Member guide

Lump Sum Scheme

Product Disclosure Statement

Date of issue: 14 December 2020

SUPER SA

contributing to your future

Important Information

Disclaimer

This Product Disclosure Statement (PDS) provides a general summary to help you understand your entitlements in the Lump Sum Scheme. Super SA does its best to make sure the information is accurate and up-to-date. However, you need to be aware that it may not include all the technical details relevant to the topic. For the complete rules of the Lump Sum Scheme, please refer to the *Superannuation Act 1988*. The Act and accompanying Regulations set out the rules under which the Lump Sum Scheme is administered and entitlements are paid. You can access a copy from the Super SA website.

Super SA and the State Government disclaim all liability for all claims, losses, damages, costs or expenses whatsoever (including consequential or incidental loss or damage), which arise as a result of or in connection with any use of, or reliance upon, any information in this PDS.

About this document

This Product Disclosure Statement (PDS) provides you with a general description of the Lump Sum Scheme and its features. If you are seeking advice that takes into account your objectives, financial situation or needs, you will need to contact a licensed financial adviser.

The issuer of this PDS is the South Australian Superannuation Board, established under Section 6 of the *Superannuation Act 1988*, and conducting business under the name of the Super SA Board. The Super SA office is the administrator of the Scheme and is a branch of the Department of Treasury and Finance of the Government of South Australia.

Changes to Acts and Regulations are effective from the date specified in the legislation. Updates to this PDS will be available on the Super SA website at **supersa.sa.gov.au**. An up to date version of this PDS will always be available to download from the website. The website can be accessed at any time to review information.

Super SA is an exempt public sector superannuation fund, and is therefore not regulated by the Australian Securities and Investments Commission (ASIC). However, we make every effort to comply with the spirit of the financial services regulations that are overseen by ASIC. We are an exempt fund, and therefore do not hold an Australian Financial Services (AFS) licence. As an exempt fund, we are not required to produce a PDS, but have prepared this document so you can understand your entitlements and options and the rules of the Scheme.

Contents

1. The scheme

1.1 Welcome

Superannuation is an important part of your financial planning. It can play a significant role in helping you achieve the lifestyle and income that you want in retirement.

Past and present SA public sector employees enjoy the benefits of being members of the Lump Sum Scheme.

The Lump Sum Scheme was established on 1 July 1988 and closed to new members on 3 May 1994. It is administered under the provisions of the *Superannuation Act 1988* and provides a lump sum entitlement on retirement with provision for entitlements in the event of death, total and permanent disablement and upon resignation.

The information in this PDS is designed to give you a better understanding of the Lump Sum Scheme and the options and benefits that it offers.

We encourage you to read it and keep it as a reference. At the end you will find a Glossary, which explains many of the terms used throughout the PDS.

The contents of this PDS will continue to be updated regularly, and the most up-to-date version is always available to download from the Super SA website at **www.supersa.sa.gov.au**.

If, after reading it, you have any questions or require further information, contact Super SA on **1300 369 315**. Super SA can also be contacted by email at **supersa@sa.gov.au**.

Additionally, a comprehensive range of fact sheets and other information is available on the website.

1.2 Understanding your super components

Your super is made up of an Employer Component and a Member Component.

Employer Component

Your Employer Component is, in most cases, defined and calculated according to the following criteria:

- age at leaving the Scheme
- number of months of contributory membership
- elected contribution rate
- proportion of time worked during your contributory membership
- your Entitlements Superannuation Salary (ESS) (See Glossary of terms).

Public Sector Employee Superannuation Scheme

Some members may also have a Public Sector Employee Superannuation Scheme (PSESS) entitlement, which forms part of their Employer Component and is shown separately on the Annual Statement.

The PSESS Scheme was introduced by the then State Government on 1 January 1988 in lieu of a pay increase for SA public sector employees.

It represented a payment equal to 3% of your salary, which was paid into your PSESS Account. PSESS closed on 30 June 1992 and the balances were transferred to the Lump Sum Scheme.

Member Component

Your Member Component is made up of your:

- Member Account
- Rollover Account (if any).

Member Account

Your Member Account is made up of the contributions you have made to the Lump Sum Scheme plus investment earnings.

Rollover Account

Your super contributions invested with other schemes can be transferred to the Lump Sum Scheme. This is called “rolling over” your funds. By rolling this super into the Lump Sum Scheme you can minimise the fees that you pay.

To consolidate your super into the Lump Sum Scheme:

1. Log into your MyGov account and link to the Australian Taxation Office (ATO)
2. Select the super funds you wish to transfer from and to
3. Click to request the transfer.

Alternatively, you can roll in using a form:

1. Complete one Easy Roll In Form for each super account you want to roll in. The Easy Roll In Form is available on the Super SA website
2. Send your form(s) to Super SA. We will request the roll in from your other super fund(s).

When we have received the roll in, we will write to you and let you know.

You may wish to seek financial advice regarding rolling in your funds and you should consider whether you will lose any features, such as insurance, if you roll over your other funds.

Your Rollover Account comprises:

- amounts you have rolled over from other schemes
- investment earnings on rolled-over amounts.

You will not be able to access any of these rollover funds while you are working for the SA Government. This includes any funds that are non-preserved. Once you have left your employment with the SA Government, rollover funds are payable subject to Commonwealth preservation rules (see Glossary of terms).

Lump Sum Scheme members will also have an account in Triple S if they:

- make salary sacrifice contributions
- receive the Commonwealth Government’s co-contribution
- become a non-contributory member of the Lump Sum Scheme
- have more than one employer in the SA Government with hours exceeding one full-time equivalent (FTE)
- have a permanent position (FTE or less) plus a casual position in the SA Government.

1.3 Your entitlements

An entitlement is payable upon:

- Retirement
- Resignation
- Resignation, where you receive a Targeted Voluntary Separation Package
- Retrenchment
- Temporary disablement
- Total and permanent disablement
- Death
- Transition to Retirement.

Your entitlements and financial hardship

As a member of the Lump Sum Scheme you can only apply for an early release of superannuation on compassionate grounds and/or severe financial hardship from the Rollover Account component of your scheme. An early release of benefit cannot be paid from your Member Account, PSESS Account (if any) or Defined Benefit component.

You may wish to seek financial advice when considering your Lump Sum Scheme entitlements. If you're looking for detailed personal advice, you can choose your own financial planner or you can take advantage of the commission-free financial planning service available through Industry Fund Services.

More information about financial planning is available on the Super SA website.

1.4 The Super SA Board

The Super SA Board is responsible for managing the Lump Sum Scheme in line with the appropriate Acts and legislation.

The Super SA Board may use the services of professionals such as auditors, administrators, lawyers, actuaries and consultants to fulfil its responsibilities.

The Super SA Board comprises a presiding member, two members appointed by the Governor and two members elected by Scheme members.

1.5 Complaints resolution process

Super SA aims to resolve all matters through its internal enquiry and complaints processes.

If you have any concerns with a product, service or decision provided by Super SA and our Member Service Centre has not been able to provide a satisfactory response, you can escalate the matter by lodging a formal complaint with Super SA. Complaints need to be in writing and may be submitted in the following ways:

Online: Complete and submit the online Member Complaint form.

Download from the website: Download, complete and send the Member Complaint form to Super SA.

Mail: Complaints Officer, Super SA
GPO Box 48, Adelaide SA 5001.

Via email: supercomplaints@sa.gov.au

If the Complaints Officer cannot resolve the issue, you may choose to refer your complaint to the Super SA Board or have the matter investigated by the State Ombudsman.

An application to the Super SA Board to review a decision must be lodged within three months of receiving notice of the decision.

1.6 Funds SA

Funds deposited in the Lump Sum Scheme are invested by specialist investment manager, Funds SA.

Funds SA is a statutory authority established by the State Government to manage the investments of the State public sector superannuation schemes. Funds SA develops investment strategies for each of the schemes and implements the strategies using a "manager of managers" approach.

This means Funds SA engages a range of specialist investment management firms to manage the funds. This provides a high degree of diversification with respect to investment categories, managers, markets and the underlying investments. By focusing on diversification, Funds SA ensures that funds are not excessively dependent on the performance of one single asset category, manager, market or investment.

1.7 Privacy

Your personal information and super details are confidential. Under the Act, information about your entitlements can only be disclosed:

- as required by, or under, any State or Commonwealth Act
- to you, or to someone else, with your consent
- to your employing agency
- on application, to your spouse or former spouse, under the *Family Law Act 1975*
- to any other person for purposes related to the administration of the Act
- as may be required by a Court of Law.

2. Grow your super

2.1 Member contributions

As a member of the Lump Sum Scheme you contribute a percentage of your salary, which is deducted by your payroll office from your after-tax salary and credited to your Member Account. You need to contribute at your standard contribution rate of 6% throughout your membership to obtain your maximum entitlement. For most members the standard contribution rate is 6%. You can elect to contribute either 3%, 4.5%, 6%, 7.5% or 9% of your salary to the Lump Sum Scheme.

Any variation from the 6% contribution rate may have an effect on your final entitlement, and you should contact Super SA to discuss your options.

You can only change your contribution rate on 1 July each year. Applications must be received by the preceding 30 April. The *Change to Contribution Rate* form can be downloaded from the Super SA website.

Points

To assist in working out your final Employer Component, Points are allocated in line with your rate of contribution and your hours of employment.

The number of Points you accumulate, based on the actual contributions you are paying, are known as your Accrued Points. The number of Points you would accumulate if you contributed at the standard contribution rate for your hours of employment are known as your Standard Points.

As a general rule, if you are working full-time and making after-tax contributions at the 6% standard contribution rate, you will accumulate one Point for each complete month that you are a contributory member of the Scheme.

The maximum Employer Component is achieved after 420 months (35 years) of contributory membership on cessation of employment, on or after, age 60.

If there is a shortfall in Points resulting from periods of contributing less than the standard contribution rate, your final Employer Component will be reduced. However, averaging more than your standard contribution rate throughout your public sector employment does not increase your final Employer Component beyond the maximum as described above. Instead, when you retire you will be refunded the balance of your contributions, with investment earnings, as part of your Member Account.

To work out your final entitlement, your Accrued Points are compared to your Standard Points. Any shortfall between your Accrued Points and your Standard Points reduces your final Employer Component.

If you are an Active Member, your Annual Statement shows both your Accrued and Standard Points to help you keep track of your Points. You can see if your Accrued Points are at least equal to your Standard Points so that you remain eligible for your maximum achievable Employer Component.

Circumstances that can cause a shortfall in Points

There are three circumstances that can cause your Points to accrue at a lower than standard rate and therefore reduce your final Employer Component:

1. Averaging less than your standard contribution rate during your contributory membership of the Scheme.
2. Being employed part-time during your membership of the Scheme.
3. Having periods of membership when you do not contribute.

1. Averaging less than your standard contribution rate during your contributory membership of the Scheme.

If you choose to reduce your elected contribution rate at any time, you accrue fewer Points. However, you are able to contribute at greater than your standard contribution rate to catch up your Points later on.

For example, if you are working full-time but only contributing 3% of your salary instead of your standard rate of 6%, you will accumulate 0.5 of a Point each month instead of 1 Point.

You will be able to catch up Points at some time in the future by contributing at 7.5% (1.25 Points per month) or 9% (1.5 Points per month).

Example

Peter works full time but has chosen to contribute for one financial year at 3% instead of the standard contribution rate of 6%. Therefore, he accumulates:

12 months x 0.5 (ie 3%÷6%) Points per month
= 6 Points for the year

If Peter had contributed at his standard contribution rate of 6% his Points would have been:

12 months x 1 (ie 6%÷6%) Points per month
= 12 Points for the year

For Peter to achieve a standard contribution rate of 6% over his total contributory membership, he can elect to contribute at 9% for one financial year. His Points would then be:

12 months x 1.5 (ie 9%÷6%) per month
= 18 Points for the year

During these two financial years, Peter has accumulated 6 Points for the first year and 18 Points for the second year, accruing 24 Points over the two-year period. He has, therefore, “caught up” in the second year the Points required to meet his Standard Points.

