Death-only insurance stops at age 75
- your Total & Permanent Disablement (TPD) insurance stops at age 70, and
- your Income Protection insurance stops at age 65.

How to apply for a Flexi Pension – TTR

Complete the relevant sections in the *Flexi Pension application* at the back of this PDS.

FIND OUT MORE

Read the *Transition to retirement* fact sheet available on our website or by calling us.

Risks of a Flexi Pension

All investments, including those in a Flexi Pension, have some level of risk.

Different investment strategies may carry different levels of risk, depending on the assets that make up the strategy. Those assets with the highest potential return over the longer term (such as equities) may also have the highest risk of falling in value in the shorter term.

Investment risks associated with a Flexi Pension include:

- the risk of negative returns from a specific investment
- the risk of underperformance by an investment manager
- market risks and risks associated with poor performance by investments in particular markets or countries currency risk, credit risk, cyber risk, operational risk, inflation risk, liquidity risk and risks associated with the use of derivatives.

Other risks may include:

- potential changes to legislation and taxes that may apply in the future
- events beyond our control which may impact UniSuper's administration, including our ability to process transactions
- a change in UniSuper's Trust Deed or fees and costs
- the risk that UniSuper may discontinue a particular investment option in the future or make changes to the investment strategy or objective of an option. We would give you advance notification if any investment options were to be discontinued.

When considering your investment, it's important to understand that:

- the value of investments will vary and go up and down
- the level of investment returns will vary and future returns may differ from past returns
- investment returns are not guaranteed and you may lose some of your money
- super and retirement income laws may change in the future
- your future savings (including contributions and returns) may not be enough to provide adequately for your retirement (adequacy risk)
- you may outlive your retirement income payments (longevity risk), and
- the appropriate level of risk for you will depend on a range of factors including your age, your investment time frame, your other investments, and your personal risk tolerance.

FURTHER READING

Read the *Risks of super* document before making a decision. The material in *Risks of super* may change between the time you read this PDS and the day you acquire the product. It's available at unisuper.com.au/pds or call us and we'll send you a copy.

Fees and other costs

This section shows the fees and other costs that you may be charged.

Consumer advisory warning

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 text is required by law to be included in all PDSs. Please note, however, that UniSuper's fees are set at a competitive level that is consistent with effective management and are not negotiable by members.

Fees and other costs may be deducted from your account, the returns on your investment or 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.

Taxes are set out in another part of this document.

You should read all the information about fees and other costs because it's important to understand their impact on your investment.

The fees and other costs for our investment options are set out on page 22.

CHANGES TO FEES AND COSTS

If changes (which aren't materially adverse) are made to fees and costs, updated information will be available on our website. Call us to request a paper or electronic copy of updated information.

TYPE OF FEE	AMOUNT	HOW AND WHEN PAID
Investment fee (Flexi Pension)¹	Balanced investment option: 0.35% per year ²	The investment fee accrues daily and is deducted from the Balanced investment option and any other option(s) you're invested in (as relevant).
Investment fee (Flexi Pension – TTR)^{1,3}	Balanced investment option: 0.42% per year ²	
Administration fee (Flexi Pension except a Flexi Pension – TTR)¹	\$96 per year (\$8 per month) PLUS 0.16% of your account balance per Flexi Pension account, capped at \$1,250 per account per financial year.	Deducted from your account on the 19th of each month. 0.16% of your account balance (capped at \$1,250 per financial year) is deducted from your account on a six-monthly basis (and also on closure of your account), based on your account balance before investment earnings are applied.
Administration fee (Flexi Pension – TTR)^{1,3}	Nil	Not applicable
Buy-sell spread	Nil	Not applicable
Switching fee	The first switch per Flexi Pension account in each financial year is free of charge. Any subsequent switches within that financial year will incur a \$9.85 switching fee on the date the switch becomes effective.	This fee is deducted proportionally from the investment options you have chosen on a pro-rata basis.
Advice fee⁴	Nil	Not applicable
OTHER FEES AND COSTS ⁵		
Indirect cost ratio (ICR) (Flexi Pension)^{1,2}	Balanced investment option: 0.09% per year ² .	The ICR accrues daily and is deducted from the Balanced investment option and any other option(s) you're invested in (as relevant).
Indirect cost ratio (ICR) (Flexi Pension – TTR)^{1,2,3,6}	Balanced investment option: 0.13% per year ^{2,6}	

¹ If your account balance is less than \$6,000 at the end of the financial year, the total combined amount of administration fees, investment fees and indirect costs charged to you will be capped at 3% of the account balance. Any amount charged in excess of that cap will be refunded.

² The investment fee and ICR shown above are indicative only and are based on the investment fee and ICR for this investment option for the year ended 30 June 2019, including several components which are estimates. The actual amount you'll be charged in subsequent financial years will depend on the actual fees and costs incurred by the Trustee in managing the investment option.

³ A Flexi Pension – TTR ceases to be paid under TTR rules once you have reached age 65 or notify us that you have satisfied a condition allowing unrestricted access to super prior to age 65. When a Flexi Pension – TTR ceases to be paid under TTR rules, administration fees, investment fees and ICR will be charged as a standard Flexi Pension member.

⁴ Advice fees relating to all members investing in the Balanced investment option or any other investment option.

⁵ Further fees and costs such as fees for personal advice may apply. For further information, refer to the 'Additional explanation of fees and costs' section on page 21.

⁶ From 1 October 2019, we anticipate that the ICR will decrease by up to 0.02% on the basis that the funding of the Operational Risk Reserve will reduce from 0.03% to 0.01%, although as the ICR shown is an estimate only, it may increase or decrease depending on the actual fees and costs incurred. The amounts of investment fees and ICRs for other investment options are set out on page 22 and paid at the same frequency and in the same manner as the Balanced investment option.

EXAMPLES OF ANNUAL FEES AND COSTS

These tables give an example of how the fees and costs for the Balanced investment option for the Flexi Pension product can affect your retirement income benefit over a one-year period. You should use this table to compare our Flexi Pension product with other retirement income products.

FLEXI PENSION (NON-TTR RETIREMENT PHASE) BALANCED INVESTMENT OPTION OF \$50,000		
Type of fee	Amount	How and when charged
Investment fees	0.35% ¹	For every \$50,000 you have in the Balanced investment option, you will be charged \$175 each year.
PLUS Administration fees (Flexi Pension)	\$96 per annum (\$8 per month) PLUS 0.16% ²	And, for every \$50,000 you have in this pension product, you will be charged \$176 in administration fees.
PLUS ICR for the Balanced investment option	0.09% ¹	And, indirect costs of \$45 each year will be deducted from your investment.
EQUALS Cost of product		If your balance was \$50,000, then for that year you will be charged fees of \$396 ⁴ for the retirement income product.

FLEXI PENSION – TTR BALANCED INVESTMENT OPTION OF \$50,000		
Type of fee	Amount	How and when charged⁵
Investment fees	0.42% ¹	For every \$50,000 you have in the Balanced investment option, you will be charged \$210 each year.
PLUS Administration fees (Flexi Pension - TTR)	Nil while paid under TTR rules ⁶	Not applicable
PLUS ICR for the Balanced investment option	0.13% ^{1,3}	And, indirect costs of \$65 each year will be deducted from your investment.
EQUALS Cost of product		If your balance was \$50,000, then for that year you will be charged fees of \$275 ⁴ for the retirement income product.

¹ The investment fee and ICR shown above are indicative only and are based on the investment fee and ICR for this investment option for the year ended 30 June 2019, including several components which are estimates. The actual amount you'll be charged in subsequent financial years will depend on the actual fees and costs incurred by the Trustee in managing the investment option. The amounts of investment fees and ICRs for other investment options are set out on page 22 and paid at the same frequency and in the same manner as the Balanced investment option.

² This is capped at a dollar amount of \$1,250 per account per financial year.

