



SUPER SA

contributing to your future

This document forms part of the
Product Disclosure Statement
dated 30 September 2020



Income Stream Reference Guide

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Let's talk about your Super

Welcome to the Super SA Income Stream Reference Guide. This guide forms part of a suite of documents where you'll find all the information you need to develop a better understanding of the Income Stream. Please read the Super SA Income Stream PDS, Reference Guide and Investment Guide so you can make informed choices when it comes to your superannuation.

There's a lot of Super-speak and financial terminology, but we've tried to keep it as clear and simple as possible, so you'll walk away Super-aware and empowered to make good decisions that will positively impact your financial future. Because we're here to help you live your best life in your retirement years.

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1. How the Super SA Income Stream works

Income Streams are designed for people who:

- have reached their Commonwealth Government preservation age, and
- are either retired, or are approaching retirement age, and
- want to keep their money invested in a tax-effective environment and draw a regular income rather than withdrawing money in a lump sum.

With a Super SA Income Stream you can continue to receive income stream payments until your investment and investment earnings run out.

SETTING UP YOUR INCOME STREAM

Each year you can choose the level of your annual income within Commonwealth Government set limits. You can also choose whether you want to receive payments fortnightly, monthly, quarterly, half yearly or annually.

MINIMUM INCOME LIMITS

The annual minimum income limit is determined by multiplying your Super SA Income Stream account balance by the percentage minimum factor that applies for your age on the date your income stream payments commence and each 1 July in subsequent years.

The minimum income limits are shown in the table:

Age	Minimum income rate for 2019-20 & 2020-21 income years	Minimum income rate for 2021-22 & later income years
Under 65	2%	4%
65-74	2.5%	5%
75-79	3%	6%
80-84	3.5%	7%
85-89	4.5%	9%
90-94	5.5%	11%
95 or more	7%	14%

1. How the Super SA Income Stream works

(continued)

MAXIMUM INCOME LIMITS

If you're under age 65 and commenced an income stream as part of an Early Access to Super (EATS) or Transition to Retirement (TTR) arrangement, in addition to the minimum income amount there's a maximum Commonwealth Government limit of 10% of your account balance that you can take each year. If you're permanently retired, there is no maximum limit on your annual income.

You should also know that:

- You must draw at least the minimum income stream payment each financial year.
- If you open your Super SA Income Stream part way through the financial year, a proportion of the minimum limit will apply.
- Each year at 1 July, the minimum and maximum limits will be re-calculated using your account balance at the time and you'll be notified of these limits in writing.
- If you open up an account in June, you are not required to receive an income stream payment until the next financial year.

LUMP SUM WITHDRAWALS

Subject to preservation rules and any tax implications, the Super SA Income Stream also gives you the freedom to withdraw your money and there are no fees charged for doing so.

You can make partial withdrawals with a minimum of \$1,000. If you have a non-commutable income stream (ie such as an EATS or TTR arrangement) you are unable to make lump sum withdrawals, you can only receive your entitlement in the form of a regular income payment. Your entitlement can only be paid in cash, as a lump sum amount, once you meet one of the conditions of release.

PURCHASING AN INCOME STREAM AS PART OF A TTR OR EATS ARRANGEMENT

If you've reached your Commonwealth Government preservation age, you can start accessing your super via an income stream (such as the Super SA Income Stream) as you Transition To Retirement (TTR). TTR is the access name for Lump Sum scheme members. To be eligible for TTR, you need to have entered into an agreement with your employer to reduce your hours of employment, or undertake duties which reduce your salary.

EATS is the name for access for members of the Triple S scheme. If you've reached your Commonwealth Government preservation age, you do not need to reduce your working hours in order to start accessing your super via an income stream.

If you purchase a Super SA Income Stream as part of an EATS or TTR arrangement, the ability to withdraw lump sum amounts is limited to any unrestricted non-preserved money (ie money that has already met a condition of release and can be paid at any time).

Your Commonwealth Government preservation age depends on your date 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

! PROOF OF IDENTITY

In 2006 the Commonwealth Government introduced reforms to help prevent money laundering and to counter terrorism activities. This means that you'll be required to provide proof of identity to verify who you are when setting up and withdrawing money from your Super SA Income Stream account. A full list of the identification documents that can be accepted can be found at www.supersa.sa.gov.au.

TRANSFER BALANCE CAP

Set by the Commonwealth Government, the Transfer Balance Cap is the upper limit on the total amount of super you can transfer into the retirement phase.