You should always check with Super SA or your financial adviser when considering altering your contribution rate to ensure the amendment will have the desired effect on your final Employer Component.

2. Being employed part-time during your Scheme membership.

Part-time employment will reduce the number of Points that you accumulate each year compared to working full time and cannot be caught up. (Refer to the section about Points.)

If you have worked part-time you will accumulate part of a contribution Point for each month, based on the percentage of time that you have worked part-time and whether you have contributed at your standard contribution rate or not.

Example

Andrew works part-time at 80% of full-time hours and is contributing at his standard contribution rate of 6% for one financial year. This means he will accrue 0.8 of a Point per month instead of 1 Point per month.

His total Points for the year will be:

12 months x 0.8 Points per month = 9.6 Points for the year.

This is the maximum number of Points Andrew can accumulate during his part-time employment and cannot be caught up to the full-time equivalent.

If you change your working hours after 31 March and before 30 June in any year and you or your employer notify Super SA of this change, your contributions will be adjusted accordingly from July.

If you change on or after 1 July and you are still working the revised hours on the following 31 March, your contributions will change accordingly from July in the following year.

Example

Rachel works part-time at 50% of full-time hours and is contributing at her standard contribution rate of 6%, meaning she accrues 0.5 of a Point each month.

On 2 July, Rachel begins working at 100% of full-time hours. Rachel will continue to accrue 0.5 of a Point per month until 1 July in the following year, at which time, provided she is still working 100% of full-time hours at 31 March in that year, the Points accruing will increase to 1 Point per month.

3. Having periods of membership when you do not contribute.

If you reduce your contribution rate to 0%, or cease contributions due to leave without pay (LWOP), you will not accrue any Points during this period. This is called Non-Contributory Membership and you cannot catch up the Points that you have missed.

The effect of periods of zero contribution

Reducing your contribution rate to 0% has an adverse effect on your entitlements. Additionally, if you die or become disabled during a period when you are not contributing, only your accrued entitlement will be paid. If you wish to change your contribution rate to 0%, you should contact Super SA for information about the implications on your current and future entitlements.

During periods of zero contribution you will become a member of Triple S, as the State Government is required to meet its Commonwealth Superannuation Guarantee (SG) obligations. The SG contribution of 9.5% will be paid into an Employer Account in Triple S on your behalf.

If you choose to make personal after-tax or salary sacrifice contributions into your Triple S account during a period of Non-Contributory Membership with the Lump Sum Scheme, your Lump Sum Scheme entitlement will be preserved and you will not be able to recommence active Lump Sum Scheme membership.

For more information on Triple S see the *Triple S Product Disclosure Statement*, available on the Super SA website.

Extrapolated Points on disablement and death

If you are a contributing member and become permanently disabled or die, you or your dependants will be entitled to an entitlement based on extrapolated Points.

What are Extrapolated Points?

To "extrapolate" means to estimate a future figure based on known data, assuming that the estimated figure follows logically from the known data.

In the case of working out your disablement or death entitlement, Extrapolated Points take into account your Accrued Points and then assume you would have continued accruing Points in the Scheme on the same basis as you were prior to your disablement or death. For a disablement entitlement your Extrapolated Points equal your Accrued Points plus the number of months from the date of the disablement to age 55. For a death entitlement before age 55, your Extrapolated Points equal your Accrued Points plus the number of months between the date of death and age 60. Extrapolated Points are adjusted for part-time service (if any).

General information about your Points

Remember:

- Accrued Points are the number of Points that you have actually accumulated
- Standard Points are the number of Points that you need to accumulate to be eligible for your maximum Employer Component.

If the information on your Annual Statement shows that your Accrued Points equal your Standard Points, then you are heading towards reaching your maximum Points and your maximum Employer Component on retirement.

If your Accrued Points are less than your Standard Points due to periods when you have contributed at less than your standard contribution rate, you can contribute at a higher level than your standard contribution rate to close the gap as described above. As long as your final Accrued Points are within one Point of your Standard Points, you will receive your full Employer Component.

If you have more Accrued Points than the required number of Standard Points, you can either continue to contribute at your current contribution rate or you can reduce your contribution rate. Your Employer Component will be calculated using your Standard Points, not your Accrued Points in this case.

As already explained, you cannot make up the Points you have lost through periods of part-time employment, periods of 0% contribution or LWOP.

You are able to track your Points on your Annual Statement to see your current position so that you remain eligible for your maximum achievable Employer Component.

If you want to know more about your Points contact Super SA on **1300 369 315**, or email **supersa@sa.gov.au**.

2.2 Salary sacrifice

Lump Sum Scheme members are able to make additional contributions to their super through salary sacrifice. Salary sacrifice means making contributions to your super from your before-tax, or gross salary. By sacrificing cash salary and directing it into your super, you may reduce the amount of Pay As You Go (PAYG) tax that you pay and increase your final super entitlement when you retire.

If you choose to salary sacrifice you will become a member of Triple S and your salary sacrifice contributions will be credited to Triple S. Your normal after-tax contributions will continue to be credited to the Lump Sum Scheme.

To find out more about Triple S, see the *Product Disclosure Statement (PDS)* on the Super SA website.

How to make salary sacrifice contributions

You can choose between making contributions through your payroll office or through Maxxia.

Maxxia

Maxxia is the only approved salary sacrifice provider for SA Government employees. It charges an annual fee to salary sacrifice to your super. Contact them on **1300 123 123** for further information.

Your payroll office

Your payroll office will charge a fee to establish or change a salary sacrifice arrangement.

To contribute through your payroll office, download and complete a Salary Sacrifice – Employees with a Triple S Account form or Salary Sacrifice - Employees without a Triple S Account form, available to download from the website, or contact us to request one. To cease salary sacrificing please complete the Cancel Salary Sacrifice form from the Super SA website.

You will also need to sign and forward a Financial Advice Certification to your employer acknowledging that any financial advice required before entering into a salary sacrifice arrangement is your sole responsibility. This form is attached to salary sacrifice forms on the Super SA website.

Costs

You will also be charged the normal Triple S administration fee. See the Triple S PDS on the Super SA website for more information.

Investment options

Salary sacrifice contributions paid into Triple S are passed on to Super SA's specialist funds manager, Funds SA, for investment. The same investment options are available through the Triple S and Lump Sum schemes.
These are:

- High Growth
- Socially Responsible
- Growth[1] (default)
- Balanced (default after 3 February 2021)[1]
- Moderate
- Conservative
- Capital Defensive
- Cash.

Funds SA develops investment strategies for each option. For further information please refer to the Investment of funds section.

Salary sacrifice facts

If you choose to make salary sacrifice contributions:

- Contributions are not considered part of your taxable income so your PAYG tax may be reduced.
- Contributions are credited to an Employer Account in Triple S, and will be taxed when you withdraw them from the Scheme. In most circumstances, this means that they will be taxed at the concessional super rate. See the *Triple S Reference Guide* available on the website for more information.
- Contributions are preserved until you reach age 55 and resign from the SA public sector, unless you die or become permanently disabled.
- Your death and total and permanent disablement entitlements will continue to be provided through the Lump Sum Scheme. You can also purchase voluntary Death and Total and Permanent Disablement (TPD) Insurance through Triple S. For more information see the Triple S *Death & TPD and Death Only* fact sheet.
- Salary sacrifice contributions do not reduce your income used in determining eligibility for the Government co-contribution or other Commonwealth government benefits.
- Contributions to taxed funds will take into account contributions to untaxed funds when being assessed against the concessional cap for taxed funds.
- Currently there is no concessional contribution cap (applicable to employer and salary sacrifice contributions) for untaxed super schemes.

Please note that your Lump Sum Scheme entitlements are based on your full-time equivalent salary before any salary sacrifice contributions are deducted.

You will need to sign and forward a Financial Advice Certification (Form 9) to your employer, acknowledging that any financial advice required before entering into any salary sacrifice arrangement is your sole responsibility. This form is attached to the salary sacrifice form.

If you are already salary sacrificing through your employer and decide to stop, you need to obtain a Termination of salary sacrifice of superannuation agreement (Form 8). Both of the forms mentioned above are available on the Super SA website.

If you are salary sacrificing through Maxxia and decide to stop, you need to contact Maxxia.

> NOTE: It is important to note that any concessional contributions made to Lump Sum Scheme will be counted towards your concessional contributions cap where you also receive concessional contributions to a taxed super fund. Although you will not exceed your concessional cap under Commonwealth Law as a result of concessional contributions made to Lump Sum Scheme, any additional concessional contributions made to a taxed fund may result in you exceeding the cap.

Maintaining your contributions to the Lump Sum Scheme

It is important to maintain your usual after-tax contributions to the Lump Sum Scheme if you choose to salary sacrifice. If you do not, your future super entitlement may be reduced. You may wish to contact Super SA for more information.

[1] For Lump Sum scheme - Growth option will no longer be available after 25 January 2021

2.3 Additional after-tax lump sum contributions into Triple S

You are able to make additional after-tax lump sum contributions to your super if you already have a Triple S account.

A Triple S account will be established when you make salary sacrifice contributions or if you stop making after-tax contributions to the Lump Sum Scheme. You cannot establish a Triple S account by making a lump sum contribution.

There is a cap of $100,000 each financial year on the amount of after-tax contributions you can make. If you are under age 65 you can bring forward the cap for two years to contribute up to $300,000 in one year. Your Lump Sum Scheme member contributions will be counted towards the contribution cap. If you go over these caps, you may be taxed at the highest marginal rate plus Medicare levy on the excess amount.

Payments received from the Commonwealth Government as part of the co-contributions scheme do not count towards the contribution caps.

3. Investment of funds

Your super is made up of an Employer Component and a Member Component. Some members may also have a PSESS entitlement, which forms part of their Employer Component.

The Employer Component is, in most cases, a guaranteed entitlement determined as a multiple of your final annual Entitlements Superannuation Salary (ESS), your length of time in the Scheme and the rates of contribution that you have elected to make.

The Member Component is made up of your Member Account (your member contributions plus investment earnings) and your Rollover Account (amounts you may have rolled into the Scheme from other super funds, plus investment earnings).

Your Member and any Rollover Component is subject to Investment Choice.

Contributions to your Member Component are invested by specialist investment manager, Funds SA.

3.1 Converting your super dollars into units

When funds go into your Member Account, or you roll in funds from another super fund, the money is used to purchase units.

The number of units purchased will depend on the value of the units on the date they're purchased. This value, or unit price, is generally determined twice weekly, in line with how your investment option is performing.

Therefore, the value of your Member and any Rollover Component depends on the current unit price.

Units represent a share of the underlying investments in the investment option of your choice and provide an efficient system for administering contributions and switching between the different investment options.

Super SA, through Funds SA, purchases units on your behalf at the prevailing unit price.

Your individual Member Account and any Rollover Account balances are calculated by multiplying the number of units you hold in each account by the prevailing unit price. A change in the unit price reflects changes in the value of the underlying investments.

Unit prices are posted on the Super SA website. While unit prices are generally determined twice weekly, investment options have been framed for investment time horizons of up to 10 years and beyond. It is important to keep this in mind when looking at returns over shorter periods.

3.2 Switching options

When you've done your homework changing, or switching, to an investment option that better matches your investment profile is important.

You need to make sure that your option suits your investor profile.

To switch your investment option, complete and sign the *Lump Sum Investment Choice* form available to download from the Super SA website, and return it to Super SA.

Investment switches are generally processed twice weekly as follows:

Form received by:	Unit price applied:
5pm Monday	Unit price effective the following Thursday
5pm Thursday	Unit price effective the following Tuesday

These times may be varied for operational reasons, such as public holidays. Prior to variations members will be notified via the Super SA website.

The unit price applied to a switch will represent the market value of an investment option calculated after the published deadline for the receipt of Investment Choice forms.