³ From 1 October 2019, we anticipate that the ICR will decrease by up to 0.02% on the basis that the funding of the Operational Risk Reserve will reduce from 0.03% to 0.01%, although as the ICR shown is an estimate only, it may increase or decrease depending on the actual fees and costs incurred. The amounts of investment fees and ICRs for other investment options are set out on page 22 and paid at the same frequency and in the same manner as the Balanced investment option.

⁴ Additional fees may also apply—for example if you switch investment options. Please refer to 'Additional fees and costs' on page 21.

⁵ Once you have reached age 65 or notify us that you have satisfied a condition of release allowing unrestricted access to super prior to age 65, your administration fees, investment fees and ICR will be charged as a standard Flexi Pension member—that is, the preceding table regarding Flexi Pension (non-TTR) would apply.

⁶ A Flexi Pension - TTR ceases to be paid under TTR rules once you have reached age 65 or notify us that you have satisfied a condition of release allowing unrestricted access to super prior to age 65. When a Flexi Pension - TTR ceases to be paid under TTR rules, administration fees, investment fees and ICR will be charged as a standard Flexi Pension member as set out in the first table.

Additional explanation of fees costs

INVESTMENT FEES AND INDIRECT COST RATIO (ICR)

The investment fees and ICRs for the year ended 30 June 2019 can be found at [unisuper.com.au/investment-costs](https://www.unisuper.com.au/investment-costs) or on page 22. These costs show the total investment fees and indirect costs attributed to each of our investment options (excluding fees directly charged to your account) as a percentage of the total average net assets of the relevant investment option.

The investment fee shows the total investment fees attributed to each investment option as a percentage of the total average net assets of the relevant investment option. Neither the ICR nor the investment fee is deducted directly from your account. Instead, they're periodically deducted from the investment returns. Under the Trust Deed, all expenses incurred in administering the Fund may be paid out of the Fund and included in the investment fee and ICR at the end of the relevant year (unless stated otherwise in the table on page 22).

The investment fees and ICRs are based on that financial year's expenses and are the most up-to-date figures available at the time of publication. They are indicative only for subsequent years and assume that our investments will perform in a similar manner to the 2019-20 financial year.

The actual amount you'll be charged each financial year will depend on the size of the investment portfolio, the type of assets held, the investment mandates given to investment managers, the actual investment performance achieved, and any performance-based fees paid.

PERFORMANCE-BASED FEES

We don't directly deduct any performance-based fees from your accounts. However, some external investment managers may be entitled to receive performance-based fees if they generate strong investment returns. These are included in the investment fee and are indirectly borne by members invested in an option.

To receive performance-based fees, a manager must generate returns which exceed an agreed benchmark (in some cases by a margin or hurdle), in which case the manager is entitled to receive a percentage of the excess returns. The amount that can be recouped by any particular manager in one year is generally capped, and fees in excess of the cap are carried forward into future years and can potentially be paid in future years, subject to generating adequate returns. If managers fail to generate excess returns in a year, this typically results in a negative amount being carried forward for future years to offset any performance-based fees which may otherwise become payable in future.

Managers generally manage portfolios comprising of assets that relate to multiple investment options. It's not possible to accurately predict the amount of performance-based fees that may be payable in respect of a particular investment option in the next financial year. This will depend on:

- the investment returns generated during the year ahead
- which managers generate excess returns within their portfolios
- whether there were negative amounts (or positive amounts) being carried forward for those managers
- the individual fee arrangements (if any) which had been negotiated with the relevant investment managers
- the size of the portfolios being managed by those managers, and
- the proportion of those portfolios that relate to the relevant investment option.

The table on page 24 sets out the performance fees for each option.

INVESTMENT OPTION FEES AND COSTS FOR THE YEAR ENDED 30 JUNE 2019						
Option	Flexi Pension			Flexi Pension - TTR		
	Investment fee (%) ¹	ICR (%) ¹	Total (%) ⁴	Investment fee (%) ¹	ICR (%) ^{1,3}	Total (%) ⁴
Conservative	0.25	0.24	0.49	0.32	0.28	0.60
Conservative Balanced	0.27	0.26	0.53	0.34	0.30	0.64
Balanced	0.35	0.09	0.44	0.42	0.13	0.55
Sustainable Balanced	0.26	0.00	0.26	0.33	0.04	0.37
Growth	0.43	0.16	0.58	0.50	0.19	0.69
High Growth	0.44	0.12	0.56	0.51	0.16	0.67
Sustainable High Growth	0.31	0.00	0.31	0.38	0.04	0.42
Cash ²	0.09	0.00	0.09	0.14	0.04	0.18
Australian Bond ²	0.13	0.00	0.13	0.18	0.04	0.21
Diversified Credit Income	0.26	0.00	0.26	0.33	0.04	0.36
Listed Property ⁵	0.17	0.05	0.22	0.24	0.09	0.33
Australian Shares	0.30	0.29	0.60	0.37	0.33	0.70
International Shares	0.53	0.00	0.53	0.60	0.04	0.64
Global Environmental Opportunities	0.37	0.00	0.37	0.44	0.04	0.48
Australian Equity Income	0.32	0.00	0.32	0.39	0.04	0.42
Global Companies in Asia	0.38	0.00	0.38	0.45	0.04	0.48

¹ The investment fees and ICRs shown above are indicative only and are based on the investment fees and ICRs for these investment options for the year ended 30 June 2019, including several components which are estimates. The actual amount you'll be charged in subsequent financial years will depend on the actual fees and costs incurred by the Trustee in managing the investment options. The amounts of investment fees and ICRs for other investment options are paid at the same frequency and in the same manner as the Balanced investment option.

² From 1 October 2019, we anticipate that the investment fee for the Cash and Australian Bond options will decrease by up to 0.04%.

³ From 1 October 2019, we anticipate that the ICR will decrease by up to 0.02% on the basis that the funding of the Operational Risk Reserve will reduce from 0.03% to 0.01%, although as the ICR shown is an estimate only, it may increase or decrease depending on the actual fees and costs incurred. The amounts of investment fees and ICRs for other investment options are paid at the same frequency and in the same manner as the Balanced investment option.

⁴ Components may not add to 'Total' due to rounding.

⁵ These amounts reflect the fees and costs which we have incurred in managing the Listed Property option, for example, fees and costs we incurred in the course of investing in listed property securities i.e. real estate investment trusts (REITs) for that option. These figures don't include any amounts incurred by the REITs which the Listed Property option has invested in—such as costs relating to any real property and the other business activities of those REITs.

BORROWING COSTS

UniSuper invests in interposed vehicles which incur borrowing costs. The amount borne by particular investment options varies, and these amounts are set out in the table on page 24. These borrowing costs are recovered from the revenues of the particular investment prior to the distribution of any earnings from the investment. Viewed this way, these costs are additional costs to members in the same way that they are a cost for any investor in the investment.

TRANSACTIONAL AND OPERATIONAL COSTS

Each investment option incurs transactional and operational costs to different extents. These typically include items such as:

- brokerage
- stamp duty
- settlement and clearing costs
- bid/ask spreads (spreads pertaining to over-the-counter derivatives have already been factored into our investment fees and/or ICR)
- market impact, and
- property operating costs for options that invest in property-related interposed vehicles.

What's an interposed vehicle?

An interposed vehicle is a complicated concept to define completely and accurately. The following example illustrates, on a simplistic level, how an investor might invest in an interposed vehicle.

- An investor buys shares in a particular company listed on the Australian Securities Exchange. In this case, the shares in that company are an investment in their own right.
- On the other hand, an investor could invest in another entity (Fund A) which, in turn, invests in that particular company listed on the Australian Securities Exchange. In this case, Fund A will often be regarded as an interposed vehicle. When super funds disclose their fees and costs, they include fees and costs incurred by interposed vehicles. However, Fund A will not necessarily be an interposed vehicle if this was an investment in its own right and not a means of gaining exposure to the listed company.

