



# Defined Benefit Division and Accumulation 2

28 September 2022

## Product Disclosure Statement

Issued 28 September 2022 by UniSuper Limited ABN 54 006 027 121.



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## About this Product Disclosure Statement (PDS)

This PDS has been prepared and issued by UniSuper Limited. It's for people eligible to join the Defined Benefit Division (DBD) and Accumulation 2 on or after **28 September 2022 and before any later PDS is issued**. It summarises the key features of the product (including significant benefits and characteristics, fees and taxes) as well as key risks. If you joined prior to this date and have not exited the product, your account may operate differently to the way described in this PDS. If this is the case, please refer to any previous information we have supplied to you, or contact us if you have queries about the operation of your account.

**Information in this PDS may change from time to time. If the changes are not materially adverse, you will find the updates, along with this PDS, at [unisuper.com.au/pds](https://unisuper.com.au/pds). You can also request a paper or electronic copy of updates without charge by calling us on 1800 331 685.**

UniSuper, ABN 91 385 943 850, is referred to as 'UniSuper' or 'the Fund'. UniSuper Limited, ABN 54 006 027 121, AFSL No. 492806, is referred to as 'USL' or the 'Trustee', and holds MySuper Authorisation Number 91385943850448. UniSuper Management Pty Ltd, ABN 91 006 961 799, AFSL No. 235907, is referred to as 'UniSuper Management' or 'USM'. USL has delegated administration of UniSuper to USM, which is wholly owned by USL in its capacity as UniSuper's trustee. UniSuper Advice is operated by USM, which is licensed to deal in financial products and provide financial advice. UniSuper Advice financial advisers are employees of USM. They are remunerated by way of a base salary and potential bonuses. External insurance cover is provided to UniSuper through group insurance policies the Trustee has taken out with TAL Life Limited, ABN 70 050 109 450, AFSL No. 237848 (referred to as our 'Insurer' throughout this PDS).

This PDS assumes you're an Australian resident for income tax purposes. Any untaxed super benefits transferred into UniSuper will attract the 15% contributions tax.

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

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## Important information booklets

You should read the following documents together with this PDS:

- *How we invest your money*
- *Insurance in your super*
- *How super is taxed*
- *What happens to your inbuilt benefits if you choose Accumulation 2?*
- *How super works*
- *Risks of super*

They're incorporated by reference into this PDS and italicised when we refer to them. They're available free of charge at [unisuper.com.au/pds](https://unisuper.com.au/pds) or by calling 1800 331 685.

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**Forms** - *Defined Benefit Division/Accumulation 2  
changing your default options*  
- *Opt into the Defined Benefit Division*

# Overview of your options

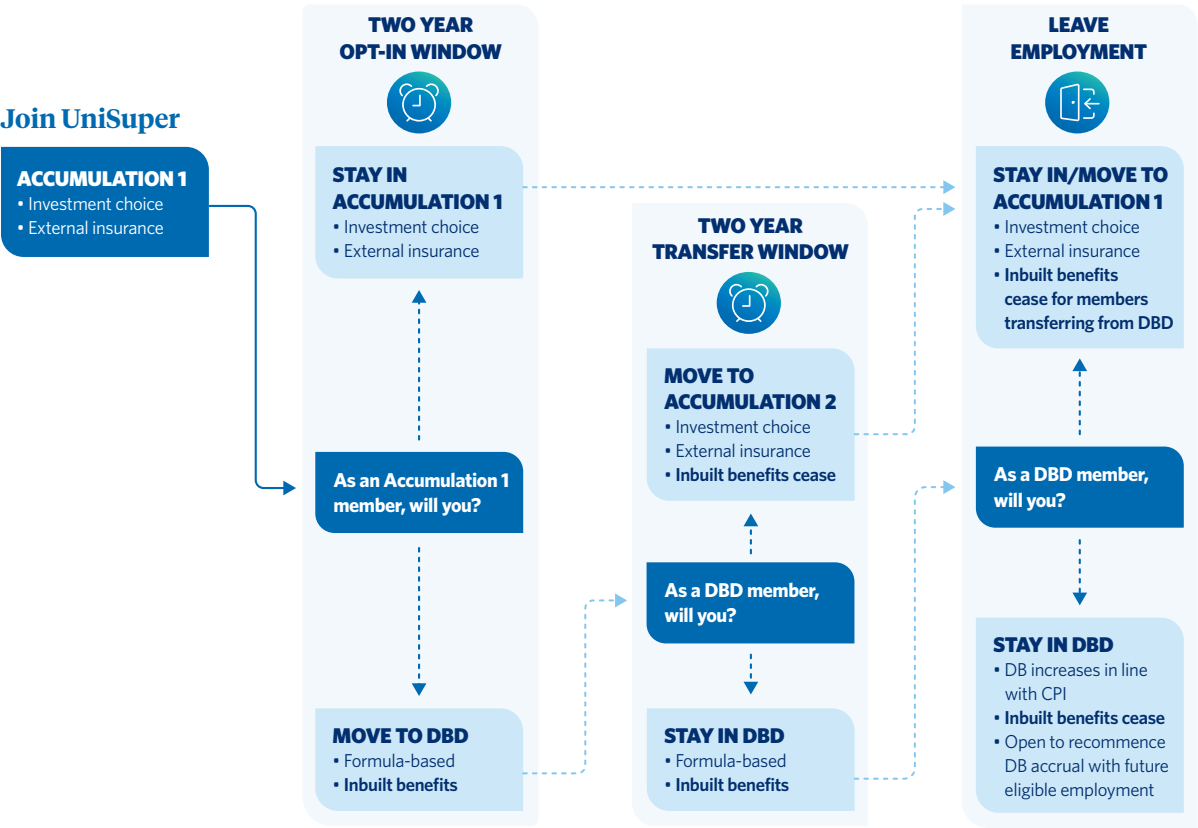
There are two styles of super in Australia, defined benefit and accumulation. UniSuper offers both. This PDS is for people that are eligible to join UniSuper’s Defined Benefit Division (DBD).

## Styles of super

Defined benefit super is designed to provide reliable growth over your life and give you a better idea of how much money you’ll have in retirement. It’s based on a formula so isn’t directly affected by the performance of investment markets. The formula usually incorporates your age, salary and length of membership (amongst other things).