Other things you need to know when you switch:

- If you switch from one investment option to another, the switch will be made at the next determined unit price. This could be higher or lower than the current unit price of both the option you're currently invested in and your new investment option
- As a Lump Sum Scheme member you can invest your funds in only one investment option
- The first switch in any financial year is free and there's a fee for every subsequent switch in the same financial year. This fee is payable by Electronic Funds Transfer (EFT). The bank details for EFT can be found on the *Investment Choice* form. You will need to use "005 (your Super ID)" as your reference number for any EFT payment for this fee. Please refer to Section 8 for more information regarding fees.

Variations to switching

In the event of a significant variation in the value of the fund, the Chief Executive may freeze the administration processing of exits and switches until such time as the South Australian Superannuation Board determines an appropriate course of action. The new unit price is to operate with effect from midnight of the day before the freeze was invoked.

Where a member's election to change investment options results in an advantage to that member to the detriment of the other members of the scheme, the South Australian Superannuation Board's delegate may withhold processing of that member's election.

Please note that any change to your investment option may not be reflected in any quotes performed in the member portal on the Super SA website until Super SA confirms the completion of this change to you in writing.

3.3 Investment Choice – your investment options

As a Lump Sum Scheme member you can choose the investment option that best suits your individual needs for your Member and any Rollover Component.

There are several investment options available – High Growth, Socially Responsible, Growth[2], Balanced, Moderate, Conservative, Capital Defensive and Cash.

If you do not choose an option, the balance of your Member and any Rollover Component will be invested in the default option shown in section 2.

For a full description of all the options and their asset allocations please refer to the Investment options section.

[2] Growth option will no longer be available after 25 January 2021

You should seek professional financial advice to ensure that your chosen investment is suited to your personal needs.

If you have a PSESS and/or SG Account, it is invested in the Defined Benefit High Growth option, which is the investment for employer funded entitlements. Investment choice is not available for your PSESS and/or SG Account because these form part of your Employer Component.

How your investments are managed

Strategies are developed for each option targeting the best balance of risk versus return.

Each option has its own:

- Objective. What does the option aim to achieve?
- Investment Time Horizon. What is the length of time needed to reach the earning potential of your investment?
- Risk. What is the relative risk involved in the option?
- Asset Class Mix. What mix of investments makes up the option?

When choosing the investment option right for you, consider:

- your current financial position
- your age
- your estimated time of retirement
- how long your super will need to last
- your attitude to accepting additional risk in seeking higher returns.

3.4 Risk of investments

Some important risks are:

- *Inflation*. Inflation may exceed the return you receive on your investment.
- *Market*. Economic, technological, political or legal conditions may affect the value of investments. Market sentiment may also alter the value.
- *Manager performance*. The risk that individual investment managers underperform.
- *Interest rates*. Changes in interest rates may also affect investment returns positively or negatively.
- *Foreign currency*. For overseas investments there is a risk that the value of other currencies may change in relation to the Australian dollar and reduce the value of the investment.
- *Derivatives*. Derivatives are financial contracts used in the management of investments whose value depends on the value of specific underlying investments. Their value can fluctuate, sometimes away from the expected value, and they are also subject to counterparty risk.
- *Counterparty risk*. Counterparty risk is the risk that an organisation contracted to provide an investment service is not able to do so. This may result in loss of value.
- *Underlying investments*. The value of each option's underlying investments can rise as well as fall.

  Some of the most common influences on underlying investments include:

- *Australian shares*: individual shares are affected by factors affecting the share market generally but also by the profits and expected profits of individual companies.
- *International shares*: risks for international shares are similar to risks for Australian shares. Additionally, they are affected by political factors and the currency exchange rate of the country where the shares are held.
- *Property*: economic factors such as inflation and unemployment will affect the return on property, as well as the location and quality of the property itself.
- *Fixed interest investments*: changes in interest rates, as well as the risk of loan repayment default, will result in a change in value of this investment.

Other risks specific to super investments include changes to super laws or taxation laws, which may affect the accessibility or value of your investment.

3.5 Asset classes

Each investment option is made up of asset classes. An asset class can be something tangible like property or something intangible like shares or fixed interest.

The table below lists the page lists the six main types of asset classes and the different levels of risk and return of each.

Asset classes that make up the investment options				
Asset class	**Description**	**Asset type**	**Risk**	**Return**
Cash (eg. 11am cash, bank bills, term deposits and floating rate notes)	These are investments in assets that can be cashed in quickly. A stable investment suitable for investors with a low risk tolerance.	Defensive	Low	Low
Fixed Interest (eg. Government bonds, corporate bonds and inflation linked securities)	These investments are usually in the form of loans to governments or companies who pay a fixed rate of interest for the term of the loan. Returns tend to be better than cash over the long term, but lower than property and shares. Inflation linked securities have the additional feature of being linked to a measure of the general level of prices in Australia, such as the Consumer Price Index (CPI).	Defensive	Low – Moderate	Low – Moderate
Diversified Strategies - Income (eg. Corporate Bonds)	These are investments in domestic and international corporate bonds, emerging market debt and absolute return products. Returns tend to fluctuate and can be negative.	Mixed	Moderate	Moderate
Property (eg. Retail, commercial and industrial property)	These are investments in unlisted property trusts and shares in listed property trusts on the sharemarket. There's potential for these property assets to provide moderate returns over the long term, however the value of the assets can fluctuate and returns can be negative.	Mixed	Moderate	Moderate
Shares (equities) (A stake or financial interest in an Australian or international company)	These are investments in companies listed or about to be listed on the Australian or international stock exchanges. Dividends provide income although they can't be guaranteed. Share prices can fluctuate dramatically and can be frequently negative, which makes them high risk but there's potential for high capital growth over the long term.	Growth	High	High
Diversified Strategies - Growth (eg. infrastructure)	These are investments in a diverse range of assets, for example, private companies and infrastructure. Returns tend to fluctuate and can be negative. These assets carry a high level of risk.	Mixed	High	High

Growth assets aim to achieve higher returns over the long term but also carry higher risk.

Defensive assets usually deliver lower returns over the long term but tend to carry less risk.

Mixed assets have both Growth and Defensive characteristics to varying degrees.

3.6 Rates of return

Investment returns reflect the movements in the unit price over the periods shown.

Returns are reported net of investment management fees. It is important to remember that past performance should not be taken as an indication of future performance.

Tax is not applicable to the investment returns of the Lump Sum Scheme as it is an untaxed scheme and therefore the returns for the Lump Sum Scheme are reported without taking tax into account. However, most other funds are "taxed funds" and their investment earnings are usually reported net of tax. Care must therefore be taken when comparing the performance of the Lump Sum Scheme to that of other funds to ensure that the impact of tax on investment returns is considered.

It is important to remember that past performance should not be taken as an indication of future performance.

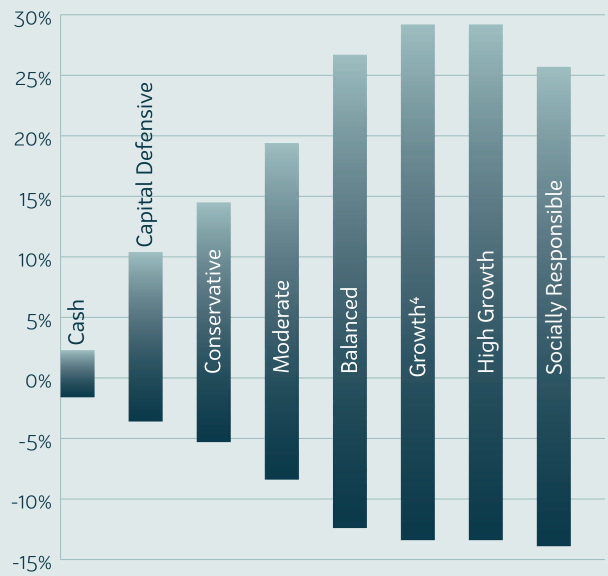
Option	Periods to 30 June 2020			
	10 years % p.a.	5 years % p.a.	3 years % p.a.	1 year % p.a.
High Growth	9.3%	7.2%	6.2%	-1.4%
Socially Responsible	7.4%	4.8%	5.2%	-1.3%
Growth[4]	8.7%	6.7%	5.8%	-0.8%
Balanced	8.3%	6.3%	5.6%	-0.3%
Moderate	7.4%	5.4%	4.9%	-0.4%
Conservative	6.6%	4.8%	4.5%	0.7%
Capital Defensive	5.6%	4.0%	3.8%	1.3%
Cash	2.8%	1.8%	1.6%	0.9%
Defined Benefit High Growth[3]	8.8%	6.9%	6.1%	-1.2%

Expected range of return outcomes for the Lump Sum Scheme investment options

For each investment option there is an expected range of annual returns. This varies between the options.

The expected range of annual returns[5] for the investment options are shown in the below graph.

Generally, the options that offer the highest potential long-term returns also come with the widest range of returns including the possibility of negative returns. Options that offer the lowest potential long-term returns come with the narrowest range of returns and greatest likelihood of positive returns.



Next steps

To keep track of how your option is doing, you can check its investment performance on the Super SA website.

[3] Option introduced 1 January 2017

[4] Growth option will no longer be available after 25 January 2021.

[5] There is approximately a 5% chance that the return in any given year could lie outside of this range.

4. Investment options

High Growth		
This option is structured for investors with an investment time horizon of at least 10 years. Annual returns may be volatile.		
Investment return objective[6]	CPI + 4.5%	
Asset allocation		
This option is invested in the range of 70 - 100% in growth assets (shares, certain types of property, private equity and other growth opportunities) and the balance in defensive assets (such as cash and fixed interest).		
	Strategic Asset Allocation[7]	
Asset class	**%**	**Range %**
Australian Equities	24	10-40
International Equities	36	20-50
Property	16	5-30
Diversified Strategies Growth	10	0-20
Diversified Strategies Income	12	0-25
Inflation Linked Securities	0	0-10
Fixed Interest	0	0-15
Cash	2	0-20
Min suggested time frame	10 years	
Summary risk level[8]	It is likely that a negative return might be expected to occur between four and six years in 20.	
Risk classification	High risk (Risk Band 6)[8]	

Socially Responsible		
Please also refer to the next section of this Guide for more specific information about the Socially Responsible investment option.		
This option is structured to provide investors with risk and return characteristics likely to be similar to those of an industry growth fund. Annual returns may be volatile.		
Investment return objective[6]	Similar to those of an industry growth fund.	
Asset allocation		
The strategic asset allocation for the SRI option is determined by the underlying fund manager/s.		
	Strategic Asset Allocation	
Asset class	**%**	**Range %**
Australian Equities	25	15-40
International Equities	33	15-48
Property	9	0-20
Alternatives	6	0-13
Fixed Interest	25	0-45
Cash	2	0-20
Min suggested time frame	Similar to those of an industry growth fund.	
Summary risk level[8]	It is likely that a negative return might be expected to occur between four and six years in 20.	
Risk classification	High risk (Risk Band 6)[8]	

[6] The investment objectives state what each option aims to achieve and are designed to help investors with their investment decisions. The objectives have been developed having regard for the long term performance and characteristics of financial markets and taking into account expert advice provided by specialist investment advisor JANA. There is no guarantee, however that the objectives will be met. This is because financial markets are volatile and future returns may vary from returns earned in the past. Indeed, for funds with exposure to growth assets there is a material likelihood that returns may be negative in any particular year.

[7] Long-Term Strategic Asset Allocation (LTSAA).

[8] See Glossary of terms for more information about the Standard Risk Measure.