The Transfer Balance Cap for retirement phase accounts is \$1.6 million. If the total of all your retirement phase accounts (such as in a Super SA Income Stream) is in excess of the Transfer Balance Cap, you may have to remove the excess from the retirement income phase. You can choose to be paid the excess, or roll over to an accumulation phase account, such as the Super SA Flexible Rollover Product.

If you have more than \$1.6 million in retirement phase accounts, you should seek financial advice.

For further information please call the ATO Super Helpline on 13 10 20 or visit www.ato.gov.au.

2. Fees and costs

FEES AND COSTS SUMMARY

This section explains fees and other costs that may be deducted from your account, from the returns on your investment or from the assets of the Super SA Income Stream as a whole.

Other fees, such as activity fees, financial advice fees and insurance fees may also be charged but these will depend on the nature of the activity, advice or insurance chosen by you.

Exit fees are not charged.

Information on how super is taxed can be found in the Tax section of this Guide.

Income Stream Balanced option and other investment options		
Type of fee	Amount	How and when paid
Investment fee	Nil	No investment fees are charged directly to your account. The applicable investment costs are included in the indirect cost ratio (ICR) in Fees and costs section.
Administration fees	0.15% per annum of assets held in the Super SA Income Stream, subject to minimum and maximum amounts ¹ : – Minimum: \$70.20 p.a. (\$5.85 per month) – Maximum: \$375 p.a. (\$31.25 per month)	Calculated and deducted from your account on a monthly basis, based on your account balance at the end of each month.
Buy-sell spread	Nil	Not applicable
Switching fee	One free investment switch each financial year. Any additional investment switch will cost \$20 each.	The fee for the second and subsequent switches are deducted from your account at the time of the switch.
Advice fees	Nil	You will only be charged an Adviser fee if you agree to receive financial advice. These fees will be discussed and agreed with you.
Other fees and costs		
Indirect cost ratio (ICR)²	Ranges from 0.0525%–0.9725%. The ICR is different for each investment option. See Fees and costs section for details.	Fee deducted from the product's investment returns before earnings are allocated to your account which occurs through unit prices (not directly from your account).

¹ Based on account balance at the end of each month.

² The ICR represents investment management costs for the 2019–20 year and varies across investment options. Investment management costs vary from year to year.

2. Fees and costs (continued)

ADDITIONAL EXPLANATION OF OTHER FEES AND COSTS

Fee or cost	Amount	How and when paid
Family Law fees	Request for Information: \$70 per request On splitting of superannuation entitlement: \$100 per party	Payable by EFT at the time of the request

INVESTMENT FEES

Indirect Cost Ratio

The indirect cost ratio (ICR) includes all costs that are not deducted directly from your account. This includes the cost of managing your investments by specialist investment manager, Funds SA and the Operational Risk Reserve (ORR) fee.

The investment management costs include fund manager fees (including performance fees), asset consulting fees, custodian fees, investment-related legal advisory fees, and an administration fee that covers expenses incurred by Funds SA in managing the funds.

The purpose of the ORR is to maintain adequate financial resources to protect members and the scheme from operational failures.

Investment management costs

The investment management costs cannot be precisely calculated in advance. The amounts may vary from year to year.

The table overleaf includes performance fees and transaction and operational costs. A performance fee is a fee paid to certain managers if their return performs above an agreed benchmark. A performance fee will not be paid if a matching period of underperformance has occurred in that year. Transaction and operating costs include brokerage, stamp duty, transaction settlement costs, clearing costs, buy and sell spreads and other acquisition and disposal costs.

Performance fees, transaction and operating costs are deducted from the assets of the investment option and reflected in the unit price. Members do not directly pay investment fees. Instead, the estimated cost of investment management is incorporated in the Indirect Cost Ratio (ICR) which is deducted from the investment returns of all Super SA Income Stream funds under management as a whole before unit prices are applied to your individual account balance. All super funds are required to specify their investment fees.

For more information on investment options see the Super SA Income Stream Investment Guide at www.supersa.sa.gov.au.