Accumulation super is more common and the balance reflects the money added to and taken from your account, as well as the returns on the investment options you select (which can be positive or negative).

UniSuper offers both styles of super through our DBD, Accumulation 1 and Accumulation 2 products. DBD members will generally also have an accumulation component. Here’s an overview of your options if you’re eligible to join UniSuper’s DBD. Visit our website for further information.



## Key features

	DEFINED BENEFIT DIVISION		ACCUMULATION 2	ACCUMULATION 1
	Defined Benefit component	Accumulation component		
Investment choice	✗	✓	✓	✓
Balance based on investment returns	✗	✓	✓	✓
Balance based on a formula	✓	✗	✗	✗
Inbuilt benefits	✓	✗	✗	✗
External insurance cover	✗	✓	✓	✓

## How your account can protect you and your family

We provide inbuilt benefits and external insurance cover (through our insurer) so you, or your family, can continue to meet financial obligations if you aren’t able to work due to death, injury or illness.

Inbuilt benefits is one of the biggest differences between the Defined Benefit Division and Accumulation 1 and 2.

### These are important decisions

The information contained on pages 2 and 3 are only intended to provide a high-level summary of the options that may be available to you.

Read the full PDS, and all the important information documents we refer to throughout. It’s important to understand if you’re eligible to opt-in to the DBD and whether it is suitable for your circumstances. If you decide to join, there are default options which will apply to your account and require consideration. These include – your external insurance cover (page 16), member contributions (from page 18), and investment options (page 28).



# UniSuper's Defined Benefit Division

UniSuper offers the Defined Benefit Division (DBD) to eligible members. The DBD provides super benefits that are based on a formula and generally is not affected by the performance of investment markets.



## Why do we offer defined benefit super?

We have provided defined benefit super to employees in the higher education sector since 1983. It's part of our DNA. Our DBD is designed to achieve an adequate level of retirement savings—without individual members being exposed to the volatility of investment markets.

This is achieved by the pooling of risks—similar to the principle applying to insurance policies. We're proud of the fact that, since inception, no member has lost a single cent in accrued benefits due to market downturns. Of course, past performance is no indicator of future performance. At 30 June 2022, the funding level of the DBD was in a healthy position.

Given that the funds managed within the DBD represent a relatively stable source of capital, our investment managers can source attractive investment opportunities with a long-term time horizon. Together with the smooth returns generated by risk-pooling, each member's final payout is linked to their salary (see formula on pages 6 and 7), enabling them to plan for their retirement with greater certainty. We tend to think of the DBD as a 'set and forget' super strategy.

### Definitions

The 'Definitions' section at the end of this document explains the meaning of certain italicised terms which appear throughout this PDS.

Definitions relating to external insurance cover through our Insurer can be found in the *Insurance in your super* document, available on our website.

## DBD eligibility

From 1 November 2021, new members who joined UniSuper via their participating employer, will generally automatically join Accumulation 1. Some new members may be eligible to join the DBD. This PDS provides an overview of who can join the DBD, how it works, and other important information to consider.

To be eligible to join the DBD, you must be under the age of 65 when you commence in the DBD and must have:

- not previously elected to transfer to Accumulation 2;
- provided your valid Tax File Number;
- not previously joined the DBD on or after 1 November 2021 during your current period of UniSuper membership;
- not previously been paid a terminal medical condition benefit from the DBD;
- been employed for less than 24 months in a role that your employer agrees can participate in the DBD; and
- not previously used your DBD component to begin a Transition to Retirement (TTR) pension.

See our website for more information, and if you're eligible, access the *Opt into the DBD* fact sheet and form. The form is also available at the back of this PDS.

We're available on a campus near you to help with information and general advice about your membership and our range of products. You might find it beneficial to speak to one of our consultants—either on campus at one of our member centres or through video conferencing. Visit [unisuper.com.au/oncampus](https://unisuper.com.au/oncampus) to book an appointment.

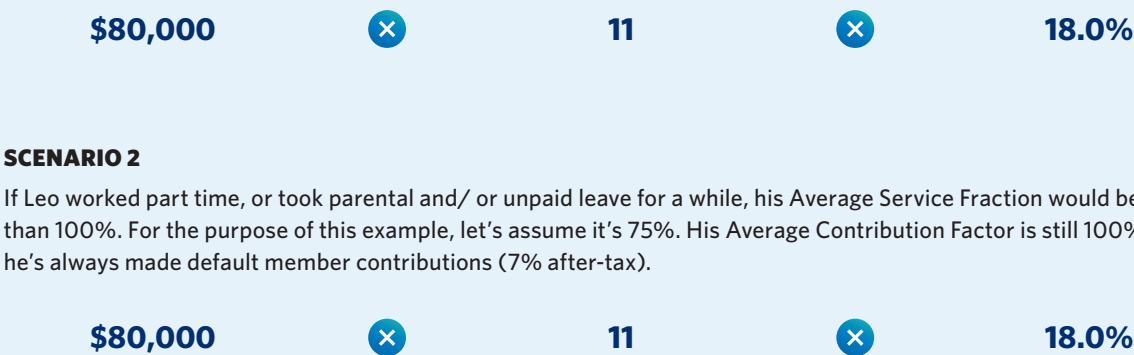
# How is the defined benefit component calculated?

The value of the defined benefit component when you resign or retire is calculated using the DBD formula.\*



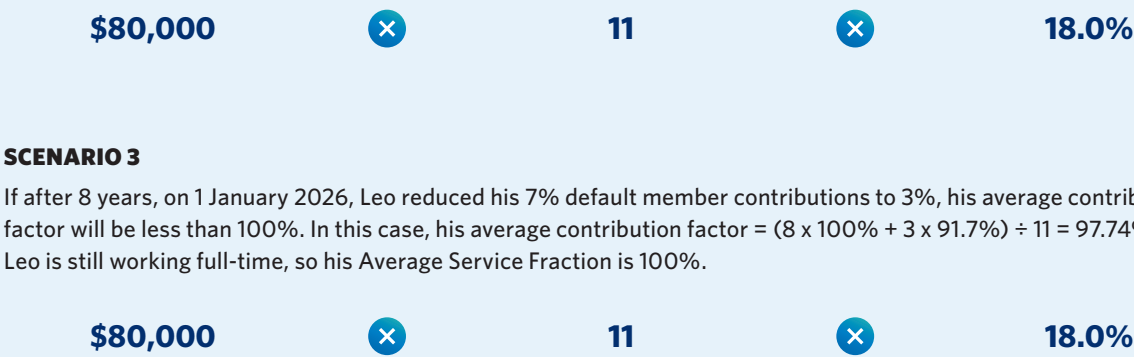
## SCENARIO 1

As Leo worked full time with the same employer, his Average Service Fraction is 100%. Having always made default member contributions (7% after-tax), Leo's Average Contribution Factor is 100%.