Growth		
This option will no longer be available after 25 January 2021.		
This option is structured for investors with an investment time horizon of at least 10 years. Annual returns may be volatile.		
Investment return objective[6]	CPI + 4.0%	
Asset allocation		
This option is invested in the range of 70 - 100% in growth assets (shares, certain types of property, private equity and other growth opportunities) and the balance in defensive assets (such as cash and fixed interest).		
	Strategic Asset Allocation[7]	
Asset class	**%**	**Range %**
Australian Equities	24	10-40
International Equities	36	20-50
Property	16	5-30
Diversified Strategies Growth	10	0-20
Diversified Strategies Income	12	0-25
Inflation Linked Securities	0	0-10
Fixed Interest	0	0-15
Cash	2	0-20
Min suggested time frame	10 years	
Summary risk level[8]	It is likely that a negative return might be expected to occur between four and six years in 20.	
Risk classification	High risk (Risk Band 6)[8]	

Balanced		
This option is structured for investors with an investment time horizon of at least 10 years. Annual returns may be volatile.		
Investment return objective[6]	CPI + 3.5%	
Asset allocation		
This option is invested in the range of 60 - 90% in growth assets (shares, certain types of property, private equity and other growth opportunities) and the balance in defensive assets (such as cash and fixed interest).		
	Strategic Asset Allocation[7]	
Asset class	**%**	**Range %**
Australian Equities	23	10-40
International Equities	33	20-45
Property	12	0-25
Diversified Strategies Growth	8	0-20
Diversified Strategies Income	8	0-20
Inflation Linked Securities	5	0-15
Fixed Interest	8	0-25
Cash	3	0-20
Min suggested time frame	10 years	
Summary risk level[8]	It is likely that a negative return might be expected to occur between four and six years in 20.	
Risk classification	High risk (Risk Band 6)[8]	

[6] The investment objectives state what each option aims to achieve and are designed to help investors with their investment decisions. The objectives have been developed having regard for the long term performance and characteristics of financial markets and taking into account expert advice provided by specialist investment advisor JANA. There is no guarantee, however that the objectives will be met. This is because financial markets are volatile and future returns may vary from returns earned in the past. Indeed, for funds with exposure to growth assets there is a material likelihood that returns may be negative in any particular year.

[7] Long-Term Strategic Asset Allocation (LTSAA).

[8] See Glossary of terms for more information about the Standard Risk Measure.

Moderate		
This option is structured for investors with an investment time horizon of at least six years. Annual returns may be volatile.		
Investment return objective[6]	CPI + 3.0%	
Asset allocation		
This option is invested in the range of 40 - 70% in growth assets (shares, certain types of property, private equity and other growth opportunities) and the balance in defensive assets (such as cash and fixed interest).		
	Strategic Asset Allocation[7]	
Asset class	**%**	**Range %**
Australian Equities	16	5-30
International Equities	22	10-35
Property	10	0-20
Diversified Strategies Growth	5	0-15
Diversified Strategies Income	12	0-25
Inflation Linked Securities	11	0-25
Fixed Interest	16	0-30
Cash	8	0-20
Min suggested time frame	6 years	
Summary risk level[8]	It is likely that a negative return might be expected to occur between three and four years in 20.	
Risk classification	Medium to high risk (Risk Band 5)[8]	

Conservative		
This option is structured for investors with an investment time horizon of at least four years. Annual returns may be volatile.		
Investment return objective[6]	CPI + 2.0%	
Asset allocation		
This option is invested in the range of 25 - 55% in growth assets (shares and certain types of property) and the balance in defensive assets (such as cash and fixed interest).		
	Strategic Asset Allocation[7]	
Asset class	**%**	**Range %**
Australian Equities	10	0-20
International Equities	15	5-25
Property	9	0-20
Diversified Strategies Income	18	5-30
Inflation Linked Securities	15	5-25
Fixed Interest	23	10-45
Cash	10	0-20
Min suggested time frame	4 years	
Summary risk level[8]	It is likely that a negative return might be expected to occur between two and three years in 20.	
Risk classification	Medium risk (Risk Band 4)[8]	

[6] The investment objectives state what each option aims to achieve and are designed to help investors with their investment decisions. The objectives have been developed having regard for the long term performance and characteristics of financial markets and taking into account expert advice provided by specialist investment advisor JANA. There is no guarantee, however that the objectives will be met. This is because financial markets are volatile and future returns may vary from returns earned in the past. Indeed, for funds with exposure to growth assets there is a material likelihood that returns may be negative in any particular year.

[7] Long-Term Strategic Asset Allocation (LTSAA).

[8] See Glossary of terms for more information about the Standard Risk Measure.

Capital Defensive		
This option is structured for investors with an investment time horizon of at least two years. Annual returns may be volatile.		
Investment return objective[6]	CPI + 1.5%[9]	
Asset allocation		
This option is invested in the range of 10 - 40% in growth assets (shares and certain types of property) and the balance in defensive assets (such as cash and fixed interest).		
	Strategic Asset Allocation[7]	
Asset class	**%**	**Range %**
Australian Equities	5	0-15
International Equities	7	0-20
Property	6	0-20
Diversified Strategies Income	17	5-30
Inflation Linked Securities	15	5-25
Fixed Interest	35	20-55
Cash	15	0-25
Min suggested time frame	2 years	
Summary risk level[8]	It is likely that a negative return might be expected to occur between 0.5 and 1 year in 20.	
Risk classification	Low risk (Risk Band 2)[8]	

Cash	
A stable investment for investors with a low risk tolerance.	
Investment return objective[6]	RBA cash rate
Asset allocation	
This option is invested in 100% Cash.	
	Strategic Asset Allocation[7]
Asset class	**%**
Cash	100
Min suggested time frame	0 years
Summary risk level[8]	It is likely that a negative return might be expected to occur less than 0.5 years in 20.
Risk classification	Very low risk (Risk Band 1)[8]

6 The investment objectives state what each option aims to achieve and are designed to help investors with their investment decisions. The objectives have been developed having regard for the long term performance and characteristics of financial markets and taking into account expert advice provided by specialist investment advisor JANA. There is no guarantee, however that the objectives will be met. This is because financial markets are volatile and future returns may vary from returns earned in the past. Indeed, for funds with exposure to growth assets there is a material likelihood that returns may be negative in any particular year.

7 Long-Term Strategic Asset Allocation (LTSAA).

8 See Glossary of terms for more information about the Standard Risk Measure.

9 Target rate of return changing to CPI + 1% from 1 January 2021.

Defined Benefit High Growth (Employer component only)[6]		
This option is structured for investors with an investment time horizon of at least 10 years. Annual returns may be volatile.		
Investment return objective[6]		
CPI + 4.5%		
Asset allocation		
This option is invested in the range of 70 – 100% in growth assets (shares, certain types of property, private equity and other growth opportunities) and the balance in defensive assets (such as cash and fixed interest).		
Long Term Strategic Allocation (LTSAA)		
Asset class	**%**	**Range %**
Australian Equities	20	15-25
International Equities	30	25-35
Property	18	13-23
Diversified Strategies Growth	16	11-21
Diversified Strategies Income	14	9-19
Cash	2	0-20
Min suggested time frame		
10 years		
Summary risk level[7]		
It is likely that a negative return might occur between four and six years in 20.		
Risk classification		
High risk (Risk Band 6)[7]		

Responsible Investing

Responsible investment "is an approach to investment that explicitly acknowledges the relevance to the investor of environmental, social and governance factors, and of the long-term health and stability of the market as a whole. It recognises that the generation of long-term sustainable returns is dependent on stable, well-functioning and well governed social, environmental and economic systems."[8]

Across all Lump Sum Scheme investment options, the managers appointed are required to follow thorough and well developed investment processes which aim to identify companies that will generate the best financial performance resulting in the best investment returns for stakeholders.

Wherever possible, Lump Sum Scheme options exclude investments in manufacturers of tobacco products.

In evaluating investment opportunities, managers will consider the many risks inherent in each investment. In most cases this includes environmental, social and governance (ESG) factors, where relevant, as managers acknowledge that such issues may impact performance.

For example, the impact of carbon pricing on individual investments is a common risk related to the "Environmental" factor, and in relation to the "Governance" factor, managers consider that a successful company requires good corporate governance practices, remuneration policies and a strong management team.

All managers appointed are active and diligent representatives of members' interests as shareholders in companies in the portfolio. Many of the managers adopt a positive engagement approach, working directly with the management of companies in order to achieve any change necessary to improve the financial performance and risk management of the company.

All managers are active in exercising their right to vote at general meetings of companies in which Lump Sum Scheme members are invested. The managers' guiding principle is to vote in the best financial interests of members on the numerous issues raised at general meetings of companies.

The majority of managers are members of specific groups that promote the inclusion of ESG factors in investment decisions or provide information to assist in monitoring such factors. Examples of such groups include: the UN Principles for Responsible Investment, The Investor Group on Climate Change, the Carbon Disclosure Project (CDP) and the International Corporate Governance Network.

Whilst all options have this approach, the managers in the Socially Responsible option actively incorporate the consideration of environmental, social and governance factors in their investment decisions and avoid investments in areas of high negative social impact. More information on this option can be found in the Socially Responsible Investment Option fact sheet available on the Super SA website.

The use of socially responsible investment criteria in the construction of an investment portfolio may not necessarily result in higher investment returns as particular opportunities are excluded by the responsible investment process.

[6] This option is only relevant to your employer component. Members a with a PSESS and/or SG Account have this component invested in the Defined Benefit High Growth option, which cannot be changed. The investment objectives state what each option aims to achieve and are designed to help investors with their investment decisions. The objectives have been developed having regard for the long term performance and characteristics of financial markets and taking into account expert advice provided by specialist investment advisor JANA. There is no guarantee, however that the objectives will be met. This is because financial markets are volatile and future returns may vary from returns earned in the past. Indeed, for funds with exposure to growth assets there is a material likelihood that returns may be negative in any particular year.

[7] See Glossary of terms for more information about the Standard Risk Measure.

[8] From the UN Principles of Responsible Investment on www.unpri.org

5. Member entitlements

The Lump Sum Scheme provides a wide range of entitlements, depending on the circumstances under which you leave the SA public sector.

These are:

- Retirement
- Resignation
- Resignation, where you receive a Targeted Voluntary Separation Package
- Retrenchment
- Permanent disablement
- Death
- Transition to Retirement.

An entitlement is also payable upon temporary disablement.

Please note that any balances that you may have in a PSESS or Rollover Account will be payable in addition to the entitlements explained in this section.

How your entitlements are calculated

The technical calculations underlying your entitlements are complex. See table on this page.

Your Entitlements Superannuation Salary (ESS) is used to work out the Employer Component of your entitlement. This is your full-time equivalent annual salary at the date you ceased SA public sector employment. While you only pay member contributions based on your substantive salary, if you have been in receipt of a higher duties allowance continuously for 12 months or more at the date you ceased employment, your ESS will be based on the higher salary.

How to claim an entitlement

To receive any of your entitlements you, or your spouse or legal representative in the case of your death, will need to complete the appropriate application form.
This can be downloaded from the Super SA website or Super SA can post a copy to you on request.

Proof of identity

Under the Commonwealth's *Anti-Money Laundering and Counter Terrorism Financing Act 2006*, superannuation funds are required to identify, monitor and mitigate the risk that the Scheme may be used for the laundering of money or the financing of terrorism. Because of this, you or your representative (if applicable) will be required to provide proof of identity when applying for the payment of a cash entitlement.

Super SA must be able to verify your name and **either** your date of birth or residential address from:

- an original document or
- a certified copy or
- a certified extract from an original document.

The source documents may be either:

- a primary photographic identification document or
- both a primary non-photographic identification document and a secondary identification document.

The documents must be valid and not have expired. The only exception to this is an Australian passport, providing it expired less than two years ago.

For more information on providing identification documents to Super SA, please see the *Proof of Identity* fact sheet available to download from the Super SA website.

Changing employment with the SA public sector

If you retire or resign from your current position within the SA public sector and take up another SA public sector position within one month, your membership of the Lump Sum Scheme will continue and your entitlement will not be payable.

The table below shows how your full-time entitlement grows over time:

	Employer Component as a multiple of ESS for members joining after 30 June 1992		
Years of membership paying 6%	(1) Employer component	(2) Additional award component	(3) (ie 1+2) Total employer component
10	1.29	0.34	1.63
15	1.93	0.51	2.44
20	2.57	0.68	3.25
25	3.22	0.85	4.07
30	3.86	1.02	4.88
35	4.50	1.19	5.69

5.1 Retirement

If you retire at, or after, age 55 you will receive a lump sum equal to the balance of your Member Account, Rollover Account (if any) and PSESS Account (if any) as shown on your Annual Statement plus a defined Employer Component.