Determining whether an entity is an interposed vehicle involves three separate tests. For a detailed explanation, we recommend you refer to the latest version of *ASIC Regulatory Guide 97 Disclosing fees and costs in PDSs and periodic statements* as well as any guidance (including Frequently Asked Questions) issued by ASIC in conjunction with *Regulatory Guide 97*.

The guide is available at www.asic.gov.au/regulatory-resources/find-a-document/regulatory-guides

BORROWING, TRANSACTIONAL AND OPERATIONAL COSTS, AND PERFORMANCE-BASED FEES BY INVESTMENT OPTION FOR THE YEAR ENDED 30 JUNE 2019			
Option	Transactional and operational cost (%) ¹	Performance-based fees (%) ^{1, 2}	Borrowing cost (%) ¹
Conservative	0.28 (of which 0.21 has already been included in the investment fee and/or ICR)	0.03	0.04
Conservative Balanced	0.28 (of which 0.23 has already been included in the investment fee and/or ICR)	0.03	0.04
Balanced	0.21 (of which 0.11 has already been included in the investment fee and/or ICR)	0.02	0.01
Sustainable Balanced	0.07 (of which 0.02 has already been included in the investment fee and/or ICR)	0.00	0.00
Growth	0.31 (of which 0.18 has already been included in the investment fee and/or ICR)	0.03	0.02
High Growth	0.30 (of which 0.16 has already been included in the investment fee and/or ICR)	0.03	0.02
Sustainable High Growth	0.07 (of which 0.03 has already been included in the investment fee and/or ICR)	0.00	0.00
Cash	0.00	0.00	0.00
Australian Bond	0.10 (of which 0.01 has already been included in the investment fee and/or ICR)	0.00	0.00
Diversified Credit Income	0.12 (of which 0.01 has already been included in the investment fee and/or ICR)	0.00	0.00
Listed Property ³	0.16 (of which 0.02 has already been included in the investment fee and/or ICR)	0.00	0.00
Australian Shares	0.37 (of which 0.30 has already been included in the investment fee and/or ICR)	0.00	0.03
International Shares	0.22 (of which 0.06 has already been included in the investment fee and/or ICR)	0.00	0.00
Global Environmental Opportunities	0.19 (of which 0.05 has already been included in the investment fee and/or ICR)	0.00	0.00
Australian Equity Income	0.10 (of which 0.05 has already been included in the investment fee and/or ICR)	0.00	0.00
Global Companies in Asia	0.01 (of which 0.00 has already been included in the investment fee and/or ICR)	0.00	0.00

¹ The borrowing costs, transactional and operational costs, performance-based fees shown above are indicative only and are based on the borrowing, transactional and operational costs, performance-based fees for this investment for the year ended 30 June 2019, including several components which are estimates. The actual amount you'll incur in subsequent financial years will depend on the actual borrowing, transactional and operational costs, performance-based fees incurred by the Trustee in managing the investment option.

² Performance-based fees are included in the investment fees and/or ICRs for each option.

³ These amounts reflect the fees and costs which we have incurred in managing the Listed Property option, for example, fees and costs we incurred in the course of investing in listed property securities i.e. real estate investment trusts (REITs) for that option. These figures don't include any amounts incurred by the REITs which the Listed Property option has invested in—such as costs relating to any real property and the other business activities of those REITs.

OPERATIONAL RISK FINANCIAL REQUIREMENT

Australian super funds are subject to an Operational Risk Financial Requirement (ORFR).

This is required by the Australian Prudential Regulation Authority (APRA) and is intended to ensure that super funds have access to financial resources to cover losses, costs and expenses that may be incurred in the event of an operational risk.

For Flexi Pension – TTR members only, this is funded out of investment-related charges which are included in the ICR for each investment option. This component of the ICR is currently 0.01% p.a. for each investment option.

FEES FOR UNISUPER ADVICE

Information and general advice is provided at no additional charge to UniSuper members. The cost of this service is included in the administration fee.

UniSuper Advice is a financial planning service available to UniSuper members and their spouses through UniSuper Management Pty Ltd ABN 91 006 961 799 AFSL No. 235907 which is licensed to provide financial advice services and deal in financial products.

Members will receive a fee quote before UniSuper Advice proceeds with personal advice services. These fees are additional to the fees stated in this PDS. The cost of the service varies depending on a number of factors including the complexity of the advice sought.

Find out more about the services we provide, and the fees charged by referring to our *Financial Services Guides* (FSGs) on our website or if you've received advice, the Statement of Advice.

Where agreed with you, some or all of the cost of advice may be deducted from your UniSuper account as an advice fee, to the extent the advice provided relates to your account in UniSuper or superannuation-related retirement planning.

If you're a DBD member, we can only deduct advice fees from your accumulation component.

ALTERATIONS TO FEES

Fees are generally increased on 1 July each year in line with increases in the Consumer Price Index (CPI) for the preceding 12 months ending 31 December.

Fees may change without your consent. We reserve the right to introduce a new fee or change any fees. We'll give you 30 days' written notice (except in the case of annual indexation of fees) before a new or increased fee takes effect.

BANK FEES

The Trustee reserves the right to recover any bank fees incurred in respect of pension payments on a cost recovery basis.

GST AND STAMP DUTY

All fees and costs include GST and stamp duty where applicable. The amount of GST payable may be reduced in certain circumstances because of tax credits available to the Trustee.

TAX DEDUCTIONS

Where fees and costs are tax deductible to the Fund, members will indirectly receive the benefit of those tax deductions.

Defined fees

This section defines the different fees and costs that can be charged to your account. Not all charges will apply to your Flexi Pension.

ACTIVITY FEES

A fee is an activity fee if:

- a) the fee relates to costs incurred by UniSuper's Trustee if they are directly related to an activity of the Trustee:
 - that is engaged in at the request, or with the consent, of a member, or
 - 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.

The only activity fees charged by UniSuper are external insurance premiums.

ADMINISTRATION FEES

An administration fee is a fee that relates to UniSuper's administration or operation and includes costs that relate to that administration or operation, other than:

- borrowing costs; and
- indirect costs that are not paid out of UniSuper that the Trustee has elected in writing will be treated as indirect costs and not fees, incurred by the Trustee or in an interposed vehicle or derivative financial product; and
- 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.

UniSuper's administration fee for Flexi Pension (excluding TTR) is \$96 per annum, plus 0.16% of your Flexi Pension account balance, capped at \$1,250 per account per financial year.

If you have a Flexi Pension - TTR, then you won't be charged an administration fee while it remains under TTR rules. If you took your Flexi Pension under TTR rules, then it will cease to be treated as such when you reach age 65 or notify us that you have met a condition of release allowing unrestricted access to your super. At that time, the administration fees for a standard Flexi Pension become payable.

ADVICE FEES

A fee is an advice fee if:

- the fee relates directly to costs incurred by the Trustee of UniSuper because of the provision of financial product advice to a member by:
 - the Trustee of UniSuper; or
 - another person acting as an employee of, or under an arrangement with, the Trustee of UniSuper; and
- those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.

You'll only be charged an Advice fee if you agree to receive personal financial advice from UniSuper Advice. These fees will be discussed and agreed with you at this time.

BUY-SELL SPREADS

A buy-sell spread is a fee to recover transaction costs incurred by UniSuper's Trustee in relation to the sale and purchase of UniSuper's assets.

Buy-sell spreads do not currently apply to Flexi Pension.

INDIRECT COST RATIO

The indirect cost ratio (ICR)—for the Balanced investment option or another investment option offered by UniSuper—is the ratio of the total of the indirect costs for the Balanced investment option or other investment option, to the total average net assets of UniSuper attributed to the Balanced investment option or other investment option.

A fee deducted from a member's account or paid out of UniSuper isn't an indirect cost.

UniSuper ICRs are deducted from investment returns. A breakdown of these costs to 30 June 2019, for each investment option, is on page 22.