## SCENARIO 2

If Leo worked part time, or took parental and/ or unpaid leave for a while, his Average Service Fraction would be less than 100%. For the purpose of this example, let's assume it's 75%. His Average Contribution Factor is still 100% as he's always made default member contributions (7% after-tax).



## SCENARIO 3

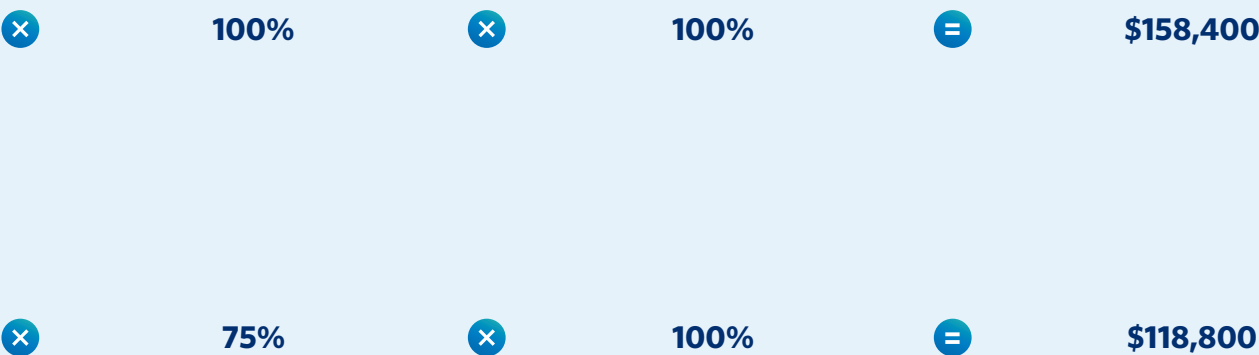
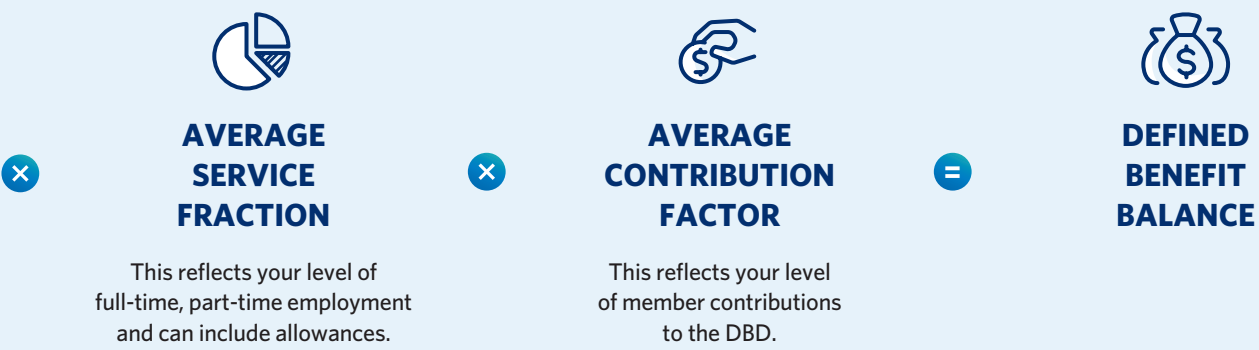
If after 8 years, on 1 January 2026, Leo reduced his 7% default member contributions to 3%, his average contribution factor will be less than 100%. In this case, his average contribution factor = (8 x 100% + 3 x 91.7%) ÷ 11 = 97.74% Leo is still working full-time, so his Average Service Fraction is 100%.



\* Different formulas apply for benefits payable on death, temporary incapacity, disablement and terminal medical condition. The full terms of this formula are defined from page 48.

## Example – Leo's leaving service benefit on 1 January 2029

Leo is 40 years old, joined the DBD on 1 January 2018 and decided on 1 January 2029 to terminate his employment. He's been a UniSuper member for 11 years and is receiving 17% employer contributions, with 14% paid into the defined benefit component and 3% to the accumulation component. His five-year Benefit Salary is \$80,000. Leo's leaving service benefit will be made up of the sum of his defined benefit component and his accumulation component. As Leo is 40, his benefit is preserved so he must retain it in the super system.



# What to consider when choosing between the DBD and accumulation super?

## How do I work out what's best for me?

While UniSuper believes the DBD is a good option to smooth and share risk in a volatile investment environment, anyone considering membership of the DBD should consider whether it is the right option for them.

We provide valuable materials on our website to help you understand the DBD and consider your circumstances when deciding whether to be a DBD member. Visit [unisuper.com.au/choose](https://unisuper.com.au/choose). We also provide face to face and video consultations with specially trained UniSuper staff at no additional cost—often at your workplace or in our offices—to help you understand the difference between defined benefit and accumulation style super and what they can do for you. You can book one of these consultations on our website.

Here are some things to consider.

## Do you know when you plan to retire?

DBD members can generally better estimate their benefit at retirement with greater certainty than accumulation members can.

Remember, it's your age when you leave the DBD that partly determines your lump sum—not the age at which you joined it. Your salary and service also play a very important role.

## Do you want control over the way your super is invested?

In the DBD, you only choose how your accumulation component is invested. With accumulation style super, you can choose how your super is invested from our range of investment options.

## Protecting you and your family from the unexpected

Everyone's situation is different so it's important that you understand what you need to continue meeting your financial obligations if you're not able to work due to death, injury or illness.

UniSuper offers external insurance cover under all products, provided by our insurer, TAL. Cover is based on units or fixed amounts and the cost of cover is payable from your accumulation component/account. External insurance cover is flexible and can be tailored to meet your needs.