Your maximum entitlement

If you joined the Scheme after 30 June 1992, work full-time and average 6% member contributions for 35 years, your Employer Component will be:

4.5 times ESS PLUS an additional award component of 35 x 3.4% = 1.19 times ESS.

This makes a total of 5.69 times ESS. The table on the preceding page shows how your Employer Component grows over time. The award component is adjusted for any periods of part-time employment.

In addition to the entitlement explained on this page, you will also receive the balance of your Member Account, any Rollover Account and PSESS Account (if any).

You may wish to consider purchasing Super SA's post-retirement products, the Super SA Flexible Rollover Product and the Super SA Income Stream with your lump sum. See section 6 for further information.

Fixed term appointments

If you are on a fixed term appointment (including a Curriculum Guarantee position), you should refer to the *Contracts of Employment or Acting Arrangements Lasting Longer than 12 Months* fact sheet for more information on your retirement entitlements, available on the Super SA website.

Will you have enough?

You can work out what your final entitlement might be by doing a benefit quote in the member portal on the Super SA website.

You can perform a range of quotes, including retirement, resignation or death or total and permanent disablement at various ages, with all the calculations done for you.

If you are considering reducing your working hours between now and retirement, you can also see the effect that this is likely to have on your final entitlement.

To access the benefit quote, go to Super SA member portal:

1. Click on Register (if you haven't used this before) or Sign In. You will need your Super ID, which is printed on your Annual Statement
2. Click on Benefit Details
3. Click on Benefit Quote
4. Read and Accept the disclaimer.

Please note the login for the Lump Sum Scheme is different to any other accounts you might have with Super SA.
You can then use the quote function to enter any future changes in your working hours to see the effect this may have. You will need to enter a projected year of retirement, the fraction of full-time hours you intend to work (eg 0.8 or 0.6) and the date when you are likely to commence your part-time work. Click the Next button to complete your calculation.

Tip: Do an initial calculation without changing your hours and then repeat with your intended part-time hours, so that you can compare how much your final lump sum varies with your changed hours.

How long will your super last?

Once you have an estimate of your final retirement entitlement, you can calculate how long it may last in retirement.

Click on the Calculators button on the home page, then choose Super SA Income Stream. You can complete calculations to provide you with a graph and table showing how long your super may last.

5.2 Resignation

If you resign from the SA public sector before the age of 55 you can choose one of three options.

The amount of your lump sum may vary according to which option you choose.

The options are:

- cashing part of your entitlement and preserving the balance
- preserving your accrued lump sum entitlement in the Scheme
- rolling over a fully preserved entitlement into the Super SA Flexible Rollover Product (see section 6 for more information) or another complying super fund.

If you resign from the SA public sector after age 55 your options are as for retirement, described in Section 5.1.

1. Cashing part of your lump sum entitlement

If you resign before reaching age 55, you can immediately access the non-preserved components of your entitlement.

If you do this you will effectively lose part of your Employer Component, according to Scheme rules. Your Employer Component, equal to the Commonwealth Government Superannuation Guarantee (SG), due to you from 1 July 1992, will be automatically preserved in the Scheme, or you can roll it over to another complying super fund.

The non-preserved components of your entitlement are:

- the balance of your Member Account
- the non-preserved part of your Rollover Account (if any).

You must apply within three months of leaving the SA public sector to claim your non-preserved components before age 55, or your accrued entitlement will remain preserved in the Scheme until you reach age 55. However, an entitlement can be rolled over to a complying super fund at any time.

You cannot access the preserved components of your entitlement, which are:

- your Employer Component (SG)
- the balance of your PSESS Account (if any)
- the preserved part of your Rollover Account (if any).

Your Employer Component and PSESS Account will become available at age 55. Any part of your Rollover Account that is preserved will be subject to Commonwealth Government preservation rules (see Glossary). Your account balance(s) will continue to vary with investment earnings.

You can roll the preserved components of your entitlement into a complying super fund, where they will be subject to Commonwealth Government preservation rules.

The preserved components may be paid earlier if you become totally and permanently disabled or die.

2. Preserving an accrued lump sum entitlement in the Lump Sum Scheme

If you resign, you can preserve your accrued entitlement until your retirement on or after age 55.

Your preserved accrued entitlement consists of:

- the balance of your Member Component
- the balance of your Rollover Account (if any, subject to preservation rules)
- an Employer Component, which is a multiple of your ESS. The multiple is based on:
  - your length of contributory membership in the Scheme
  - your elected contribution rate
  - your proportion of full-time employment
  - the balance of your PSESS Account (if any).

You can claim your preserved accrued entitlement any time between the ages of 55 and 65, however it can only be claimed before the age of 55 if you suffer total and permanent disablement or die.

If you have preserved an accrued entitlement before age 55, you can roll an entitlement into a complying super fund at any time, where it will be subject to Commonwealth Government preservation rules.

Your ESS is indexed by the CPI, between the date of resignation and the date of payment of the entitlement. The award component (see section 5) is adjusted for any periods of part-time service.

The remaining components of your account balance(s) will continue to vary with investment earnings.

3. Rolling over an entitlement which is fully preserved

If you choose to roll over a fully preserved entitlement before age 55 it will consist of:

- the balance of your Member Component
- the balance of your Rollover Account (if any, subject to preservation rules)
- an Employer Component that is:
  - the lesser of twice the balance of your Member Account or your Notional Member Account plus
  - an award component adjusted for any periods of part-time service
  - the balance of your PSESS Account (if any).

Your Notional Member Account is the amount you would have accrued had you contributed at the rate of 6% throughout your contributory membership.

If you choose to roll over a fully preserved entitlement, it will remain preserved in the new fund and will be subject to Commonwealth Government preservation rules (see Glossary).

5.3 Targeted Voluntary Separation Package (TVSP)

If you are offered a TVSP, please refer to the Targeted Voluntary Separation Packages fact sheet available to download from the Super SA website at **www.supersa.sa.gov.au**, for detailed information about your options.

5.4 Retrenchment

If you are retrenched from the SA public sector before the age of 55, your employer must satisfy the Super SA Board that there is no other position, for which you are qualified and suited, available to you before you can receive a retrenchment entitlement.

Once the Super SA Board has been satisfied, you have three months to claim your entitlement. If you do not claim it in three months, it will be taken that you have chosen to preserve your accrued lump sum entitlement.

The retrenchment entitlement consists of:

- the balance of your Member Component
- the balance of your Rollover Account (if any, subject to the preservation rules)
- an Employer Component that is:
  - the lesser of twice the balance of your Member Account or your Notional Member Account plus
  - an award component adjusted for any periods of part-time service
  - the balance of your PSESS Account (if any).

You can choose to do one of the following with your retrenchment entitlement:

- take the full entitlement as a cash payment
- roll over part of the entitlement into a complying super fund, where it will become subject to Commonwealth Government preservation rules, and take the balance as a cash payment
- roll over the full entitlement into a complying super fund, where it will become subject to Commonwealth Government preservation rules.

5.5 Temporary disablement entitlements (income protection)

If you are under age 55 and unable to work due to illness or injury, you may qualify for a temporary fortnightly pension for a period of up to 12 months, and up to 18 months in certain circumstances. Application forms and eligibility criteria are available from Super SA upon request.

The Super SA Board must approve the payment of a temporary disablement pension.

To receive a temporary disablement pension you must have exhausted all your sick leave entitlements, however you are not required to use any of your annual leave or long service leave entitlements.

The pension is equal to two-thirds of your current salary. If you are employed part-time at the time of claiming your temporary disablement entitlements your pension is proportionally reduced to reflect any periods of part-time employment you may have had during the three years prior to making your claim.

If you are receiving, or are entitled to receive, regular workers compensation payments, no temporary disablement pension is payable.

You are not required to make after-tax contributions whilst in receipt of a temporary disablement pension, however, your Employer Component will continue to grow as if you were.

For more information see the Temporary Disablement Entitlement fact sheet available on the Super SA website.

5.6 Permanent disablement entitlements

The Lump Sum Scheme provides an entitlement for retirement on the grounds of total and permanent disablement before age 55.

The entitlement to a total and permanent disablement payment is subject to Super SA Board approval.

You should therefore not resign or accept termination on account of disablement without first getting written approval from the Super SA Board.

Use the Benefit Projector in the member portal on the Super SA website to find out what you might be entitled to receive if you become totally and permanently disabled.

If you are receiving, or are entitled to receive, regular workers compensation payments in respect of total and permanent disablement, the Employer Component of the disablement lump sum is based on actual contributory membership only.

In the event of total and permanent disablement after age 55, a normal retirement entitlement is paid (refer 5.1).

5.7 Death entitlements

This entitlement is payable to your spouse/putative spouse[9] and eligible children (if any), or where there is no surviving spouse/putative spouse, to your Estate and eligible children (if any).

If you die before age 55, the entitlement is reduced if your spouse is receiving, or is entitled to receive, workers compensation payments in relation to your death.

Spouse/putative spouse and eligible children

If you die leaving a spouse and/or a putative spouse, the amount they receive is worked out using "Extrapolated Points"[11] with a maximum of 420 (35 years). These are proportionally reduced for any periods of part-time employment. If you are a non-contributory member, the amount will be paid based on Accrued Points and accrued months of contributory membership after 30 June 1992 to the date of death.

In addition to the amount received by your spouse/putative spouse, any eligible child/ student[9] will each receive a pension of up to a maximum of 5% of your Entitlements Superannuation Salary (ESS)[9]. If there are more than three children/students, a maximum 15% of ESS is divided among them. Pensions will be adjusted twice yearly according to the Consumer Price Index (CPI), all groups index for Adelaide.

This pension is payable until the child/ children reach the age of 16, and will continue **as long as the child/children are full-time students** up to the age of 25, when it ceases.

Estate and orphans/eligible children (no spouse/putative spouse but eligible children)

If you have no spouse, but eligible children, your Estate will receive a lump sum. In addition, any eligible child/student[1] will each receive a pension, as described above, of up to a maximum of 15% of ESS. If there are more than three children/ students, a maximum of 45% of ESS is divided among them. Pensions will be adjusted twice yearly according to the CPI, all groups index for Adelaide.

Limitation of entitlements

When you applied for membership of the Lump Sum Scheme you were required to provide personal and medical information. The Super SA Board's medical consultants used this information to assess whether there was a risk of premature death.

If such a risk was evident, the Board may have accepted your application for membership subject to a limitation of entitlements should your employment cease due to the disclosed medical condition(s).

If a limitation was placed on your entitlements when you applied for membership, the Board would have advised you in writing of the nature of the limitation and the circumstances in which it would apply.

[9] See Glossary of terms for definitions

Should the cause of death be unrelated to the disclosed medical conditions, normal entitlements will apply.

You may apply in writing to the Board to revoke any limitation of entitlements if you are able to produce appropriate medical evidence to satisfy the Board that the risk of premature death no longer exists.

5.8 Leave without pay and your entitlements

If you are taking more than two weeks Leave Without Pay (LWOP) you need to contact Super SA to discuss your options. If you take less than two weeks LWOP your employer will continue to deduct your member contributions, so you do not need to contact Super SA in this circumstance.

If you continue to make member contributions during your LWOP, your employer will also continue to make contributions. This will ensure that the Employer Component of your entitlement keeps on growing.

You will also maintain your Death and Total and Permanent Disablement entitlements as if you were receiving your regular salary.

Please note that in the majority of cases you can only contribute for up to 12 months while on LWOP.

Members who are taking LWOP for periods of more than 12 months can seek approval from the Super SA Board to maintain their member contributions if they are:

- participating in an overseas aid program, or
- seconded to another employer, and the new employer meets the cost of employer contributions.

Approval will not be granted where you are on LWOP to pursue other career opportunities, even if your host employer is willing to pay employer contributions.

If you wish to maintain member contributions during LWOP, payments can be made by EFT. You can also choose to pay by direct debit by completing the Member Direct Debit (DDR) form included with the Leave without pay form.

Super SA cannot accept cash payments. Contact Super SA for more details.