The amount you pay for specific investment options ^{3,4}

Investment options	Base ICR	Investment performance fees	Transaction & operating costs	ICR	ORR	Total ICR
High Growth	0.77%	0.10%	0.08%	0.95%	0.0125%	0.9625%
Socially Responsible	0.82%	0.00%	0.14%	0.96%	0.0125%	0.9725%
Growth ⁵	0.74%	0.10%	0.10%	0.94%	0.0125%	0.9525%
Balanced	0.67%	0.08%	0.10%	0.85%	0.0125%	0.8625%
Moderate	0.58%	0.06%	0.08%	0.72%	0.0125%	0.7325%
Conservative	0.43%	0.01%	0.08%	0.52%	0.0125%	0.5325%
Capital Defensive	0.37%	0.01%	0.06%	0.44%	0.0125%	0.4525%
Cash	0.04%	0.00%	0.00%	0.04%	0.0125%	0.0525%

³ The ICR in the Product Disclosure Statement represents investment management costs for the 2019–20 year and varies across investment options. Investment management costs vary from year to year.

⁴ Borrowing costs, property operating costs and transaction/operating costs are explained in this section.

⁵ Growth option will no longer be available after 25 January 2021.

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 transactional/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%. The fees are defined in the Glossary of Terms.

Changes to fees and costs

Occasionally fees and costs may need to rise to cover costs. The Super SA Board[†] can increase or alter fees at its discretion without your consent. If there is a change or increase to fees, Super SA will give you 30 day's notice of any changes being implemented. Changes other than fees will be notified within three months of the change.

[†] South Australian Superannuation Board.

3. How the Super SA Income Stream is taxed

While you generally need to have reached your Commonwealth Government preservation age to access an income stream, how your income stream is taxed depends on whether you are under age 60 or over:

- If you are age 60 or over all the payments you receive from the Super SA Income Stream are tax free.
- If you are under age 60 then part of the income stream payment you receive may be tax free and the remainder may receive a tax rebate of 15%.



NOTE

It is important to note that any taxable amount you receive from an income stream will be added to your overall assessable income for that financial year. This may result in you having a tax bill because you did not pay enough tax on your overall income.

Your super may be taxed at up to four stages:

1. Tax on contributions (taxable components)
2. Tax on investment earnings (if your benefit is through an EATS or TTR arrangement)
3. Tax on income stream payments (if you are under age 60)
4. Tax on lump sum withdrawals.

Names of common tax components of your entitlement

Names of tax components	Meaning	Example
Tax free component	Monies already taxed	Contribution to super from net salary
Taxable (taxed) component	Super already taxed	Funds rolled over from a taxed scheme and investment earnings

TAX ON CONTRIBUTIONS (ROLLOVERS)

If your funds are transferred from one of the SA Government's super schemes operating in the untaxed environment (such as Triple S scheme) to the Super SA Income Stream, a 15% contributions tax will be deducted from the Taxable (untaxed) component of your superannuation lump sum, as shown in the table below.

% Tax	For rollovers from untaxed schemes (eg Triple S) to the Super SA Income Stream
Tax free (no tax payable)	Tax free component
15%	Taxable (untaxed) component of your super lump sum, under \$1,565,000 ⁶
Top marginal rate plus Medicare levy	Taxable (untaxed) component of your super lump sum, above \$1,565,000 ⁶

If you have super invested in the Triple S, Lump Sum or Pension schemes, a separate cap of \$1,565,000 applies for each scheme. You should therefore seek professional financial advice should you wish to consolidate super held in untaxed schemes before rolling into a taxed superannuation fund.

TAX ON INVESTMENT EARNINGS

Investment income from assets in Early Access to Super (EATS) and Transition to Retirement (TTR) income streams will be taxed at up to 15%.

This is deducted from the investment returns of all Income Stream funds under management as a whole before unit prices are applied to your individual account balance.

TAX ON INCOME STREAM PAYMENTS

As mentioned on the previous page, if you are under age 60, a portion of your income stream payments may be tax free. This amount is determined when you commence an income stream.

The percentage of tax free amounts rolled into the Super SA Income Stream will be used to determine the portion of income and any lump sum withdrawals that will be tax free.

Pay As You Go (PAYG) income tax

If you are under age 60, your regular income stream payments are subject to PAYG withholding tax. The tax rate will depend on your total assessable income for the year, as well as other personal circumstances. A tax free portion and a tax rebate may reduce your PAYG withholding tax.

Tax at a specific rate may be deducted from your payments before they go into your bank account. At the end of the financial year you will receive a Payment Summary to submit with your tax return.

⁶ 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. Assumes TFN provided. If you do not provide your TFN you will be taxed at the highest marginal rate plus Medicare levy.