Inbuilt benefits is the term used to describe benefits payable to DBD members. Inbuilt benefits is one of the biggest differences between the Defined Benefit Division and Accumulation 1 and 2. They are calculated based on formulas (using salary and other factors), provided by UniSuper at no additional cost and are part of the DBD so you can't change, opt-out or cancel them.

## Do you like the idea that a formula will determine part of your benefit?

A formula determines your super in the DBD (excluding any accumulation component). It's based on your age, the length of time you've been a DBD member, your salary and your level of default member contributions over time. Generally it provides greater protection from market downturns.

The 'defined' part of your super (defined benefit component) generally isn't directly affected by market volatility, as investment returns don't change the formulas used to calculate your benefit. While this can be a great benefit during market downturns, it also means you may not reap the rewards when the investment markets are producing good returns – if you were to choose investments that are exposed to the markets.



**WHAT TO CONSIDER WHEN CHOOSING BETWEEN THE DBD AND ACCUMULATION SUPER?**

Although we have a team of experts investing the pooled funds of the DBD, the payment of defined benefits is still subject to the risk that the DBD will not have sufficient assets to meet all obligations for its members. These risks are explained from page 27.

## Salary-linked benefits

The formula used to calculate your defined benefit component is linked to your salary. You'll therefore have an increased ability to more accurately estimate your benefit at retirement.

## What about age-based 'lump sum factors'?

Lump sum factors are used to calculate your defined benefit and they increase with age.

Lump sum factors are based on your age when we calculate your defined benefit (your age when you leave, not when you joined). The table on page 51 shows how the lump sum factor changes as you near retirement age.

### Is the DBD right for you?

Broadly speaking, the DBD may suit members intending to pursue a reasonably long career in higher education and/or members who are expecting some salary growth arising from promotion or reclassification to higher roles during their career.

By extension, the DBD may not suit members anticipating only a short period of employment in higher education and/or members who are expecting little or no salary growth arising from promotion or reclassification to higher roles.

**These are generalisations about the suitability of the DBD. They may not apply to your individual circumstances.** They can be affected by many variables including your age and employment patterns. That's why it's important you spend some time considering the resources we provide to help you make your decision. Remember, you can always make an appointment with a member of our team to ask any questions you might have.

There is no standard or default investment option within the superannuation industry, although in accumulation super (sometimes called 'defined contribution super'), a 'Balanced' option (with about 70% in growth assets and 30% in defensive assets) is the most popular.

The main attraction of accumulation super is that it provides much more flexibility for members who want to change their investment preferences. A cost of this flexibility, however, is exposure to the fluctuations of investment markets.

Another potential positive of accumulation super over defined benefit super (like our DBD) is the consistent treatment of people of different ages. In other words, regardless of your age or how long you've been employed, your return will always be linked to the return of the market.

On the other hand, as with all products based on risk-pooling, the final outcome for any individual in the DBD will vary depending on different factors (as outlined in the formula). While DBD members are able to enjoy a smooth return outcome, the absolute return for some members will be higher or lower than for others.

### General advice only

These are just a few things you might want to consider when making your decision. We haven't taken into account your objectives, financial situation or needs.

# Making contributions

Here we outline extra information about contributions, your UniSuper account and some important things to consider.

## *Contribution types*



### **EMPLOYER CONTRIBUTIONS**

- Employer contributions (equal to 17% or 14% of your salary)



### **YOUR CONTRIBUTIONS**

- Default member contributions
- Other personal contributions (optional and subject to eligibility and caps)



### **GOVERNMENT CONTRIBUTIONS**

- Co-contributions (subject to eligibility)

## **Employer contributions**

As a DBD or Accumulation 2 member (for more information on Accumulation 2 go to page 24) your employer will be making generous contributions to your super—14% or 17% of your salary (depending on the terms of your employment).

For DBD members who receive 17% contributions, they are split by:

- 14% to your defined benefit component, and
- 3% to your accumulation component,

If you receive 14% employer contributions, this entire contribution will go to your defined benefit component.

## **Default member contributions**

DBD (and Accumulation 2) members may make 'default member contributions'. These are over and above the contributions your employer makes. When you join, 7% (after tax) of your salary will go into your defined benefit component but you can contribute less. There is a range of pre-determined rates to choose from.

If you lower your default member contributions, the 3% employer contribution will go to your defined benefit component.\*

If you reduce your default member contributions, you can't increase them again later and your defined benefit may be scaled back to reflect the reduced contributions.

\* For further information on reducing your default member contributions, please see page 18. For information on how much you can contribute to super, please see page 42.

## DBD members have an 'accumulation component' too

If you join the DBD, your account has two parts: a defined benefit component and an accumulation component. Your defined benefit component and your accumulation component are added together to work out your account balance. Your accumulation component will include any existing Accumulation 1 funds you may have.

### *What you end up with at retirement*

#### **DEFINED BENEFIT**

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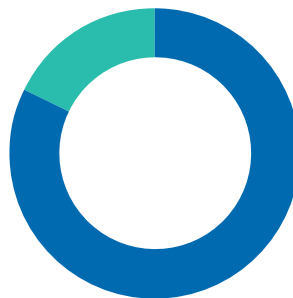
#### **ACCUMULATION COMPONENT**

Includes any extra contributions, rollovers and investment returns (which can be positive or negative), less any fees, costs, taxes and insurance premiums.

=

#### **YOUR ACCOUNT BALANCE**

### *Super for DBD members*



#### ■ **Defined benefit component**

14% employer contributions  
+ default member contributions (if any)

#### ■ **Accumulation component**

3% employer contributions (if applicable)  
+ any personal contributions, rollovers, and investment returns (positive or negative)  
- any fees, costs, charges, insurance premiums and taxes

# Inbuilt benefits as a DBD member

Inbuilt benefits cover you for life's unplanned events. Most DBD members receive inbuilt benefits automatically.

## Inbuilt benefits

Inbuilt benefits can provide financial protection against injury, illness or death.

Inbuilt benefits are generally 'built in' to your DBD membership and they work differently to the external insurance provided by our Insurer. Inbuilt benefits may be payable if you're temporarily or permanently unable to work, or in the event of a terminal medical condition or death. A three-year pre-existing condition (PEC) exclusion generally applies from the date inbuilt benefits commence.