6. Options for your lump sum entitlement

When you are eligible to receive a lump sum entitlement from the Lump Sum Scheme you have the option of keeping your money with Super SA.

The Super SA Flexible Rollover Product (FRP)
This provides a low cost place to invest your super money while you decide what to do with it in the long term. You need a minimum balance of $1,500 to get started. You also have the opportunity to consolidate your funds into a single account and create an account for your spouse/putative spouse.

See the *FRP Product Disclosure Statement*, available on the website or from Super SA, for more information.

The Super SA Income Stream
The Super SA Income Stream offers you a flexible income stream in retirement, where you can choose an amount of income, above a minimum level, to be paid to you on a regular basis – just like a salary. The Income Stream also gives you access to your capital whenever additional cash is needed. The opening balance required is a minimum amount of $30,000. The Income Stream can offer significant tax benefits under current legislation.

See the *Income Stream Product Disclosure Statement* available on the website or from Super SA, for more information.

7. Transition to Retirement

7.1 Understanding Transition to Retirement

SA Government employees now have greater flexibility with both their super and working arrangements as they approach retirement.

Once you reach your preservation age under the Commonwealth Government preservation rules (see Glossary) the Transition to Retirement (TTR) rules allow you to receive part of your super entitlement as an income stream, such as through the Super SA Income Stream. You can use an income stream to supplement your income when you reduce your working hours or salary. You cannot take any portion of your super as a lump sum cash payment.

Eligibility criteria for TTR
To be eligible for TTR you must:

- have reached your preservation age
- have entered into an agreement with your employer to reduce your hours of employment, or undertake duties which reduce your salary
- undertake your TTR arrangement with a view to future retirement.

Amount of super that can be accessed under TTR rules
As a general rule, the maximum proportion that you can access from your Lump Sum Scheme entitlement under TTR rules is equivalent to the proportion of your salary reduction reflected in your TTR arrangement.

In addition to the maximum amount described above, 100% of any PSESS[10] account can be rolled over into an income stream.

Examples of arrangements are available at **supersa.sa.gov.au.**

How TTR arrangements affect points
There will be a reduction in the points you have already accrued and a reduction in the number of points you accrue in the future.

For example, 20% of Cathy's total entitlement is taken as a TTR entitlement so the points reduction will be approximately 20% of the total number of points.

Once she takes her TTR entitlement, Cathy must contribute at her standard member contribution rate of 6% of her salary (ie $64,000 x 6% = $3,840), and she will only accrue 9.6 points per year (ie 12 x $64,000 ÷ $80,000).

Other important information

- The percentage reduction in employment applicable to a TTR arrangement is determined by you in conjunction with your employer
- If you have a Triple S Account you may also be able to roll this into an income stream under Early Access to Super
- You can roll 100% of your PSESS Account into an income stream under TTR rules
- When you roll any portion of your entitlement into the Super SA Income Stream (minimum account balance of $30,000), 15% contributions tax will be deducted from the Taxable (untaxed) component
- Your income stream payment must be between 2%[11] and 10% of the account balance until you reach age 65.
- Investment earnings on your Income Stream will be taxed at up to 15%
- Your salary and member contributions will be adjusted effective from the date your TTR commences. You must contribute at your standard contribution rate, and points you accrue in the future will be calculated as a percentage of the standard accrual rate
- Your employer will continue to contribute at the prescribed rate, based on your post-TTR salary.

TTR step-by-step process
1. Read the TTR information available on the Super SA website to determine eligibility conditions. You may also wish to attend a Super SA TTR seminar.
2. Seek professional financial advice when considering accessing TTR.
3. Contact Super SA to obtain a retirement quote.
4. Contact your HR or payroll office.
5. Once you have approval from your agency to enter into a TTR agreement, Super SA can provide you with a TTR quote.
6. When you have completed the TTR employment arrangement with your agency, Super SA will process the TTR.
7. If you vary your employment arrangement you may wish to review your TTR benefit.

Other TTR options

SA Government employees are now able to take long service leave on a single day basis over an ongoing period of time as a means of phasing into retirement. This will have no impact on your super.

If you wish to do this, talk to your Human Resources Manager.

If you have any questions, please contact Super SA on 1300 369 315 or email **supersa@sa.gov.au**.

[10] Some members of the Lump Sum Scheme have a Public Sector Employee Superannuation Scheme (PSESS) entitlement. If you have a PSESS Account it will be shown on your Annual Statement.
[11] For the 2020-21 financial year

8. Fees, costs and taxes

8.1 Fees and costs summary

This table shows fees and other costs that you may be charged. These fees and costs may be deducted from your super, from the returns on your investment or from the fund assets as a whole. Fees and costs for particular investment options appear on the following page.

You should read all of the information about fees and costs, as it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
Fees when your super moves in or out of the Scheme		
Establishment fee: The fee to set up your initial investment.	Nil	Not applicable
Contribution fee: The fee for the initial and every subsequent contribution you make (or that may be made on your behalf by your employer).	Nil	Not applicable
Withdrawal fee: The fee for each amount you withdraw from the Scheme.	Nil	Not applicable
Termination fee: The fee charged when you finally close your account or exit the Scheme.	Nil	Not applicable
Management Costs		
Investment management fee: The fee charged for managing the Scheme's investments. They include Funds SA administration and performance management fees.	Specific fees for each investment option can be found on the following page.	Investment costs are deducted before the declaration of investment unit prices. The unit prices applied to your account are net of any fees charged for the management of investments. No investment management fees are charged directly to your account.
Adminstration Fee		
Administration fee: The cost of administering the scheme. You pay 30% of the cost and your employer pays the remaining 70%.	0.05% p.a.	The administration fee is deducted from the funds invested with Funds SA before the declaration of unit prices. A notional administration fee is therefore applied to your Member and Rollover accounts.
Service Fees		
Investment switching fee: The fee charged when you switch between investment options.	One free investment switch each financial year. Any additional investment switch will cost $20 each.	The fee to cover the second and any subsequent switches in a financial year can be paid by EFT. Payment of the fee needs to be made at the time the switch request is made.
Family Law fee: The fee for processing and responding to an application for information.	$176 each request	Payable at the time of the request.
Family Law fee: The fee for splitting an entitlement under a Splitting Agreement or Order.	$176 each party	Payable at the time of request. If the fee has not been paid within one month of becoming due, the fee may be deducted from the entitlement that has been split.

8.2 Annual administration fee

The cost of the administration of the Lump Sum Scheme is shared proportionally between members and employers:

- Scheme members pay 30% of the cost of administering the Lump Sum Scheme
- Employers pay 70% of the cost of administering the Lump Sum Scheme.

The member share of administration costs is deducted from unit prices, and as a result, before the earnings achieved by Funds SA are credited to your Member Account or Rollover Account. This has the effect of reducing the investment earnings allocated to your Member Account or Rollover Account, with the actual reduction different for each member, depending on the balance of their Member Account or Rollover Account. The annual administration fee is shown in the table below.

The Lump Sum Scheme is a not-for-profit Scheme and Super SA endeavours to keep the fees and costs at a minimum for members.

8.3 Investment fees

Funds SA is responsible for managing all Lump Sum Scheme investments. Before the declaration of investment unit prices, Funds SA deducts an investment fee from each of the investment options. Any unit prices applied to your account are therefore net of any fees charged for the management of investments.

The investment management fees and performance fees (shown in the table below) are the estimated fees charged in 2019-20. The amounts vary from year to year.

The total investment fees include a performance fee. This is an additional fee paid to certain managers if their return on a particular investment option performs above the agreed benchmark.

A performance fee will not be paid if a matching period of underperformance has occurred in that year.

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 scheme balance rather than 1% could reduce your final return by up to 20% over a 30-year period (eg 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 the higher fees and costs.

To find out more

If you would like to find out more or see the impact of 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.

The amount you pay for specific investment options (2019-20)[12,13]

	Investment Fees					
Investment options (Member Component)	Base Indirect Cost Ratio (ICR) (% p.a.)	Performance fees (% p.a.)	Transaction & operating costs (T&O) (% p.a.)	Total (incl T&O costs)	Administration fee (% p.a.)	Total ICR (% p.a.)
High Growth	0.71	0.08	0.12	0.91	0.05	0.96
Socially Responsible	0.82	0.00	0.14	0.96	0.05	1.01
Growth	0.68	0.08	0.12	0.88	0.05	0.93
Balanced	0.60	0.07	0.12	0.79	0.05	0.84
Moderate	0.52	0.05	0.10	0.67	0.05	0.72
Conservative	0.42	0.01	0.08	0.51	0.05	0.56
Capital Defensive	0.36	0.01	0.04	0.41	0.05	0.46
Cash	0.04	0.00	0.00	0.04	0.05	0.09

(2019-20)

Investment Option	Investment management costs (% p.a.)	Performance fees (% p.a.)	Transaction & operating costs (T&O) (% p.a.)	Total ICR (% p.a.)
Defined Benefit High Growth	0.85	0.13	0.12	1.10

[12] The ICR represents investment management costs for the 2019-20 year and varies across investment options. Investment management costs vary from year to year.

[13] Borrowing costs and property operating costs are identified separately on the next page.

Borrowing costs

Borrowing costs may arise where money is borrowed by fund managers, for example to purchase an asset, pay for expenses or in the course of borrowing securities. The borrowing costs for the investment options are estimated to range between 0% and 0.09% for each option. These costs are deducted from the assets of the investment option and reflected in the unit price.

Property operating costs

As part of the ongoing management of property costs, certain expenses are generally incurred throughout the life of the investment, eg council and water rates, utilities, lease renewal costs and general property management costs. The property operating costs for the investment options are estimated to range between 0% and 0.08% for each option. These costs are deducted from the assets of the investment option and reflected in the unit price.

Other transaction/operating costs

These transaction/operating costs (not included in any other category of cost) are related to market impact costs and are estimated to range between 0% and 0.12%.

8.4 Tax

Unlike most other types of savings, super savings are taxed concessionally. To ensure your entitlement is taxed at concessional rates, you must provide your tax file number (TFN) to Super SA. If you do not, you may pay tax at a higher rate.

The Australian Taxation Office (ATO) classifies the Lump Sum Scheme as an untaxed fund, so while your entitlement is growing no tax is paid on your:

- Employer contributions and
- Investment returns.

Instead, you will pay tax when your entitlement is paid, in line with the ATO rules for untaxed funds.

Member contributions made from after-tax salary since 1 July 1983 are always tax-free when received as a lump sum payment.

Superannuation lump sums

The lump sum amount you receive when you are eligible to claim your super is known as a "superannuation lump sum". You can either take it immediately in cash or roll it into another fund (or a combination of both). The method you choose will affect how you are taxed.

A superannuation lump sum can be made up of the following tax components:

- the Tax free component
- the Taxable (untaxed) component
- the Taxable (taxed) component.

How your superannuation lump sum will be taxed if cashed

When received as a cash entitlement the Taxable (untaxed) component will be taxed as follows depending on your age:

If you have rolled funds into the Lump Sum Scheme from a taxed fund, the Taxable (taxed) component will be taxed as follows depending on your age:

Table 1: How tax is calculated on the Taxable (untaxed) component

Your age	Tax on Taxable (untaxed) component
Under Commonwealth Preservation age	30% maximum tax rate up to $1,565,000
Commonwealth Preservation age up to age 59	15% tax up to $215,000 30% tax on balance up to $1,565,000
60 or over	15% tax on amounts up to $1,565,000

Please note: Assumes tax file number (TFN) provided. If you do not provide your TFN, you will be taxed at the highest marginal tax rate plus Medicare levy

- The 2% Medicare levy is also deducted when tax is payable and when you take your Lump Sum Scheme entitlement in cash
- Amounts over $1,565,000 will be taxed at the top marginal rate plus Medicare levy regardless of age. If your marginal tax rate is lower, you may be eligible for reduced tax when you lodge your next tax return. This cap is for the 2020–21 financial year.