3. How Super SA Income Stream is taxed (continued)

Tax free portion

If you are under age 60, a portion of your income stream payments may be tax free. This amount is determined when you commence an income stream.

The percentage of tax free amounts rolled into the Super SA Income Stream will be used to determine the portion of income and any lump sum withdrawals that will be tax free.

Tax rebate

The superannuation tax offset, also known as a super rebate, is applicable for investors between preservation age and age 60 and is 15% of the taxable income (ie total income stream payments less the tax free portion).

The tax offset amount will be shown on your PAYG payment summary – superannuation income stream.

You may also be eligible for the Senior Australians Tax Offset, a Low or Middle Income Superannuation Tax Offset, or rebates relating to certain Centrelink benefits.

TAX ON LUMP SUM WITHDRAWALS

The lump sum withdrawal will be treated as a superannuation lump sum and the amount of tax deducted will depend on the components that make up the superannuation lump sum.

PROPORTIONING OF ENTITLEMENTS

You cannot select which components you withdraw as a lump sum. Tax components will be calculated in the same proportion as the components that make up your total account balance regardless of age. You are not able to select only your tax free component and you may need to pay tax on your lump sum withdrawal.

TAX LIMITS AND THRESHOLDS

Tax on lump sum withdrawals is affected by limits set by the Commonwealth Government that determine how much money you can take under tax-advantaged conditions. If you are over your Commonwealth Government preservation age but under age 60, the tax treatment of your additional lump sum withdrawals will depend on whether you have reached the low-rate threshold, which is shown in the table below.

The threshold applies to the Taxable component of all superannuation lump sums you receive. Below the threshold, the Taxable (taxed) component is not taxed if it comes from a taxed super fund.

The threshold is a lifetime limit and is subject to indexation.

Your age	Tax on taxable (taxed) component ⁷
Under Commonwealth preservation age⁸	20% maximum rate (no limit)
Commonwealth preservation age up to age 59⁸	Taxed at 0% up to \$215,000 ⁹ 15% tax on balance (no limit)
60 or over	Tax free

Please note that the 2% Medicare levy is also payable where tax is payable.

SUPPLYING YOUR TAX FILE NUMBER

It is important that you provide Super SA with your tax file number (TFN). If we do not have your TFN, tax will be deducted from your payments and lump sum withdrawals at the highest marginal rate plus the 2% Medicare levy.

How can I provide my TFN?

Online: Log into the online member portal at www.supersa.sa.gov.au

Post: Download and complete the Tax file number notification form and send it to Super SA.

DIVISION 293 TAX FOR HIGH INCOME EARNERS

If the sum of your income and relevant concessional tax 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 Taxation Office (ATO) advising you of the amount payable and your payment options.

For further information about the Division 293 tax, please refer to the ATO website.

FURTHER INFORMATION

Further information is also in the Super SA Income Stream PDS.

The following website also be of assistance if read in conjunction with the information presented here:

- Tax Offsets section on www.ato.gov.au

⁷ Assumes TFN provided.

⁸ Commonwealth Government preservation ages are outlined in the How the Super SA Income Stream works section.

⁹ For the 2020–21 financial year.

4. Beneficiaries

SPLITTING SUPER FOLLOWING THE BREAKDOWN OF RELATIONSHIPS

The *Family Law Act* enables divorced or permanently separated married couples and de facto couples (see putative spouse definition below) to split and share their accrued superannuation interests in the same way as other property in a relationship. It is up to the parties to agree how they will share their super assets or the family court can decide. Where they enter into a splitting agreement which includes sharing of superannuation assets, they will need to know the value of the accrued super. Super SA will charge a service fee for preparing the information and splitting the entitlement.

WHAT HAPPENS TO YOUR MONEY IF YOU DIE?

Introduction

All the money left in your Income Stream account if you die is referred to as a “Death Benefit”.

A lot of people think that their Death Benefit automatically forms part of their estate and is distributed according to their Will (or under the laws of intestacy). That is not the case. An Income Stream Death Benefit can be paid out to one of four people. They are:

1. **Your Reversionary Beneficiary.** This is either your spouse or putative spouse, who, if you nominate them as your Reversionary Beneficiary, they will continue to receive your income stream payment (out of your existing account) if you die. Your Reversionary Beneficiary must be nominated at the time you apply for an Income Stream Account. A Reversionary Beneficiary will receive your Death Benefit even if you subsequently nominate a Legal Personal Representative. If subsequently change your mind about leaving the Death Benefit to your Reversionary Beneficiary, you would need to contact Super SA to discuss your options. Your Reversionary Beneficiary can choose to receive fortnightly, monthly, quarterly or annual payments (referred to as a ‘reversionary pension’, or withdraw the remaining balance as a lump sum). If they are no longer your spouse or putative spouse at the time of your death, then the Death Benefit will be paid to your estate.
2. **Your spouse or putative spouse.** Your spouse is the person to whom you are legally married. Your putative spouse is a person who, on a certain date, was cohabiting with the other person as their de facto spouse and:
 - they have been so cohabiting continuously for the preceding period of 3 years; or
 - in the preceding 4 years cohabited for periods aggregating not less than 3 years; or
 - a child, of whom both people are the parents, has been born (whether or not the child is still living); or
 - they were in a registered relationship with the other person under the *Relationships Register Act 2016*.

3. **Your Legal Personal Representative (LPR).** This is a person you appointed as an executor or administrator of your estate. If you nominate an LPR, your Death Benefit will be paid to that person and will be distributed according to your Will as long as there is no Reversionary Beneficiary. If there is a Reversionary Beneficiary, you Death Benefit will always be paid to that person.
4. **Your estate.** In this instance it will fall into your estate and will be distributed in accordance with your Will or the laws of intestacy (if you do not have a Will).

Death Benefits paid to your Reversionary Beneficiary are generally tax free. Death Benefits distributed by your LPR or executors or administrators, to your “dependents”, as defined in tax law, will be tax free, but if distributed to a “non-dependent”, again as defined by tax law, Death Benefits will be taxed.

LEGAL PERSONAL REPRESENTATIVE – THINGS YOU NEED TO KNOW

Who should I appoint?

Your LPR or one of the executors or administrators of your Will.

What makes a valid and effective nomination?

Please use the Super SA “Binding Death Benefit Nomination Form Legal Personal Representative (Estate)” (the Form) available on the Super SA website. For your nomination to be valid, it must be:

- signed by yourself, in the presence of two witnesses over the age of 18, who are not your LPR nor a Super SA staff member.
- accompanied by the appropriate proof of identity documentation. Please refer to the Proof of Identity fact sheet attached to the nomination form for further information.

The nomination is not effective until Super SA receives the completed Form and appropriate Proof of Identify documents. (In other words, if you die before then, the nomination will not be effective.)

Extending, updating or revoking a nomination

A valid nomination is effective for 3 years from the date it was signed.

You can extend an existing nomination *before* it expires by completing a new form. In that instance, you are not required to have the form witnessed or provide proof of identity documents. If you miss the expiration date, you will need to complete the original process again, as it is taken to be a new nomination.

You can revoke your nomination at any time prior to the three year expiry date by completing a Form by ticking the revocation box. Requests to revoke an existing nomination will take effect on the date Super SA receives them.

4. Beneficiaries (continued)

Payment under a nomination

If your nomination expires or is invalid at the time of your death, Super SA will pay your Death Benefit to your spouse or putative spouse and if you have no spouse or putative spouse, to your estate.

If there was a valid nomination in place at the date of death but it expires before the Death Benefit is paid, payment will still be made to your LPR.

What happens if my circumstances change?

Keeping your LPR nomination and Will up-to-date at all times is important. If your circumstances change, for example in the event of marriage, your previous Will becomes invalid. In the event of divorce, you may want to change the beneficiaries.

Will I be charged a fee for making a nomination?

Currently, there is no cost for making or renewing a nomination.

How can I check my nomination?

You will receive written notification from Super SA confirming your LPR nomination, including the expiry date. However, if you wish to check your nomination you can contact Super SA.

Power of Attorney

A new nomination or a request to revoke an existing nomination cannot be made by the person acting as the member's Power of Attorney. However, a Power of Attorney acting on behalf of the member/investor can confirm a current nomination.

What if I have more than one Super SA Account?

It is important that you tell us each account that you would like to apply your nomination. When completing the nomination form you will be asked to list each account number that applies.

SPOUSE MEMBERS

Spouse members can also nominate an LPR by completing the Binding Death Benefit Nomination Legal Personal Representative (Estate) form.

FINANCIAL ADVICE

Making a binding death benefit nomination is an important decision. You may wish to seek financial advice from Industry Fund Services (IFS) or speak to your own financial planner. If you get financial advice from IFS you can pay for the financial planning service direct from your Super SA Income Stream account.