Features of inbuilt benefits:

- Unlike insurance cover provided by our Insurer, there's no charge deducted directly from your account so you won't have to worry about the cost changing over time.
- They're determined by a formula and use some of the same formula components used to calculate your defined benefit component.
- As they're part of your DBD membership, you're unable to change or opt out of them.
- They usually only apply while you're with your employer and eligible to contribute to the DBD. However, you may claim an inbuilt benefit after you're no longer eligible to contribute to the DBD, provided the relevant event (e.g. disablement) occurred while you were eligible to contribute to the DBD.

## CONTINUED INBUILT BENEFITS

If you suffer a terminal medical condition, disablement, temporary incapacity, or die within 90 days of the date you ceased DBD eligible employment, you or your beneficiaries may be eligible to claim under the Fund's continued inbuilt benefit provisions.

This benefit for death, disablement or terminal medical condition is a lump sum equivalent to the inbuilt death benefit that you would have received from the DBD if you died immediately prior to the date you ceased DBD eligible employment, less the withdrawal benefit you were entitled to at the time. The temporary incapacity benefit is a monthly income calculated as at the date you ceased DBD eligible employment, payable for up to two years.

To be eligible to claim a terminal medical condition, disablement or temporary incapacity benefit, you must satisfy the relevant definition in the UniSuper Trust Deed. For more information, visit [unisuper.com.au/factsheets](https://unisuper.com.au/factsheets) and read the *Inbuilt disablement benefits for Defined Benefit Division members* and *Inbuilt temporary incapacity benefits for Defined Benefit Division members* fact sheets.

You generally won't be eligible to receive a continued inbuilt benefit if you:

- cease to be a member within the 90-day period after ceasing DBD eligible employment, or
- again become a contributing member of the DBD within the 90-day period and inbuilt benefits resume, or
- were entitled to receive a terminal medical condition, disablement or temporary incapacity benefit prior to the date you ceased DBD eligible employment.

The payment of a benefit under the Fund's continued inbuilt benefit provisions is subject to UniSuper's Trust Deed.

**INBUILT BENEFITS AS A DBD MEMBER****IF YOU'RE TEMPORARILY UNABLE TO WORK**

If you become injured or ill and take time off work, you may be eligible for an inbuilt temporary incapacity benefit which provides an income until you're able to work again.

The temporary incapacity benefit is a regular monthly payment for up to two years, regardless of your age.

**Temporary incapacity benefit formula  
(for monthly payment):**

Five-year Benefit Salary x Average Service Fraction  
x 60% ÷ 12

For the purposes of calculating your other DBD entitlements, the period while you're receiving a temporary incapacity benefit is counted towards your Benefit Service with a Contribution Factor of 100%, and a Service Fraction equal to your Service Fraction immediately before your temporary incapacity. This means your super continues to grow while you're receiving a temporary incapacity benefit.

Your temporary incapacity benefit may be reduced if you return to work, or if UniSuper considers you are fit to return to work.

If you qualify for and receive both a temporary incapacity benefit through your DBD membership and an income protection insurance benefit outside of UniSuper, the income protection benefit outside of UniSuper may be reduced in order to offset your inbuilt benefit. Note: Income Protection cover through our Insurer isn't available to DBD members.

For more information, visit [unisuper.com.au/factsheets](https://unisuper.com.au/factsheets) and refer to the *Inbuilt temporary incapacity benefits for Defined Benefit Division members* fact sheet.

**Example – Alison's temporary incapacity benefit**

Alison joined the DBD on 1 January 2018. She's working full time and making default member contributions (7% after-tax) when she has an accident on 1 January 2027 and is deemed eligible for a temporary incapacity benefit.

Her five-year Benefit Salary is \$75,000.  
Her Average Service Fraction is 100%.

**Her monthly benefit is calculated as:**  
(\$75,000 x 60% x 100%) ÷ 12 = \$3,750

Alison can continue to receive a monthly temporary incapacity benefit for up to two years, provided she satisfies the requirements set out in the Trust Deed.

**IF YOU'RE PERMANENTLY UNABLE TO WORK**

If you become permanently disabled, you may be able to claim an inbuilt disablement benefit.

To claim, you'll need to have been absent from work—because of injury or illness—for the waiting period (which is generally sixty working days, prorated when not working full-time, within a period of 12 consecutive months), by the later of:

- 60 working days, and
- three months from the date you ceased being eligible to contribute to the DBD.

The inbuilt disablement benefit is a regular monthly payment until you're age 65, provided you continue to satisfy the relevant requirements.

**Inbuilt disablement benefit formula  
(for monthly payment):**

Five-year Benefit Salary x Average Service Fraction  
x 60% ÷ 12

For the purposes of calculating your other DBD entitlements, the period you're receiving a disablement benefit is counted towards your Benefit Service with a Contribution Factor of 100%, and a Service Fraction equal to your Average Service Fraction immediately before your disablement. This means your super continues to grow while you're receiving an inbuilt disablement benefit.

**Inbuilt disablement benefit formula for lump sum  
payment (at date of disablement):**

Five-year Benefit Salary x Average Service Fraction

If you qualify for an inbuilt disablement benefit *before* age 65, you can request this lump sum payment. If you request this lump sum payment, your monthly income benefit, benefit at age 65, and any other benefits you receive from the DBD would be reduced (see 'Partial DBD withdrawals' on page 46).

If you qualify for an inbuilt disablement benefit after age 65, your entitlement will be your leaving service benefit (also known as a retirement benefit).

If you're assessed as being disabled and have external insurance cover for TPD, you may be entitled to a TPD benefit (if you meet the specific requirements in the policy) as well as your inbuilt disablement benefit. You may also be able to access your accumulation component if you can show that you're permanently incapacitated and meet a condition of release (see page 45). If you want to make a claim under your TPD insurance cover, you'll need to make a separate application. Read the *Insurance in your super* document at [unisuper.com.au/pds](https://unisuper.com.au/pds) for information on how to make a claim.

For more information, visit [unisuper.com.au/factsheets](https://unisuper.com.au/factsheets) and refer to the *Inbuilt disablement benefit for Defined Benefit Division members* fact sheet.