INVESTMENT FEES

An investment fee is a fee that relates to the investment of UniSuper's assets 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 UniSuper's assets, other than:
 - i. borrowing costs; and
 - ii. indirect costs that are not paid out of UniSuper that the Trustee has elected in writing will be treated as indirect costs and not fees, incurred by the Trustee 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.

Investment fees are deducted from investment returns. A breakdown of these fees to 30 June 2019, for each investment option, is on page 22.

SWITCHING FEES

A switching fee is a fee to recover the costs of switching all or part of a member's interest in UniSuper from one investment option or product to another.

The first switch in a financial year is free. UniSuper charges a switching fee of \$9.85 for the second and subsequent switches in a financial year. The fee is charged on the date the switch becomes effective.

How retirement income is taxed

It's important to understand how tax can affect your retirement income, death benefits and transfers

TAX ADVICE

The tax treatment of retirement income can be complex. We recommend you get advice from a tax specialist.

Tax on transfers

You may transfer money from other super funds into your UniSuper account before opening your Flexi Pension. No tax is payable on amounts transferred from one super fund to another, unless the amount contains an untaxed element (for example, benefits from a public sector super fund).

An untaxed element transferred to us attracts a 15% contribution tax when we receive it.

Providing your tax file number (TFN)

While it's not compulsory to give us your TFN, if you don't, we may be required to withhold tax at a higher rate.

AGED 60 OR OVER

You don't need to provide us with your TFN, but it can help administer your Flexi Pension account.

UNDER AGE 60

Visit unisuper.com.au/tfn and read the important information about providing your TFN. You can also request a copy of this information by calling us.

Tax on investment earnings

Generally, if you're retired and you start a Flexi Pension, then no tax applies to investment earnings up to the transfer balance cap of \$1.6 million.

FOR FLEXI PENSION - TTR

Investment earnings on a Flexi Pension - TTR are subject to tax of up to 15%—in line with other investment earnings in super.

If you reach age 65 or notify us that you have met a condition allowing unrestricted access to super before reaching age 65, then investment earnings on a Flexi Pension will no longer be subject to tax up to the transfer balance cap.

Your Flexi Pension account will then be considered to be in retirement-phase and be subject to the applicable fees for a Flexi Pension and the transfer balance cap (see page 29 for more information).

Tax on payments and lump-sum withdrawals

AGED 60 OR OVER

All retirement income payments and lump-sum withdrawals are paid tax-free.

UNDER AGE 60 AND AT OR ABOVE PRESERVATION AGE

Any lump-sum withdrawal you make must include taxable and tax-free components in the same proportions as your entire benefit.

Tax-free component: No tax is payable on the tax-free component of a lump-sum withdrawal.

Taxable component: If you've reached your preservation age (see page 30 for details) and are under age 60, then you'll pay tax on the taxable component of a lump-sum withdrawal that exceeds the 'low-rate cap'. The low rate cap is a lifetime limit and is \$210,000 for 2019-20.

Any lump-sum withdrawals in excess of this threshold will be taxed at the rate of 17% (if you've provided us with your TFN).

The taxable component of your retirement income payments is included in your assessable income and taxed at your marginal rate less a 15% tax offset. The tax-free component is not included in your assessable income.

15% TAX OFFSET

If you're under age 60 and have reached your preservation age, a 15% tax offset can reduce how much tax you pay on the taxable component of your pension. We'll deduct the required amount of tax from your regular payment and send you a PAYG Payment Summary each year to lodge with your annual income tax return. If we don't have your TFN, we may need to deduct tax at a higher rate.

The tax information in this PDS assumes that benefits are paid from a taxed source.

Definition of a death benefit dependant for tax purposes

LEGAL PERSONAL REPRESENTATIVE

Your legal personal representative is the executor of your Will or, if you die without a Will, the administrator of your estate. If part/all of your death benefit is paid to your legal personal representative, that benefit will form part of your estate and will be distributed in line with your Will (if you have one), or in line with the laws that govern people who die without a Will.

DEPENDANT

For tax purposes, a dependant is:

- your spouse or former spouse
- your child(ren) under the age of 18
- a person who was in an interdependency relationship with you at the date of your death, or
- a person who was financially dependent on you at the date of your death.

SPOUSE

- a person to whom you are legally married
- a person, whether of the same sex or opposite sex, with whom you are in a relationship that is registered under an Australian State or Territory law, or
- a person, whether of the same sex or opposite sex, with whom you are not legally married but who you live with on a genuine domestic basis as a couple.

CHILD

This includes a child, adopted child, stepchild, ex-nuptial child, child of your spouse, ward or child within the meaning of Family Law legislation.

INTERDEPENDENCY RELATIONSHIP

A relationship between two people (whether or not related by family) who live together in a close personal relationship, and one or each of them provides the other with:

- financial support, and
- domestic support and personal care.

If two people have a close personal relationship but don't live together or provide this support or care because either or both of them suffer from a physical, intellectual or psychiatric disability, they may still be deemed to have an interdependency relationship.

Tax on death benefits

Death payments paid as a lump sum are tax-free if paid to a beneficiary who is a dependant for tax purposes. This also applies if the amount is paid to your legal personal representative and a dependant has benefitted or may be expected to benefit from the payment.

Otherwise, tax applies at the maximum rate of 17% on the taxable component of the lump sum if paid directly to a beneficiary rather than to the legal personal representative. If the taxable component of the lump sum is paid to the legal personal representative, tax applies at the maximum rate of 15%.

Tax on retirement income paid to your reversionary beneficiary depends on your age at the date of your death and the age of your reversionary beneficiary.

If you're age 60 or over at the date of your death, or your reversionary beneficiary is age 60 or over when retirement income payments revert to them, then their retirement income payments will be tax-free.

If you're under age 60 at the date of your death and your reversionary beneficiary is under age 60 when retirement income payments revert to them, then their retirement income payments will be subject to marginal tax rates and your reversionary beneficiary may be entitled to a 15% tax offset.

Tax consequences for exceeding the transfer balance cap

As described on page 3, the transfer balance cap is the limit that applies to how much money can be transferred from accumulation super accounts to tax-free retirement-phase accounts.

If you exceed your personal transfer balance cap, then you'll need to remove the excess capital and notional earnings from one or more retirement phase accounts, and pay tax on the notional earnings related to that excess.

The ATO will let you know how much you'll need to remove and from where. If you have more than one retirement phase account, you may get to choose which account to withdraw from.

If you do nothing, then the ATO will let the nominated fund know to reduce your account balance by the determined amount and require that reduction be made within 60 days.

A 15% tax will generally apply to the notional earnings of the excess amount over your transfer balance cap within the 2019-20 financial year (visit ato.gov.au for more information). Those notional earnings compound daily at the rate of the general interest charge from the day your transfer cap was first exceeded until the date the breach is rectified. The tax rate is **15% for the first breach and increases to 30% for any further breaches.**

It's your responsibility to ensure your retirement phase account(s) are within your personal transfer balance cap. In circumstances where you've exceeded your transfer balance cap, it's your responsibility to carry out any required actions to bring your balance(s) back under the cap.

GET ADVICE

We encourage you to seek professional advice from a qualified financial adviser before making any changes to your super or retirement income accounts. Visit ato.gov.au for more information, including worked examples.

Accessing your super

Your super is there to support you in retirement. As a result, there are rules around when you can access it.

When you can access your super

Generally, your super must stay within the superannuation system until you permanently retire from the workforce on or after reaching your preservation age (see the table on the right).

Exactly when you can access your benefit depends on its ‘preservation status’ under the Government’s preservation rules.

Under these rules, your super benefits may be ‘preserved’, ‘restricted non-preserved’ or ‘unrestricted non-preserved’.

Preserved benefits

Most member and employer contributions made into super and all investment earnings are preserved, which means they can’t be accessed until you’ve met a condition of release.

What is a condition of release?