5. Extra information

CHANGING YOUR PERSONAL INFORMATION

Super SA relies on having current information so that we can keep you up to date about your account. It's important that you contact us if you change your personal details, particularly your address. If you want to make changes to your details, you can update them online. Simply log into the member portal at www.supersa.sa.gov.au. Alternatively, you can complete a Income Stream Change of personal and/or payment details form, which is available on the website.

LOST MEMBERS

Super SA is required by law to report details of lost members to the ATO who will then endeavour to locate those members. Lost members automatically become part of the ATO lost members register.

A member is deemed lost if Super SA has received two pieces of returned mail and does not have a follow up address for that member.

PRIVACY

Your details, and all personal information collected and retained by Super SA, remain confidential. Under the *Southern State Superannuation Act 2009*, 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
- 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 or as may be required by a court of law.

FINANCIAL PLANNING

You are encouraged to seek professional advice in relation to your financial planning needs.

Please note: Super SA does not charge commissions or receive commissions from financial advisers, sales agents or any other person or entity.

CENTRELINK INCOME TEST & ASSET TEST

You should consult your Centrelink representative to discuss your particular financial circumstances and how they can impact Centrelink benefits.

5. Extra information (continued)

Income test

If you or your spouse or partner are receiving a Centrelink or Department of Veterans' Affairs (DVA) entitlement, part of your Super SA Income Stream payment may be treated as income for the purpose of the income test.

Your annual income, minus your social security deductible amount, is assessed against the income test to determine whether you may be eligible for Centrelink or DVA entitlements and the amount of any entitlement.

New Income Stream accounts are deemed as earning a set percentage under the income test.

Asset test

If you or your spouse or partner are receiving a Centrelink or Department of Veterans' Affairs (DVA) entitlement, your Super SA Income Stream account balance is an assessable asset under the asset test.

The asset test varies for home ownership and whether you have single or couple status.

DISCLAIMER

The information in this document provides a general summary to help you understand your entitlements in the Super SA Income Stream. Super SA does its best to make sure the information is accurate and up to date.

The Income Stream administered by Super SA is part of an exempt public sector superannuation scheme and is not regulated by the Australian Securities and Investments Commission (ASIC) or the Australian Prudential Regulation Authority (APRA). Super SA is not required to hold an Australian Financial Services (AFS) licence to provide general advice about this product.

The information in this document is of a general nature only and has been prepared without taking into account your financial objectives, situations or needs. Super SA recommends that before making any decisions about this product, you consider the appropriateness of this information in the context of your own objectives, financial situation and needs, read the Product Disclosure Statement (PDS) and seek financial advice from a licensed financial adviser in relation to your financial position and requirements. Please refer to the PDS for information on the cooling off rights associated with this product.

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 document.

6. Glossary of terms

DEFINED FEES

A fee is an **activity fee** if the fee relates to costs incurred by the Super SA Board that are directly related to an activity of the Board:

- that is engaged in at the request, or with the consent, of an investor, or
- that relates to an investor and is required by law; and those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an exit fee, an advice fee or an insurance fee.

An **administration fee** is a fee that relates to the administration or operation of the Income Stream and includes costs incurred by the Super SA Board that relate to the administration or operation of the Income Stream and are not otherwise charged as an investment fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.

A fee is an **advice fee** if it relates directly to costs incurred by the Super SA Board because of the provision of financial product advice to an investor by:

- the Super SA Board; or
- another person acting as an employee of, or under an arrangement with the Super SA Board, and

those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an insurance fee.

A **buy-sell spread** is a fee to recover transaction costs incurred by the Super SA Board, in relation to the sale and purchase of assets of the Income Stream.

An **exit fee** is a fee to recover costs of disposing of all or part of investors' interests in the Income Stream.

The **indirect cost ratio (ICR)** for the Balanced investment option offered by the Income Stream is the ratio of the total of the indirect costs for the Balanced option, to the total average net assets of the Income Stream attributed to the Balanced investment option.

6. Glossary of terms (continued)

An **investment fee** is a fee that relates to the investment of the assets of the Income Stream and includes:

- a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
- b) costs incurred by the Super SA Board that:
 - relate to the investment of assets of the entity; and
 - are not otherwise charged as an administration fee, a buy-sell spread, a switching fee, an exit fee, an advice fee or an insurance fee.

A **switching fee** is a fee to recover the costs of switching all or part of an investor's interest in the Income Stream from one class of beneficial interest to another.

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

Member Services

By appointment only

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