Table 2: How tax is calculated on the Taxable (taxed) component

Your age	Tax on Taxable (taxed) component
Under Commonwealth Preservation age	20% maximum rate (no limit)
Commonwealth Preservation age up to age 59	Tax free up to $215,000 15% tax on balance (no limit)
60 or over	Tax free

Please note: The 2% Medicare levy is also deducted whentax is payable when you take your Lump Sum Scheme entitlement in cash.

Commonwealth Government preservation age depends on yourdate of birth:

Date of birth	Commonwealth Government preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

Important note: Commonwealth preservation rules are different from preservation rules in the Lump Sum Scheme. You need to be aware of this if you are rolling money out of the Lump Sum Scheme and into the Super SA Flexible Rollover Product or another super scheme.

How your superannuation lump sum will be taxed if rolled over

If you choose to roll over your superannuation lump sum into the Super SA Flexible Rollover Product (or another taxed superannuation fund), 15% contributions tax will be deducted from the Taxable (untaxed) component.

When your untaxed component is rolled over to a taxed fund, the Medicare levy is not payable.

Taxable (untaxed) amounts over $1,565,000 will be taxed at the top marginal rate on rollover. If your marginal tax rate is lower, you may be eligible for reduced tax when you lodge your next tax return. This cap is for the 2020–21 financial year.

Once the superannuation benefit is in a taxed superannuation fund, any cash withdrawals will be taxed as detailed in the table on the previous page.

Proportioning of payments

Any payment taken in cash or rolled over to another fund must have the tax components calculated in the same proportion to the components that make up your total entitlement. You cannot select only your Tax free component (ie your member after-tax contributions). This means that payments in cash or rollovers to another fund will contain taxable amounts and you may be required to pay tax on these.

Tax payable upon your terminal illness or death

If your entitlement is paid due to a terminal illness, it will be tax free.

If you die, your lump sum entitlement is tax free if it is paid to your spouse/ putative spouse (see Glossary).

If you die but have no spouse/putative spouse, your lump sum entitlement will be paid to your Estate.

If you die and have eligible children, they will receive a pension as described in section 5.7. The pension will be taxed at marginal tax rates

Division 293 tax for high income earners

If the sum of your income and relevant concessionally taxed contributions is over $250,000 per year, you'll be taxed at 15% of your relevant concessional contributions above the $250,000 threshold. If you are liable for the tax you'll receive notification from the Australian Tax Office (ATO) advising you of the amount payable and your payment options.

The ATO will issue a Division 293 tax amendment that may be made up of:

- A due and payable amount in respect of accumulation interests
- A deferred payment in respect of defined benefit interests.

For information about your payment options, including the option to have your Division 293 tax liability paid from your Super SA account, please refer to the Division 293 Tax fact sheet on the Super SA website. It is also noted that different rules apply to individuals who are classified as 'State Higher Level Office Holders' whose employers make certain contributions to constitutionally protected funds. They are generally exempt from Division 293 tax unless the contributions are made as part of a salary package (ie salary sacrifice).

8.5 Surcharge

This tax was imposed by the Commonwealth Government on your surchargeable contributions (employer contributions) once your income reached certain levels. The surcharge rate was reduced to zero on 1 July 2005. Any surcharge liability accrued prior to 1 July 2005 is still payable.

9. Member communication

General Information and Financial Advice

Getting good financial planning advice is an essential part of any retirement plan. As a Lump Sum member, you have the option of calling Super SA's Member Services team for general information or for personal financial planning advice, speaking with an professional financial planner.

Member Solutions

Member Services is a good place to start when you're looking for ways to make the most of your investment in super. And it's free!

Member Services can't give you personal financial advice but can help you make informed decisions about your super.

To speak to Member Services, call 1300 369 315.

Member portal on the Super SA website

This is available on the Super SA website and enables you to keep track of your super in a secure internet environment 24 hours a day, seven days a week. Your privacy when using the Super SA member portal is assured at all times.

Using the retirement quote function in the member portal, Lump Sum Scheme members can work out how much super they will have in retirement if they vary their hours of employment or change their contribution rate for all or part of their remaining service until they retire.

You can also check your current Member Account, Rollover Account and PSESS Account balances and contributions.

To register, visit the Super SA website at **www.supersa.sa.gov.au** and sign in to the member portal for full details. You will need your Super ID.

10. Additional information

Personal financial planning advice

If you're looking for detailed personal advice, you can choose your own financial planner or you can take advantage of the commission-free financial planning service available through Industry Fund Services. Call 1300 162 348 to make an appointment.

To choose your own financial planner, contact the Financial Planning Association of Australia.

10.1 Commonwealth Government's co-contribution scheme

If your total income is less than $54,837 in a financial year and you make after-tax contributions to your super in the same year, such as fortnightly after-tax contributions as part of your Lump Sum Scheme membership or one-off contributions during the financial year, the Commonwealth Government will contribute up to $0.50 for every $1.00 you contribute, to a maximum of $500.

To receive the maximum amount, your total income must be $39,837 or less and you must contribute at least $1,000. Check out the table in Additional Information to see how much you might be entitled to. The minimum amount you can receive is $20.

The amount of co-contribution paid depends on your income and the personal after-tax contributions you made during the financial year.

Only a person's after-tax super contributions attract a co-contribution. Before-tax (salary sacrifice) contributions are considered to be employer contributions and will not attract a co-contribution.

Qualifying for a co-contribution

To receive the Government's co-contribution you need to satisfy all of the following conditions: You must provide Super SA with your TFN and:

- make fortnightly after-tax contributions to your super as part of your Lump Sum Scheme membership during the financial year
- or make one-off lump sum contributions during the financial year
- have a total income[14] less than $54,837
- not have held an eligible temporary resident[15] visa at any time during the year
- be less than 71 years of age at the end of the financial year in which you made your personal contribution
- have at least 10% of your total assessable income and reportable fringe benefits attributable to eligible employment (as determined by the ATO)
- lodge a tax return
- provide your Tax File Number to Super SA.

Visit **www.ato.gov.au** for more information on the Commonwealth Government co-contribution.

Payment of your co-contribution

If you receive a co-contribution payment, it will be paid into an account set up for you in Triple S. Under the rules of the Lump Sum Scheme, the co-contribution payment cannot be made or rolled over into your Lump Sum Scheme account. If you have more than one super fund, the ATO will decide which fund the co-contribution goes into, or you can nominate a fund of which you are a member, providing the fund rules permit acceptance of co-contributions.

Co-contributions will be preserved in the fund and can be accessed when you meet the Commonwealth's prescribed conditions of release, generally when you have permanently retired after reaching your prescribed preservation age.

	If your after-tax super contribution is:	
	$1,000	$500
And your total income is:	**Your super co-contribution will be:**	
$39,837 or less	$500	$250
$42,837	$400	$250
$46,837	$267	$250
$50,837	$133	$133
$54,837 or more	$0	$0

Timing of payments

The information concerning your after-tax contributions is sent by Super SA to the ATO by 31 October each year.

When the ATO has received this and you have lodged your personal tax return, they will match the data to work out the co-contribution you are entitled to receive. Then the co-contribution amount will be sent to Super SA to be credited to your super account.

Accessibility of co-contributions

Co-contributions will be preserved in the scheme and can be accessed when you meet the Commonwealth's conditions of release, generally when you reach your preservation age and are permanently retired.

After-tax contributions and the Lump Sum Scheme

Lump Sum Scheme members make fortnightly after-tax contributions to their super as part of their Lump Sum Scheme membership. The Scheme does not allow members to make one-off lump sum contributions in addition to the after-tax contributions that are required under the rules of the Scheme.

Tax file number

Your tax file number (TFN) is required to process your co-contribution. If you have already provided this information it will be indicated on your Annual Statement.

If you have not yet supplied your TFN, you can either do so in writing or via the Super SA website. To notify us in writing, download the *Tax File Number Notification* form from the Super SA website and post it to us, or send us a letter with your full personal details.

[14] To receive the maximum co-contribution of $500 you need to contribute at least $1,000 after-tax and earn $39,837 or less a year. The co-contribution you can receive reduces on a sliding scale, and phases out altogether when your income reaches $54,837. For the 2020–21 financial year.

[15] Salary sacrifice contributions will be counted as income when determining your eligibility for the Commonwealth Government's co-contribution and other government benefits.

10.2 Superannuation and the breakdown of marriage and de facto relationships

The *Superannuation Act 1988* has been amended to complement the provisions of Part VIIIB of the *Commonwealth Family Law Act 1975*.

The amendments enable a non-member spouse or de facto to have their share of a member spouse superannuation interest, as determined under a Superannuation Agreement or a Family Court Order, established as a separate interest in their own name.

Under the legislation, super entitlements do not have to be split. By sharing other assets the parties may avoid splitting a super account.

A Superannuation Agreement or a Family Court Order can allocate either a dollar amount or a specified percentage of a member's total super to their former spouse, who has the choice of leaving it with Super SA, rolling it into a fund of their choice, or cashing it out, subject to Commonwealth preservation rules (see Glossary).

If your spouse chooses to leave their portion with Super SA, it must be rolled into Triple S.

Members and their spouses or former spouses can obtain family law valuation information from Super SA on their super entitlements to assist in obtaining a fair and equitable property settlement.

Family Law legislation only applies to de facto relationships that break down after 30 June 2010.

For full information see the *Superannuation and the breakdown of relationships* fact sheet available on the Super SA website.

Super SA charges fees for the provision of information and for splitting a super account. The fees for each service are currently set at:

- Processing and responding to an application for information: $176 each request. Fees applicable to the request for information are payable at the time of the request.
- Splitting an entitlement under a Splitting Agreement or Order: $176 each party. Fees relating to the splitting of a super entitlement are payable at the time of request by each party.

Fees are subject to review. In the interests of the security of our members and staff, Super SA does not accept cash payment of fees. Payments can be made by EFT. Contact Super SA for more details.

Up to date information on fees is available on the Super SA website.

11. Glossary of terms

Client ID

An overarching ID number given to members with a second or subsequent Super SA account, such as a Super SA Income Stream, Flexible Rollover Product or Triple S account.

Co-contribution

A payment made by the Commonwealth Government to your super if you're a low income earner who makes after-tax contributions to your super (and you meet the other specified criteria).

If you receive a co-contribution you'll automatically become a Triple S member in order to receive the co-contribution. If you don't have a Triple S account, one will be created for you. For further information please refer to the Triple S PDS.

Commonwealth Government preservation rules

These rules were established by the Commonwealth Government. They relate to the conditions under which you can claim your super entitlement. These rules apply to funds rolled into Lump Sum from another fund.

Any part of your Rollover Account that was subject to preservation before it was transferred to the Lump Sum Scheme will remain subject to Commonwealth Government preservation requirements.

Preserved entitlements are preserved until you reach one of the following 'conditions of release':

- you have retired permanently from the workforce having reached preservation age
- you reach age 65
- you become totally and permanently disabled
- you suffer a terminal illness
- your death.

Commonwealth Government preservation ages:

Date of birth	Commonwealth preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

Unrestricted non-preserved amounts

Super that can be taken at any time because it meets all criteria for release. Please note that access to benefits in this scheme are subject to restrictions outlined in sections 1.3 and 5.

Restricted non-preserved amounts

Entitlements that employees can be paid on their termination of employment. They can also be paid at the time that preserved entitlements can be paid. The amount of your preserved and non-preserved entitlements are detailed on your Annual Statement.

Complying fund

A fund subject to the Commonwealth Government's super regulatory regime which qualifies for concessional tax rates. The Lump Sum Scheme is deemed to be a complying fund.

Concessional contribution cap

An annual limit, set by the Federal Government, on pre-tax contributions allowable to taxed super funds. While the Lump Sum Scheme (and Triple S) are both untaxed with no annual cap applied to these schemes, pre-tax contributions made into untaxed schemes count towards your annual Concessional Contribution Cap with a taxed fund. This may impact you if you are making contributions to another super fund.

Concessional contributions

Contributions from an employer (including any salary sacrifice contributions) made into taxed super funds.

Concessional tax

This is a reduced rate of tax. Super is taxed at lower rates than many other forms of investment.