**Example – Carl’s disablement benefit**

Carl joined the DBD on 1 January 2018. He has periods of working part-time during his employment. He has an accident on 1 January 2029 and is deemed eligible for an inbuilt disablement benefit.

His five-year Benefit Salary is \$150,000. His Average Service Fraction is 80%.

**His monthly benefit is calculated as:**  
 $(\$150,000 \times 60\% \times 80\%) \div 12 = \$6,000$

Carl will continue to receive a monthly disablement benefit until age 65, provided he continues to satisfy the conditions in the Trust Deed.

**IF YOU DIE OR SUFFER A TERMINAL MEDICAL CONDITION AS A DBD MEMBER**

If you die or suffer a terminal medical condition and you’re a DBD member, and under 60 years of age, your inbuilt death benefit provides for an additional amount **on top of the value** of your resignation/retirement benefit.

**Inbuilt death benefit formula**

The greater of the following amounts is paid:

- a) A lump sum amount calculated as:  
 Five-year Benefit Salary x Benefit Service<sup>1</sup> x 21% x Average Service Fraction
- b) A lump sum amount calculated as:
  - The value of your defined benefit component<sup>2</sup>, plus
  - Five-year Benefit Salary x Potential service<sup>3</sup> x 21% x GF<sup>4</sup>.

Note - If you’ve reduced your default member contributions at the time of your death, your benefit will be the benefit calculated under b) only.

If you die or suffer a terminal medical condition and you’re a DBD member after you turn 60, your inbuilt death benefit will be **equal to the value** of your defined benefit component.

An additional amount may also be payable if you have external Death cover. A separate claim would be required—read the *Insurance in your super* document at [unisuper.com.au/pds](https://www.unisuper.com.au/pds) for information on how to make a claim.

The total benefit payable on your death will include the balance (if any) of your accumulation component plus— if you have external insurance cover—any insurance proceeds that may be payable under the insurance policy.

**Example – Anne’s inbuilt death benefit**

Anne was aged 48 when she died on 1 January 2027. Her five-year Benefit Salary was \$77,500 and she was a DBD member for 8 years.

She hadn’t reduced her default member contributions at the time of death, and her Average Service Fraction and Service Fraction were both 100%.

Her death benefit is calculated as the greater of the following amounts:

$$\begin{aligned} \text{A. } & \$77,500 \times 20^* \times 21\% \times 100\% = \$325,500 \\ \text{B. } & \$77,500 \times 8 \times 19.6\% \times 100\% \times 100\% = \\ & \$121,520 \\ & + \$77,500 \times 12 \times 21\% \times 100\% = \$195,300 \end{aligned}$$

Total death benefit under B = \$316,820  
 Total death benefit under A = \$325,500

In this example, Anne’s death benefit would be calculated using the formula set out in A. Her benefit would be increased by the amount of any accumulation component and external insurance cover she had.

\* Includes 12 years of potential service to age 60.

<sup>1</sup> Your Benefit Service will also include the period from the date of your death to what would have been your 60th birthday.

<sup>2</sup> Based on service at the time of your death.

<sup>3</sup> ‘Potential service’ means the period from the date of death to your 60th birthday.

<sup>4</sup> ‘GF’ means the greater of your Service Fraction at the date of death and your Average Service Fraction at the date of death.

**INBUILT BENEFITS AS A DBD MEMBER****Terminal medical condition**

If you're diagnosed with a terminal medical condition before age 60, you may be able to receive your inbuilt death benefit as an inbuilt 'terminal medical condition benefit' (see page 14 for a description of how death benefits are calculated).

Your election to receive an inbuilt terminal medical condition benefit will be irreversible and you'll no longer be entitled to any further inbuilt benefits (you'll also cease to be a DBD member).

If you also have external insurance cover, then a terminal illness benefit may also be payable (you'll need to make a separate claim through our Insurer).

If you claim an inbuilt terminal medical condition benefit and subsequently decide to continue or recommence working at any time in the future, you won't be eligible to return to the DBD. All future contributions would then be made into an Accumulation 1 account, and you'd be ineligible to apply to our insurer for any external insurance cover in the future.

**GENERAL INFORMATION ABOUT INBUILT BENEFITS****Restrictions on your inbuilt benefits**

Inbuilt disablement and temporary incapacity benefits may be reduced if you're receiving workers' compensation or similar payments under legislation or an industrial award or agreement, have the capacity to work, or if you engage in work (whether paid or unpaid). Inbuilt benefits may not be payable or may be reduced if:

- you've completed less than three years of contributing service after joining UniSuper or transferring into the DBD from Accumulation 1 or a Personal Account, and
- the Trustee considers your death, disablement, temporary incapacity or terminal medical condition arose directly or indirectly from a condition which existed at the time you joined, transferred or resumed DBD membership.

Inbuilt benefits may also not be payable if:

- you fail to provide the Trustee with requested medical or other information,
- the information you provide is unsatisfactory, false or misleading, or
- you fail to disclose relevant information to the Trustee.

To be eligible to receive an inbuilt disablement or temporary incapacity benefit, you need to meet the relevant conditions in the Trust Deed. Refer to the Definitions on page 50 for more information.

Once eligible for this inbuilt benefit, you'll need to satisfy the following additional conditions before you can receive your first payment:

- Disablement benefits - exhausted any sick leave entitlements
- Temporary incapacity benefits - exhausted any sick leave and wage entitlements.

**Find out more**

For more information about inbuilt benefits (including special conditions and limitations), refer to the following fact sheets available at [unisuper.com.au/factsheets](https://unisuper.com.au/factsheets):

- *Inbuilt temporary incapacity benefits for Defined Benefit Division members*
- *Inbuilt disablement benefits for Defined Benefit Division members.*

# External insurance as a DBD member

If you join the DBD and haven't previously had or opted out of default cover, you'll generally also get (and pay for) one unit of external Death and Total and Permanent Disablement (TPD) cover—'default cover'—which you can change or cancel.\* If you receive default cover, you'll be able to elect up to two additional units of Death and TPD cover—'additional default cover'—without providing health evidence to our Insurer.

Income Protection cover is not available to DBD members. If you have Income Protection cover in your Accumulation 1 account and opt into the DBD, your Income Protection cover will cease when you join the DBD.