Under preservation rules, you must meet a ‘condition of release’ before you can make a withdrawal from the preserved benefits of your super.

- These include:
- permanent retirement from the workforce on or after reaching your preservation age
 - termination of employment after you reach age 60
 - turning age 65
 - permanent incapacity, or
 - death.

Your preservation age varies depending on when you were born.

YOUR DATE OF BIRTH	PRESERVATION AGE
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
1 July 1964 or after	60

Superannuation legislation restricts the conditions of release available to temporary residents. For more information, see ‘Temporary residents’ page on our website, which includes the *Departing Australia superannuation payment (DASP)* fact sheet.

Accessing your preserved benefits before you retire

Under the preservation rules, you may be able to access part or all of your preserved benefits early in certain limited circumstances, provided you satisfy the eligibility criteria. These circumstances are:

- **Specified compassionate grounds:** you must apply directly to the ATO.
- **Severe financial hardship grounds:** you must apply to the Trustee and be receiving eligible Commonwealth Government income support benefits to qualify.
- **Terminal medical condition:** you must apply to the Trustee (read the *Terminal medical condition* benefit fact sheet on our website).

ACCESSING PRESERVED BENEFITS

To access your preserved benefits before you retire, you need to contact the ATO directly (for release on specified compassionate grounds) or call us (if you're eligible to apply for release due to severe financial hardship grounds or terminal medical condition).

Restricted non-preserved benefits

Generally, you can access restricted non-preserved benefits when you terminate employment with an employer who had contributed to UniSuper on your behalf. You can also access restricted non-preserved benefits if you meet a condition of release, as set out on page 30.

Unrestricted non-preserved benefits

Unrestricted non-preserved benefits are usually made up of benefits you're already entitled to, but have voluntarily decided to keep within the super system (e.g. you have reached age 65 but are still working). Therefore, you can generally access unrestricted non-preserved benefits at any time, regardless of your age, employment situation or financial position.

Providing proof of identity

In line with the anti-money laundering and counterterrorism financing legislation, super funds are required to identify, monitor and have measures in place to reduce the risk that the super fund may be used as a vehicle to launder money or to finance terrorism.

As a result, you'll be required to provide proof of your identity before starting a Flexi Pension or making lump-sum withdrawals (where permitted). To save time, you can verify your identity online. You'll need to provide the details of a government-issued ID such as an Australian passport or driver licence. For more information, read the *Your guide to proof of identity* fact sheet for more information about the documents we can accept and how to get them certified.

If you're under age 60, also complete an ATO *Tax file number declaration* for each Flexi Pension you're starting. You can find this form, which is different from our *Tax file number collection form*, in your *Planning your retirement* kit, and on ato.gov.au. You don't need to complete this form if you're aged 60 or older. Visit unisuper.com.au/tfn and read the important information about providing your TFN. You can also request a copy of that information by calling us.

Other things you need to know

Temporary residents

If you're a temporary resident, you can only start a Flexi Pension in very limited circumstances. An eligible temporary resident whose visa has expired or been cancelled can claim their super benefit directly from UniSuper within six months of departing Australia, or from the ATO at any time.

The taxable component of benefits claimed by temporary residents upon departing Australia may be subject to a withholding tax of up to 65%. The amount of tax withheld will depend on the class of visa you have and when the benefit is paid.

For more details, read our *Departing Australia superannuation payment* (DASP) fact sheet available on our website or call us for a copy. The ATO website also provides up-to-date tax information for temporary residents.

Work test exemption for recent retirees

Currently, those aged 65-74 can make voluntary contributions only if they've worked at least 40 hours in any 30-day period in the financial year.

On 1 July 2019, the government introduced an exemption from this work test if your super balance is below \$300,000 in the first financial year you don't meet the work test requirements (subject to contribution caps).

This exemption applies to contributions made from the 2019-20 financial year

Family Law and your retirement income

Retirement income entitlements form part of the property of a marriage or de facto relationship (same or opposite sex) under the Family Law legislation and, in the event of marriage or relationship breakdown, can be split between the parties by agreement or court order.

For more information, refer to the *Super and Family Law* fact sheet at unisuper.com.au/factsheets or call us.

Error rectification policy

We work hard to minimise errors in administering your Flexi Pension. If we identify an issue with your account, then we'll investigate and respond to it in a timely manner.

If we discover an error was caused by our administrator or us and it's found to be material, then our policy is to compensate members who were adversely affected if they have acted reasonably.¹

Confirming transactions and changes

The Trustee is required to confirm certain transactions and changes that occur during your membership, including investment switches, lump-sum withdrawals and changes to beneficiary nominations.

¹ UniSuper will generally use a materiality threshold of 0.30% of the account when compared to the amount of the error in determining whether individual compensation should be paid. Where a member's account is closed, compensation payments of less than \$20 will not normally be made. These thresholds are in line with industry standards and regulatory practice guidelines.

To get confirmation of a transaction or change, call us and quote your member number. You can also email pensionsmailbox@unisuper.com.au or write to:

UniSuper
Level 1, 385 Bourke Street
Melbourne Vic 3000

Alternatively, you can log in to your account to view or download details.

How we protect your privacy

We recognise the importance of protecting your personal information and are committed to complying with our privacy law obligations.

We collect your personal information to administer your account, ensure you're eligible for insurance cover, provide you with UniSuper membership benefits, services and products, verify your identity and improve our products and services. You consent to our collecting sensitive information about you, where collecting that information is reasonably necessary for us to perform one or more of our functions or activities. We usually collect personal and sensitive information directly from you; however, it may also be collected from third parties, such as your employer.

We may also collect this information from you because we're required or authorised by or under an Australian law or a court/tribunal order to collect that information.

If you don't provide this information, we may not be able to administer your account, provide you with a product or service or you may be disadvantaged in some other way.

We may disclose your information to any service provider we engage (for example mail-houses, auditors, insurers, actuaries, lawyers and research consultants) to carry out or help us provide your membership benefits, services and products.

This includes overseas entities. The countries we may disclose personal information to are Japan, Canada and the United States of America. Where information is transferred overseas, we'll seek to ensure the recipient of the data has security systems to prevent misuse, loss or unauthorised disclosure in line with Australian laws and standards.

Our Privacy Policy contains information about how you can access any personal information we hold, how to correct your information and how to make a complaint about a breach of the Privacy Act. It's available on our website or by calling us.

Complaints handling

Providing great service and genuine care to our members underpins everything we do. If something has gone wrong or you're not happy with our service, tell us so we can do our best to fix it quickly.

To make a complaint, contact us on **1800 331 685** or write to:

Complaints Officer
UniSuper
Level 1, 385 Bourke Street
Melbourne Vic 3000

Email: enquiry@unisuper.com.au

If our response to your complaint does not resolve it to your satisfaction, we have not resolved your complaint within 90 days or you would prefer to speak to someone else, then you can complain to the Australian Financial Complaints Authority (AFCA). AFCA provides a fair and independent complaint resolution service that is free to consumers.

You can contact AFCA at:

Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

Phone: 1800 931 678 (free call within Australia)
Email: info@afca.org.au
Online: www.afca.org.au

It's important to note there are time limits for lodging certain complaints. This includes complaints about the payment of a death benefit, which you must lodge with AFCA within 28 days of receiving our written decision.

Visit unisuper.com.au/complaints for more information.

UNISUPER

Phone 1800 331 685
Fax +61 3 8831 6141
Web unisuper.com.au
Email pensionsmailbox@unisuper.com.au
Address UniSuper
Level 1, 385 Bourke Street
Melbourne VIC 3000

Flexi Pension application



AVOID PROCESSING DELAYS

Check you're using the latest version by comparing the issue date at the bottom of this page with the version at unisuper.com.au/pds



SAVE TIME, GO ONLINE!

Over age 60, then save time applying for a Flexi Pension by logging into your account at unisuper.com.au

Complete this application to apply for a UniSuper Flexi Pension.