Contributions Superannuation Salary

The salary used for super contribution purposes. Each 31 March your payroll office notifies Super SA of your employment hours and salary which is used to determine your member contributions for the next financial year.

Current unit price

This is the current unit price for your elected investment option. Unit prices are updated twice weekly.

Date joined scheme

The date you joined the Lump Sum Scheme.

Eligible child/student

In relation to a deceased member, an eligible child/student is:

A. i. a child of the member, or

ii. a child in relation to whom the member had assumed parental responsibilities and who was cared for and maintained, wholly or in part, by the member up to the date of the member's death

and is:

B. i. under the age of 16 years, or

ii. between the ages of 16 and 25 years and in full-time attendance at an educational institution recognised by the Board for the purposes of this definition.

Eligible service date

This is the earlier of either:

- the date you last began continuous service with the SA public sector
- the date brought with your super from a former fund when you rolled your super over into the Lump Sum Scheme.

Employer Component

Your super is made up of an Employer Component and a Member Component.

Your Employer Component is, in most cases, defined and calculated using:

- your age at joining and exiting the Lump Sum Scheme
- Number of months of contributory membership
- Elected contribution rate
- Proportion of time worked during your contributory membership.

You may also have a Public Sector Employee Superannuation Scheme (PSESS) entitlement which may form part of your Employer Components.

Entitlements Superannuation Salary (ESS)

Your full-time equivalent annual salary at the time of application for entitlement. While you only pay contributions based on your substantive salary, if you have been in receipt of a higher duties allowance continuously for 12 months or more when you apply for your entitlement, your ESS will be based on the higher salary.

If you are on a fixed term appointment (including a Curriculum Guarantee position), please refer to the *Contracts or acting arrangements of 12+ months* fact sheet for more information on your retirement entitlements.

Extrapolate

Extrapolate means to estimate a future figure based on known data, assuming that the estimated figure follows logically from the known data.

In the case of working out your disablement or death entitlement, Extrapolated Points take into account your Accrued Points and then assume you would have continued accruing Points in the scheme until age 55 had it not been for disablement, or age 60 in the case of death before age 55.

For a disablement entitlement before age 55 your Extrapolated Points equal your Accrued Points plus the number of months from the date of the disablement to age 55.

For a death entitlement before age 55 your Extrapolated Points equal your Accrued Points plus the number of months between the date of death and age 60. Extrapolated Points are adjusted for part-time service over the whole of your contributory membership (if any).

Investment Choice

Your choice of investment options include:

- High Growth
- Socially Responsible
- Growth[16] (default)
- Balanced (default after 3 February 2021)
- Moderate
- Conservative
- Capital Defensive
- Cash

Investment earnings

Your Member Account, Rollover Account and PSESS Account within your Lump Sum account are subject to investment performance and therefore fluctuations in investment markets can affect your account balances. In some circumstances, the Employer component is a multiple of Notional Member Account or Member Account and any fluctuations that affect your Member Account will also be reflected in your Employer component.

Investment Time Horizon

The minimum length of time needed to reach the earning potential of your investment.

Member component

Your Member Component in your Lump Sum account is made up of your:

- Member Account
- Rollover Account (if any)

Your Member Account is made up of the contributions you have made to the Lump Sum Scheme plus any investment earnings.

Member contribution rate and member contribution amounts

The percentage and dollar amount of your super salary that you have elected to contribute to the Lump Sum Scheme. Over the period of your membership, you must average your 6% standard contribution rate to be eligible for the maximum employer entitlement.

Member portal

Accessible through the Super SA website, the member portal provides you with access to your super information, including personal details, annual statements, account balances and your contribution history. You need your Super ID to sign in, which is different to any other Super SA account or client ID you may have.

[16] Growth option will no longer be available after 25 January 2021.

Non-concessional contributions

After-tax member contributions made to super. These contributions will not be taxed when you leave the scheme. Non-concessional contributions form part of your "tax free component".

Non-concessional contribution cap

There is a limit, set by the Commonwealth Government, of $100,000 each financial year to the after-tax contributions you can make. If you are under 65 you can bring forward the limit for two years to contribute up to $300,000 in one year. After-tax contributions you make to other super schemes (eg. Triple S or other personal super funds) will count towards the contribution limit. If you breach the limit, you will be taxed at the highest marginal rate on the excess amount.

From 1 July 2017, individuals with a total super balance above $1.6 million will no longer be able to make non-concessional contributions, except where required to do so as part of a defined benefit scheme such as the Lump Sum Scheme where after-tax contributions are required.

If your total super balance is over $1.6 million and you are making non-concessional contributions to the Lump Sum Scheme, you will receive a release authority form from the Australian Taxation Office (ATO) to remove the non-concessional contributions that have been contributed to your account. You are unable to have the funds released from the Lump Sum Scheme but you may be able to have them released from an accumulation scheme (if applicable). If you cannot or choose to not remove the funds from a superannuation account you will receive a tax bill from the ATO, for further information on this please contact the ATO.

Non-contributory member

A member who has ceased employment or who does not meet the requirements of being an Active member. Non-contributory members also include preserved members who are not active and have not received an employer contribution in 12 months or more.

If you are a non-contributory member, you will not accrue any points during this period and you cannot catch up the points that you have missed.

Notional Member Account

The amount you would have accrued had you contributed at the rate of 6% throughout your contributory membership.

Preservation in Lump Sum

Amounts for members under age 55 that must be preserved remain preserved until:

- retirement at or after age 55
- your total and permanent disablement or
- your death.

Amounts preserved in the Lump Sum Scheme may be claimed at age 55 even if you are working in the private sector or have returned to the SA public sector after a break of at least one month. If you have a Rollover Account with a preserved entitlement, this portion is subject to Commonwealth Preservation rules.

Preserved entitlements

Preserved entitlements are the part of your super entitlement which must be retained in your account until you reach the age of 55 and are eligible to claim your entitlement, or if you become totally and permanently disabled, or die.

Public Sector Employee Superannuation Scheme (PSESS)

Some members may also have a Public Sector Employee Superannuation Scheme entitlement, which forms part of their Employer Component. The PSESS was introduced by the State Government on 1 January 1988 in lieu of a pay increase for SA Government employees. It represented a payment equal to 3% of your salary and was paid into your PSESS Account. PSESS closed on 30 June 1992.

Putative spouse

See Spouse.

Rolling in

Your super contributions invested with other funds can be transferred to the Lump Sum Scheme. This is called "rolling in" your funds. By consolidating your super into one account you can minimise the fees that you pay.

You may wish to seek financial advice regarding rolling your funds into the Lump Sum Scheme.

Super SA does not charge fees to roll in funds, but your other fund may charge a fee to exit the fund. You should also consider your insurance or other benefits with your other super fund before rolling in.

To consolidate your other super into the Lump Sum Scheme, connect your MyGov account with the ATO. Access your MyGov account at **www.my.gov.au**. From there you can locate your other super accounts and click online to request they are transferred to Super SA.

Alternatively, you can complete one *Easy Roll In* form for each super account you want to roll in. The Easy Roll In form is available on the Super SA website. Send your form(s) to Super SA. We will let you know when the roll in has been received.

Your roll in will be invested in the same investment option as your current Super SA contributions.

However, it's important to keep in mind that any part of your rollover that was subject to preservation before it was transferred to the Lump Sum Scheme will remain subject to the Commonwealth Government's preservation requirements.

You will not be able to access or roll out any of the funds you rolled in while you are still working for the SA public sector. This includes any funds that are non-preserved.

Rollover Account

Your Rollover Account comprises:

- amounts you have rolled in from other funds, plus
- investment earnings.

Your Rollover Account is subject to fluctuations in the investment market.

If you have not rolled funds into the Lump Sum Scheme from another super fund you will not have a Rollover Account.

Once you have ceased employment with the SA public sector, rollover funds are payable subject to Commonwealth preservation rules.

Salary at last 31 March

The full-time equivalent salary Super SA was last advised by your payroll office (on the previous 31 March). Super SA only receives notification of your salary once each year on 31 March, and applies this salary for the whole of the following financial year.

Salary projected to retirement date

The salary at last 31 March, projected to your retirement date and based on the inflation rate.

Salary sacrifice

Personal before-tax salary contributions made from your salary before Pay As You Go tax is deducted. These amounts are classified by the ATO as employer payments and therefore reduce your annual salary for taxation purposes.

Spouse/putative spouse

Your spouse is the person to whom you are legally married.

A person is the putative spouse of a member if the person and the member are cohabiting as defacto spouses and:

- have been so cohabiting continuously for the preceding three years, or for a total of not less than three out of the four preceding years, or
- a child of whom both persons are the parents has been born.

A person is also recognised as a putative spouse of the member if in a Registered Relationship with the member (within the meaning of the *Relationships Register Act 2016).*

Standard risk measure[17]

This is a measure of risk that allows members to compare investment options. The risk measure expresses risk as the number of negative annual returns likely over any 20 year period.

Super ID

Your Super SA identification number. Quote this number when you contact Super SA. Use your Super ID to access the member portal.

Superannuation salary

This is determined in accordance with the *Superannuation Act 1988* and the relevant enterprise agreement or award under which you are employed. It comprises:

- what you are paid for the hours you are normally required to work
- allowances (excluding leave loading) received which do not represent a payment for an expense you incurred.

If you are an executive employed under a Total Employment Cost (TEC) contract, your superannuation salary is 82.5% of the value of the total remuneration package specified in the contract.

Superannuation Guarantee (SG)

The minimum level of super entitlement that must be provided to you by your employer and is currently set at 9.5% of gross superannuation salary, which is the total you are paid for your normal hours of work, including leave loading and certain allowances. In the Lump Sum Scheme the employer contribution rate is greater than SG.

Surcharge liability

The tax imposed by the Commonwealth Government on your surchargeable contributions once your income reaches certain levels. The surcharge was reduced to zero on 1 July 2005. Any surcharge liability accrued prior to 1 July 2005 is still payable.

Taxable (taxed) component

A component of your superannuation lump sum from which contributions and investment tax have been deducted. This includes any super you have rolled over into the Scheme from a taxed fund.

Taxable (untaxed) component

A component of your superannuation lump sum from which tax will be deducted when you leave the fund. This includes your Employer Component.

Tax file number (TFN)

The identification number allocated to you by the Australian Taxation Office. To ensure your entitlement is taxed at concessional rates, you must provide your TFN to Super SA. If you do not, you may pay tax at a higher rate.

Tax free component

A component of your superannuation lump sum which will not be taxed when you leave the fund. This includes any after-tax contributions and pre-1983 amount (if any).

Unique Superannuation Identifier (USI)

Uniquely identifies a super fund's products for the purposes of electronic rollovers. The USI dictates the end destination point of the information being sent about a contribution or a rollover. If the fund you are rolling from does not have a USI use the fund's SPIN.

Unit

Super contributions are used to purchase investment units, which represent a share of the underlying investments in your particular super investment option.

Untaxed fund

The Lump Sum Scheme is an untaxed fund. This means that the Commonwealth Government's tax on employer contributions and investment earnings is not paid during your membership. While private super funds pay a 15% tax on all employer contributions received, and up to 15% on the investment earnings, in the Lump Sum Scheme tax is not deducted until the entitlement is paid.

[17] The Standard Risk Measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any twenty year period. The Standard Risk Measure is not a complete assessment of all forms of investment risk, for instance, it does not detail the likely size of a negative return or the potential for a positive return less than a member may require to meet their financial goals. It also does not take into account the impact of administration fees and tax on a negative return. Members should ensure they are comfortable with the risks and potential losses associated with chosen investment options.

We're happy to help, give us a call, send us an email or book an appointment.

Member Services	**By appointment** Ground Floor, 151 Pirie Street (enter from Pulteney Street) Adelaide SA 5000
Post	GPO Box 48, Adelaide SA 5001
Email	supersa@sa.gov.au
Call	1300 369 315
Web	supersa.sa.gov.au
ABN (Lump Sum)	27 987 187 927
USI (Lump Sum)	2798 7187 9270 02