You will need to pay insurance premiums for any external insurance cover you have. Your insurance premium depends on your age, type of cover and level of cover and is deducted from your account balance each month. You can expect insurance premiums to change over time.

You can increase your default external insurance cover, or convert your unitised cover to fixed cover by completing the *Defined Benefit Division/ Accumulation 2 - changing your default options* form at the back of this PDS.

Read the *Insurance in your super* document for more details on insurance.

## Types of external insurance cover available

### IF YOU BECOME PERMANENTLY DISABLED

If you have insurance cover for TPD, you may be entitled to a one-off payment equal to the level of cover you hold. In general terms, 'total and permanent disablement' means you're unlikely—because of your illness or injury—to undertake paid work for which you're reasonably qualified by education, training or experience. For the full definition, visit [unisuper.com.au/pds](https://www.unisuper.com.au/pds) and read *Insurance in your super*. If the insurer approves your claim, it pays the amount to us, and provided you meet a condition of release, we'll release it to you.

If you satisfy a condition of release, you'll also be entitled to be paid your account balance (including investment returns, which may be positive or negative), minus any fees, costs, charges and taxes.

### IF YOU BECOME TERMINALLY ILL OR DIE

If you have Death cover and our Insurer approves the terminal illness benefit claim, you'll receive a one-off payment equal to the level of cover you hold up to a maximum of \$3 million, with any amount exceeding \$3 million paid on death.\*

If you die a one-off payment equal to the level of cover you hold may be payable. The Insurer pays the one-off payment to us, and we'll release it to your legal personal representative, your beneficiaries or both.

In addition, your account balance is payable (including investment returns, which may be positive or negative), minus any fees, costs, charges and taxes.

\* Subject to the terms of the policy and provided cover remains in place at the date of your death.

## Unitised and Fixed cover

By default, Death and TPD cover is provided as unitised cover, but if you're under age 61, you can convert it to fixed cover if you want to.

'Unitised cover' means the cost of each unit stays the same over time, but the amount of cover you get for each unit reduces as you get older.

'Fixed cover' means the cost of your cover increases over time, but the amount of insurance you get stays the same until you turn age 61.

Some important notes about fixed cover:

- You can't have both fixed and unitised cover (you have one or the other).
- If you choose fixed cover, you can't convert back to unitised cover.
- If you have fixed cover, while your death benefit does not change, from age 61 your TPD cover will reduce by 10% each year until you're insured for \$0 at age 70.

Find out more about fixed cover and the premiums applicable in the *Insurance in your super* document at [unisuper.com.au/pds](https://unisuper.com.au/pds).



# The DBD and your choices

As a DBD member, you should consider the default options that apply to your account. If you want to update your default options, you can do this by completing the *Changing your default options* form within this PDS.

## Lowering your default member contributions

If you're a DBD member and lower your default member contributions, then:

- you'll receive more take-home pay, but you'll reduce the size of your super savings over the long term
- your Average Contribution Factor will reduce, which will impact your defined benefit
- your inbuilt death and terminal medical condition benefits may be lower
- you may not have enough funds in your accumulation component to pay insurance premiums (if you have any external insurance cover)
- you may need to satisfy extra criteria to receive cover through our Insurer
- you can't increase them later. If you want to make additional member contributions in the future, they'll be made as voluntary contributions and go into your accumulation component. This generally applies even if you move to another employer.

If you switch to Accumulation 2, you'll continue to make default member contributions. You can lower them if you want, it just means you'll contribute less and will probably have less super at retirement.

### AVAILABLE LEVELS OF DEFAULT MEMBER CONTRIBUTIONS

The following are the available levels of default member contribution rates, from the initial rate right through to the minimum available.

If you reduce your default member contributions to the minimum level (0%) while you're receiving 17% employer contributions and then start receiving 14% employer contributions, you'll need to make the minimum level of 2.55% default member contributions.\*

DEFAULT MEMBER CONTRIBUTION LEVELS	
<i>For those receiving 17% employer contributions</i>	<i>For those receiving 14% employer contributions</i>
7.00% after tax (8.25% before tax)	7.00% after tax (8.25% before tax)
4.45% after tax (5.25% before tax)	6.55% after tax (7.70% before tax)
4.00% after tax (4.70% before tax)	5.55% after tax (6.55% before tax)
3.00% after tax (3.55% before tax)	4.55% after tax (5.35% before tax)
2.00% after tax (2.35% before tax)	3.55% after tax (4.20% before tax)
1.00% after tax (1.20% before tax)	2.55% after tax (3.00% before tax)
Minimum level: 0.00% (zero)	Minimum level: 2.55% after tax (3.00% before tax)

To make before-tax default member contributions, you'll need a salary sacrifice arrangement with your employer. Default member contributions from your before-tax salary will be treated as employer contributions and be subject to 15% contributions tax—they'll also count towards your concessional contributions cap. You can only make default member contributions from your before-tax or after-tax salary—not a combination of both.

If you'd like to make default member contributions from your before-tax salary, complete the *Change my default member contributions* form at [unisuper.com.au/factsheets](https://www.unisuper.com.au/factsheets) and return it to your employer's payroll department.

There are other ways to contribute to super, see 'Other super contributions' on page 44.

\* If you choose to lower your default member contributions, your employer will process your request and the reduction will generally take effect at the start of your next pay period.



## EFFECTS ON YOUR BENEFIT

### If your employer contributes 17% to your super

You must make default member contributions of at least 4.45% (after-tax) to maintain your full defined benefit entitlement. Your entitlement to inbuilt benefits won't be affected, but the amount your beneficiaries receive on your death may be lower. More information about the effect of reducing default member contributions is outlined in the below table and in the Contribution Factors definition on page 50 of this document.