To start a UniSuper Flexi Pension you must:

- be a UniSuper member
- have at least \$25,000
- complete an ATO *Tax file number declaration* and return it to us with this form if you're under 60
- provide your bank details in SECTION 8 of this application.

If you're a temporary resident you can only start a Flexi Pension in very limited circumstances. Contact us for more information. If you want to open more than one UniSuper Flexi Pension, you need to complete a separate application for each account. You also need to provide an ATO *Tax file number declaration* for each account you open if you're under age 60.

Claim a tax deduction

If you've made any non-concessional (after-tax) contributions into your super account and wish to claim a tax deduction on those contributions, then you must lodge a *Notice of intent to claim a tax deduction for after-tax super contributions* form – and receive acknowledgment of it – before opening your Flexi Pension account.

Important insurance note

If you transfer your entire super account balance to a pension, your existing insurance cover will cease, unless you leave your super account open with enough money in that account to continue paying your premiums. For more information on keeping your insurance cover in your super account, visit the 'keep your insurance' section on our website.

Providing proof of identity

You must certify your identity when submitting your application, which we can't process until you provide us with acceptable documents. So we've included a guide to providing proof of your identity with this application.

Privacy information

UniSuper recognises the importance of protecting your personal information and is committed to complying with its privacy law obligations. For more information on how we collect and manage your information please refer to the Privacy statement at the end of this form.

SECTION 1 — Member details



Please use BLACK or BLUE BALL POINT PEN and print in CAPITAL LETTERS. Cross where required **X**. All fields in SECTION 1 are mandatory.

UniSuper member number

Refer to your most recent UniSuper correspondence, or call **1800 331 685**.

Title Mr ☐ Mrs ☐ Ms ☐ Dr ☐ Professor ☐

Other

Surname

Given name(s)

Date of birth (DDMMYYYY) Gender Male ☐ Female ☐

Contact number (during business hours) ()

Email address

Residential address, number and street (not PO box)*

Suburb/Town

State Postcode

Country (if not Australia)

* Please ensure this is shown on one of your identification documents.

[form continues](#)

SECTION 5 — Lump sum voluntary member contribution

Do you want to make a lump-sum voluntary member contribution into your super account **before** opening your Flexi Pension?

☐ > **No.** Go to SECTION 6.

☐ > **Yes.** How much would you like to contribute?

\$, , .

You can contribute using BPAY® (visit our website for more information) or by cheque. To contribute by cheque, you must complete the *Lump sum voluntary member contribution by cheque* form available online.

SECTION 6 — Your opening balance

The opening balance of your Flexi Pension will be made up of amounts you have written in SECTIONS 3, 4, 5 and 6.

You'll need at least \$25,000 to open your Flexi Pension.

If you're a DBD member and choose to open a Flexi Pension with any of your defined benefit component, then you'll cease to be a DBD member and your remaining defined benefit component will be converted to an accumulation benefit (along with any accumulation component you may have). Alternatively, you may choose to receive all or part of the remaining portion as a lump sum by completing a separate *Withdrawal form* (if you're eligible to do so). Read page 5 of the PDS for more information.

Different rules apply for a Flexi Pension – TTR. See pages 16 to 18 of the PDS for details.

SECTION 6 — Continued

How much of your UniSuper account balance do you want to use to open your Flexi Pension account? (*Select either box A or box B*)

A > My entire balance. Go to SECTION 7.

If you're a DBD member, both your accumulation component and defined benefit component will be used.

B > A portion of my UniSuper balance

For DBD members

Defined benefit component

How much do you want to use from your defined benefit component?

Account balance less

\$, , . **OR**

Specific amount

\$, , . **OR**

Specific percentage

. %

Accumulation component (if applicable)

Note: If you're opening a TTR Flexi Pension with only part of your accumulation component, you must leave at least \$1,000 in it.

How much do you want to use from your accumulation component?

Account balance less

\$, , . **OR**

Specific amount

\$, , . **OR**

Specific percentage

. %

For Accumulation 1, 2 and Personal Account members

Note: If you're opening a TTR Flexi Pension with only part of your account, you must leave at least \$1,000 in it.

How much do you want to use from your account?

Account balance less

\$, , . **OR**

Specific amount

\$, , . **OR**

Specific percentage

. %

Payments in your first year are calculated in proportion to the number of days between your account's opening date and the following 1 July. This means your income will be a portion of what you would've received in the full financial year. Depending on your age, there's a certain amount you'll need to be paid each year based on government set minimums. Refer page 8 (or page 16 for Flexi Pension – TTR).

A ➤ Minimum amount

B Choose my own amount (*enter amount below*)


\$ OR %

➤ I wish to take the maximum amount of 10% of my account balance.






You can nominate up to four bank accounts into which your retirement income can be paid. Make sure you provide the percentage you'd like allocated to each account if you're nominating more than one. If you're nominating more than two accounts, then attach the account details to this form.

Page 4 of 8

SECTION 9 — Payment frequency


 Choose how often you'd like to receive your retirement income. You can change this any time by logging in to your account.

I'd like to receive payments: *(Select one option only)*

- ☐  Fortnightly
- ☐  Monthly
- ☐  Quarterly*
- ☐  Half-yearly*
- ☐  Annually. Choose which month you want to be paid. This also counts for your first payment unless the pension starts in June. Go to page 8 of the PDS for more information.
- | | | |
|-----------------------------------|---------------------------------|------------------------------------|
| <input type="checkbox"/> January | <input type="checkbox"/> May | <input type="checkbox"/> September |
| <input type="checkbox"/> February | <input type="checkbox"/> June | <input type="checkbox"/> October |
| <input type="checkbox"/> March | <input type="checkbox"/> July | <input type="checkbox"/> November |
| <input type="checkbox"/> April | <input type="checkbox"/> August | <input type="checkbox"/> December |

* Quarterly payments are made in March, June, September and December. Half-yearly payments are made in June and December.

SECTION 10 — Investment choice

 You can choose to invest your account balance in a single investment option or a mix of options. The total must equal 100% and each choice must be a whole number.

If you don't choose an investment option, your account balance will automatically be invested in our default Balanced investment option.

PRE-MIXED	Conservative	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Conservative Balanced	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Balanced	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Sustainable Balanced	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Growth	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	High Growth	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
SECTOR	Sustainable High Growth	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Cash	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Australian Bond	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Diversified Credit Income	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Listed Property	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Australian Shares	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	International Shares	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Global Environmental Opportunities	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Australian Equity Income	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
	Global Companies in Asia	<input type="text"/>	<input type="text"/>	<input type="text"/>	%
TOTAL					<input type="text"/> 1 <input type="text"/> 0 <input type="text"/> 0%

Before making a decision about your investment options, read the PDS and the *How we invest your money* document (which is incorporated by reference into the PDS).

Sector options are generally single asset class options that are less diversified and not intended to be used in isolation, but combined with other investment options to build a diversified portfolio. For example, the Australian Equity Income option might have exposure to as few as 20 entities, and the Global Companies in Asia option as few as 40 entities. In comparison, the Balanced option has an exposure to over 1,500 entities.

If you choose to only invest in a Sector option, you may be exposed to more risk and may miss out on the benefits of the balance between risk and return offered by a Pre-Mixed option.

SECTION 11 — Drawdown method

Choose which investment options you want your retirement income payments to come from—this is called ‘drawdown method’. You can decide the order in which your payments will be taken from your investments, or you can leave it to us.

If you leave it to us, then drawdowns will be paid in the default order on page 11 of the PDS.

Or you can choose from one of the following options:

- ☐ **Pro-rata** – Payments come from your investment options in proportion to the balance in each option.
- ☐ **Your choice** – Payments come from your investment options in the order you choose below.

Your choice

Select the order of options you want your payments to come from. Place a number in the applicable boxes (i.e. 1, 2, 3 etc.). Crosses won’t be accepted. Please ensure you only select options you’ve chosen in SECTION 10.

<input type="checkbox"/> Conservative	<input type="checkbox"/> Diversified Credit Income
<input type="checkbox"/> Conservative Balanced	<input type="checkbox"/> Listed Property
<input type="checkbox"/> Balanced	<input type="checkbox"/> Australian Shares
<input type="checkbox"/> Sustainable Balanced	<input type="checkbox"/> International Shares
<input type="checkbox"/> Growth	<input type="checkbox"/> Global Environmental Opportunities
<input type="checkbox"/> High Growth	<input type="checkbox"/> Australian Equity Income
<input type="checkbox"/> Sustainable High Growth	<input type="checkbox"/> Global Companies in Asia
<input type="checkbox"/> Cash	
<input type="checkbox"/> Australian Bond	

Once your selections have been exhausted, the default order (set out on page 11 of the PDS) will apply until you make a new selection—log in to your account to update your selection.

It’s important to review your choice from time to time. As pensions are drawn down, the spread of your remaining account balance across your chosen investment options will change and the degree of diversification will reduce. Over time, your account may reflect a strategy that differs from your original intentions and you should reconsider whether this is appropriate to your financial needs and circumstances. Refer to the PDS and the *How we invest your money* document for more information.

SECTION 12 — Beneficiary nominations

Choose between three types of beneficiary nominations:

- **Reversionary beneficiary nomination:** The entire balance of your Flexi Pension will continue to be paid to your nominated dependant as a pension after your death.
- **Non-binding beneficiary nomination:** This nomination isn’t binding on the Trustee but will be taken into account when determining who will receive your death benefit.
- **Binding death benefit nomination (lapsing and non-lapsing):** If this nomination is valid and in effect at the date of your death, the Trustee must pay your benefit to your nominated dependants and/or legal personal representative.

If you prefer, you can choose not to make a beneficiary nomination.

See pages 12 to 15 of the PDS for more information.

You can only make a non-binding beneficiary nomination or a reversionary beneficiary nomination on this form.

Which type of beneficiary nomination would you like to make? (Select one box only)

- ☐ **Reversionary beneficiary nomination.**
Go to SECTION 12A
- ☐ **Non-binding beneficiary nomination.**
Go to SECTION 12B
- ☐ **Binding death benefit nomination.**
You need to complete the *Binding death benefit nomination* form available at [unisuper.com.au](https://www.unisuper.com.au) or by calling **1800 331 685**.

SECTION 12A — Reversionary beneficiary nomination

You can choose an eligible dependant to continue to receive 100% of your Flexi Pension when you die. Your nomination is legally binding on the Trustee unless the Trustee is legally restrained or prohibited from paying your retirement income to this person.

See page 12 of the PDS for more details.

Title of dependant

Mr ☐ Mrs ☐ Ms ☐ Dr ☐ Professor ☐

Other ☐

Surname of dependant

Given name(s) of dependant

Type of dependant (e.g. spouse, financial dependant)

Residential address, number and street (not PO box)

SECTION 12A — Continued

Suburb/Town

State

Postcode

Country (if not Australia)

Date of birth (DDMMYYYY)

SECTION 12B — Non-binding beneficiary nomination

Please nominate your non-binding beneficiaries in the event of your death. The total percentage of beneficiary nominations must add up to 100%.

A non-binding beneficiary nomination is not binding on the Trustee, but will be taken into account when determining who your benefit should be paid to when you die. If you want your benefit to be paid as per your will (form part of your estate) then select 'Legal personal representative'.

Beneficiary 1

Surname

Given name(s)

What is the beneficiary's relationship to you?
(Select one box only)

- ☐ > Spouse
- ☐ > Child
- ☐ > Financially dependent
- ☐ > Interdependency relationship
- ☐ > Legal personal representative (estate)

Percentage . %

SECTION 12B — Continued

Beneficiary 2

Surname

Given name(s)

What is the beneficiary's relationship to you?
(Select one box only)

- ☐ > Spouse
- ☐ > Child
- ☐ > Financially dependent
- ☐ > Interdependency relationship
- ☐ > Legal personal representative (estate)

Percentage . %

Beneficiary 3

Surname

Given name(s)

What is the beneficiary's relationship to you?
(Select one box only)

- ☐ > Spouse
- ☐ > Child
- ☐ > Financially dependent
- ☐ > Interdependency relationship
- ☐ > Legal personal representative (estate)

Percentage . %

If you want to nominate more than three beneficiaries, please provide details for each additional beneficiary on a separate piece of paper. The paper must be signed and dated in the same manner as this application and you must ensure the total percentage for all benefit nominations adds up to 100%.



RETURN YOUR APPLICATION AND CERTIFIED COPIES OF YOUR PROOF OF IDENTITY DOCUMENTS TO:

UniSuper, Level 1, 385 Bourke Street
Melbourne VIC 3000

Certified copies of your proof of identity documents must contain an original signature. Faxed or emailed copies will not be accepted.

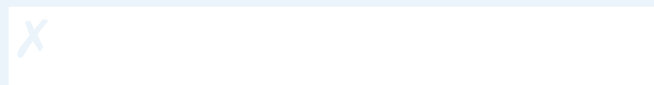
However, you can email the completed application to pensionsmailbox@unisuper.com.au

SECTION 13 — Member declaration and signature

 Please read this declaration before you sign and date your form.

- I declare the information I have given on this form is true and correct and that I am eligible to commence a Flexi Pension.
- I have read and understood the terms and conditions of a Flexi Pension as outlined in the PDS and the documents that are incorporated by reference into the PDS.
- I understand that I will be bound by the provisions of the UniSuper Trust Deed (as amended from time to time).
- I acknowledge that retirement income payments are subject to the Trust Deed and relevant government legislation.
- I understand that in the event of any inconsistency between the PDS and the terms of the Trust Deed, the terms of the Trust Deed will prevail.
- I understand that if I don't select a payment frequency, my retirement income will be paid monthly.
- I have read and understood the information in the *How we invest your money* document and I understand that:
 - investing in an investment option involves some risk and that, on occasion, my account balance may decrease
 - UniSuper does not guarantee my investment or any particular rate of return
 - I can switch my investment options online or by submitting an *Investment choice form – Pension members*. The first switch I make in each financial year is free and there is a fee for any subsequent switches I make in each financial year. This fee is deducted on the date my switch becomes effective
 - if my account balance is invested in more than one investment option and I have not made a choice, my retirement income payments will be deducted from each investment option in the default order outlined in the PDS
 - my account is not automatically rebalanced to reflect the investment option allocations chosen on this form. However, I can switch investment options online or by submitting an *Investment choice form – Pension members*.
- If I do not choose an investment option, my account will be automatically invested in the default Balanced investment option.
- I understand that fees and costs will apply, and that taxes may apply.
- I acknowledge that I have read and understood the privacy information on page 35 of the PDS and consent to my personal information being used in accordance with UniSuper's Privacy Policy.

Signature



Date (DDMMYYYY)

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Checklist

Only check the items that apply to you.

- ☐ I've provided my phone number and email address in SECTION 1.
- ☐ If I am under age 60, I've completed and attached an *ATO Tax File Number declaration* (this is an ATO form available at ato.gov.au and is **different** to our *Tax file number collection form*).
- ☐ If I'm transferring amounts from other super funds, I've provided the details of each transfer on this form.
- ☐ If I'm making an additional lump-sum voluntary member contribution to my super account, I've completed and attached a *Lump sum voluntary member contribution by cheque form*.
- ☐ I've attached correctly certified proof of identification.
- ☐ I've signed and dated the form.

Privacy statement

We recognise the importance of protecting your personal information and are committed to complying with our privacy law obligations.

We collect your personal information to administer your account, ensure you're eligible for insurance cover, provide you with UniSuper membership benefits, services and products, verify your identity and improve our products and services. You consent to our collecting sensitive information about you, where collecting that information is reasonably necessary for us to perform one or more of our functions or activities. We usually collect personal and sensitive information directly from you, however, it may also be collected from third parties, such as your employer.

We may also collect this information from you because we're required or authorised by or under an Australian law or a court/tribunal order to collect that information.

If you don't provide this information, we may not be able to administer your account, provide you with a product or service or you may be disadvantaged in some other way.

We may disclose your information to any service provider we engage (for example mail-houses, auditors, insurers, actuaries, lawyers and research consultants) to carry out or help us provide your membership benefits, services and products. This includes overseas entities. The countries we may disclose personal information to are Japan, Canada and the United States of America. Where information is transferred overseas, we'll seek to ensure the recipient of the data has security systems to prevent misuse, loss or unauthorised disclosure in line with Australian laws and standards.

Our Privacy Policy contains information about how you can access any personal information we hold, how to correct your information and how to make a complaint about a breach of the Privacy Act. It's available at unisuper.com.au or by calling **1800 331 685**.

Your guide to proof of identity

We take looking after your retirement savings very seriously—which is why you need to prove your identity (ID) before making withdrawals or other important changes to your account.

Verify your identity online

Proving your identity online is quick and easy—you'll know as soon as your identity gets verified. Log in at unisuper.com.au/memberonline to get started. Only Australian residents with Australian documents currently living in Australia can verify their identity through MemberOnline.

You'll need one or more of the following valid documents:

- › Australian passport
- › Australian visa
- › Australian citizenship certificate
- › Australian birth certificate
- › Australian driver's licence
- › Medicare card
- › Centrelink card
- › State and Federal electoral roll details.

Make sure you've updated your current personal details with relevant government agencies before you begin the process of verifying your identity online. We use online government and public databases to securely verify your identity.

Or send us certified copies of your ID

You can also send us certified copies of your ID. The following guide explains the types of documents we can accept and how to ensure they're correctly certified.

ALLOW US TO VERIFY YOUR IDENTITY

In some cases and on some of our forms, we can verify your identity on your behalf if the document(s) you provide haven't been certified correctly or can't be read. All you need to do is give us consent by ticking the box on the applicable form—and we'll try to verify your identity electronically using those documents. We'll let you know if the process wasn't successful.

Why provide your TFN?

Giving us your tax file number (TFN) means we can process rollover and transfer requests to another super fund without additional proof of identity. If your TFN can't be validated, or you want to transfer to a self-managed super fund or organise a benefit payment, you'll still need to give us certified copies of your ID.

Visit unisuper.com.au/memberonline to provide your TFN online.

STEP 1: COLLECT ACCEPTABLE DOCUMENTS

We'll accept either one document from List A or two documents from List B.

LIST A

A certified copy of a:

- › current driver licence
- › current passport (Australian passports that haven't expired more than two years ago are also acceptable)

LIST B

A certified copy of a:

- › birth certificate or birth extract
- › Australian citizenship certificate
- › a pension card issued by Centrelink that entitles the person to financial benefits.

And:

- › Notice of Assessment from the Australian Taxation Office (less than 12 months old) containing your name and residential address
- › letter from Centrelink regarding a government assistance payment
- › rates notice from local council (less than 12 months old) containing your name and residential address
- › electricity, gas or water bill dated within the past three months that contains your name and residential address.

STEP 2: CERTIFY YOUR DOCUMENTS

Take your original document(s) and a clear photocopy of both sides of the original document to an authorised person.

Your ID must be properly certified

The authorised person will need to:

1. sight the original document, and the copy, to ensure both documents are identical, and
2. write or stamp 'this is a true and correct copy of the original document I have sighted' or 'certified true copy', followed by their:
 - signature
 - printed name
 - qualification (e.g. Magistrate), and
 - date.

If you've changed your name or are signing on behalf of another member, prove the 'link' between you and the name change, or other person—use a certified copy of one of the following documents as well as your other certified ID.

PURPOSE	SUITABLE LINKING DOCUMENT
Change of name	<ul style="list-style-type: none">➤ Marriage certificate➤ Deed poll or change of name certificate from the Registry of Births, Deaths and Marriages
Signing on behalf of another member	<ul style="list-style-type: none">➤ Power of Attorney➤ Guardianship papers

When having your documents certified, remember:

- All pages must be certified.
- The copy of the document must be certified—not on a separate page attached to the document.
- Certified copies of your documents must have an original signature.
- Faxed or emailed copies won't be accepted.
- Documents not written in English must be accompanied by an English translation prepared by an accredited translator.
- Documents certified more than a year ago won't be accepted.

Who can certify your documents

Some of the people authorised to certify IDs include:

1. A person currently licensed or registered under a State or Territory law to practise in one of the following occupations:
 - Architect
 - Nurse
 - Chiropractor
 - Occupational therapist
 - Conveyancer
 - Optometrist
 - Dentist
 - Patent or Trade marks attorney
 - Financial adviser or financial planner
 - Pharmacist
 - Legal practitioner
 - Physiotherapist
 - Medical practitioner
 - Psychologist
 - Midwife
 - Veterinary surgeon.

2. One of the following persons:

- Teacher employed full-time at a school or tertiary education institution
- Agent of the Australian Postal Corporation who is in charge of, or a permanent employee with two or more years of continuous service with, an office supplying postal services to the public
- Bank, building society, credit union or finance company officer with two or more years of continuous service
- Clerk, Master, Registrar or Deputy Registrar of a court
- Judge of a court or a Magistrate
- Justice of the Peace
- Member of the Institute of Chartered Accountants in Australia, the Australian Society of Certified Practising Accountants, the Institute of Public Accountants or the Association of Taxation and Management Accountants, or a Fellow of the National Tax Accountants' Association
- Notary public, and
- Police officer.

Visit the Attorney General's website for a full list of who can certify documents.

USING FOREIGN DOCUMENTS?

These must be translated by an accredited translator (if they're not in English) and you must have the translated copies correctly certified by a person listed in the 'Members residing overseas' section below.

Members residing overseas

If you live overseas, the following people are authorised to certify identification documents:

- Australian Consular Officer or Australian Diplomatic Officer (within the meaning of the Consular Fees Act 1955)
- Employee of the Commonwealth or the Australian Trade Commission who is authorised and exercising his or her function in a country or place outside Australia.
- A person authorised as a notary public in a foreign country.

Your documents must be certified by a person with an Australian connection. We won't accept certifications by a someone licensed or registered to practise outside of Australia in an occupation listed above, or who holds a position in a foreign country—except for a foreign notary public.

When will my form be processed?

If you've provided a correctly completed form (and any certified ID or other paperwork required), we'll aim to process your request as soon as possible. Not providing correct information may delay us processing your request. Please allow 3 - 5 business days for your form to arrive. We'll contact you if we have any queries in relation to your request.

Returning your form

- Mail to UniSuper, Level 1, 385 Bourke Street, Melbourne VIC 3000
- Email to enquiry@unisuper.com.au

This information is of a general nature only and includes general advice. It has been prepared without taking into account your individual objectives, financial situation or needs. Before making any decision in relation to your UniSuper membership, you should consider your personal circumstances, the relevant product disclosure statement for your membership category and whether to consult a licensed financial adviser. This information is current as at November 2017 and is based on our understanding of legislation at that date. Information is subject to change. To the extent that this fact sheet contains information which is inconsistent with the UniSuper Trust Deed and Regulations (together the Trust Deed), the Trust Deed will prevail. Issued by: UniSuper Management Pty Ltd ABN 91 006 961 799, AFSL No. 235907 on behalf of UniSuper Limited the trustee of UniSuper, Level 1, 385 Bourke Street, Melbourne Vic 3000.

Fund: UniSuper, ABN 91 385 943 850
Trustee: UniSuper Limited, ABN 54 006 027 121 AFSL 492806
Date: February 2019 UNIS000F80 0219

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