DEFAULT MEMBER CONTRIBUTION LEVELS (EMPLOYER CONTRIBUTES 17%)	WHERE YOUR 17% EMPLOYER CONTRIBUTION IS DIRECTED	EFFECT ON YOUR DEFINED BENEFIT
7% after tax (8.25% before tax)	Your 14% employer contribution is made into your defined benefit component. Your additional 3% employer contribution is made into your accumulation component.	Your full defined benefit entitlement is maintained.
4.45% after tax (5.25% before tax)	Your entire 17% employer contribution is made into your defined benefit component. If you have external insurance, you need to ensure your accumulation component has enough money to pay for insurance premiums.	Your full defined benefit entitlement is maintained.
4% after tax (4.70% before tax) 3% after tax (3.55% before tax) 2% after tax (2.35% before tax) 1% after tax (1.20% before tax) Minimum level: 0%	Your entire 17% employer contribution is made into your defined benefit component. If you have external insurance, you need to ensure your accumulation component has enough money to pay for insurance premiums.	Your defined benefit entitlement is scaled back to reflect your reduced default member contributions.

### If your employer contributes 14% to your super

To maintain your full defined benefit entitlements, you must make default member contributions (7% after-tax). You can reduce your default member contributions down to 2.55%, but your defined benefit will be reduced. In addition, the amount your beneficiaries receive on your death may be lower. More information about the effect of reducing default member contributions is outlined in the table below and in the Contribution Factors definition on page 50 of this document.

You will generally not be provided with default Death and TPD insurance cover when you join the DBD. However, if you're a contributing member you may be able to apply for insurance cover if you're eligible and have sufficient funds in your accumulation component to cover your insurance premiums. Your application will also be subject to evidence of your health and approval by our Insurer.

DEFAULT MEMBER CONTRIBUTION LEVELS (EMPLOYER CONTRIBUTES 14%)	WHERE YOUR 14% EMPLOYER CONTRIBUTION IS DIRECTED	EFFECT ON YOUR DEFINED BENEFIT
7% after tax (8.25% before tax)	Your 14% employer contribution is made into your defined benefit component. If you have external insurance, you will need to ensure your accumulation component has enough money to pay for insurance premiums.	Your full defined benefit entitlement is maintained.
6.55% after tax (7.70% before tax) 5.55% after tax (6.55% before tax) 4.55% after tax (5.35% before tax) 3.55% after tax (4.20% before tax) 2.55% after tax (3.00% before tax) Minimum level: 2.55% after tax	Your 14% employer contribution is made into your defined benefit component. If you have external insurance, you need to ensure your accumulation component has enough money to pay for insurance premiums.	Your defined benefit entitlement is scaled back to reflect your reduced default member contributions.

**EFFECTS OF LOWERING YOUR DEFAULT MEMBER CONTRIBUTIONS ON INBUILT BENEFITS**

If you're a DBD member, your inbuilt benefits could be affected. The following table explains how.

IMPACTS TO YOUR INBUILT BENEFITS	
Type of inbuilt benefit	What will happen?
Temporary incapacity	Nothing—the calculation of your inbuilt temporary incapacity benefit is not impacted.
Disablement	Nothing—the calculation of your inbuilt disablement benefit is not impacted.
Terminal medical condition	The amount of your inbuilt terminal medical condition benefit may be reduced.*
Death	The amount of your inbuilt death benefit may be reduced.*

\* Refer to page 14 for the death benefit formula (and note that (a) will not apply if you've reduced your default member contributions).

**We're here to help**

We're available to help with information and general advice about your membership and our range of products. You might find it beneficial to speak to one of our consultants — either on campus, via video conference or at one of our member centres. Visit [unisuper.com.au/oncampus](https://www.unisuper.com.au/oncampus) to book an appointment.

**Investment options**

Members with an accumulation balance can choose their investment options for contributions and rollovers. See page 29 and refer to our *How we invest your money* document for more information.



## External insurance

If you join the DBD and haven't previously had or opted out of default cover, you're generally also provided with one unit of Death and Total and Permanent Disablement (TPD) insurance cover without providing health evidence—'default cover'—through our Insurer. If you receive default cover, you'll be able to elect up to two additional units of Death and TPD cover—'additional default cover'—without providing health evidence to our Insurer, within 180 days of joining the DBD. You can apply to increase (subject to underwriting), decrease or cancel this cover at any time.

## Nominating beneficiaries

It's worth considering who you'd like to leave your super to if you die. The people you nominate are called 'beneficiaries'.

There are two types of nominations to choose from: binding and non-binding.

For binding nominations, you can also specify whether your nomination is 'lapsing' (it expires after three years) or 'non-lapsing' (it doesn't expire).

There are many rules around death benefit nominations, including who you can and can't nominate, what constitutes a valid nomination and updating or cancelling a nomination.

Read the information about death benefit nominations in *How super works*, available at [unisuper.com.au/pds](https://unisuper.com.au/pds), before making a decision.

## Other considerations for DBD members

### SALARY REDUCTIONS

Salary reductions can happen for a number of reasons—maybe you've switched roles or had a change in your work. For DBD members, having a lower salary can reduce your retirement benefit and inbuilt benefits. That's because your defined benefit component and inbuilt benefits are, in part, based on your five-year Benefit Salary.

If your salary reduces you may be able to continue to make default member contributions based on your previous full time salary in certain circumstances. In this way, DBD members can ensure that, for benefit calculation purposes, their previous higher salary is used in preference to their lower current salary (provided that salary is within the relevant five-year

period used to calculate five-year Benefit Salary). You can only do this if our Trustee and your employer agree to the arrangement, and your employer continues to make contributions based on your salary immediately before the reduction, or you agree to make up the difference between the contributions your employer made before the salary reduction and the contributions made after the salary reduction.

For more details, visit [unisuper.com.au/factsheets](https://unisuper.com.au/factsheets) and read *Salary reduction and working less*.

### TEMPORARY ALLOWANCES

If you're a DBD member and you're paid a temporary allowance (e.g. for taking on additional tasks or higher duties for a limited time), it's important you're aware of how this allowance will be treated.

Temporary allowances are treated differently to other types of remuneration salary used to calculate DBD members' benefits. Under the Trust Deed, temporary allowances are excluded from members' five-year Benefit Salary but increase their Service Fraction—whereas permanent allowances will form part of the five-year Benefit Salary. This ensures members get a fair but not disproportionate benefit from allowances paid over relatively short periods within their membership.

The Trust Deed allows the Trustee to determine whether allowances are temporary in nature, but they're generally classified as permanent or temporary by your employer when the allowance commences.

## Leaving your job

Generally speaking, if you cease eligible service with a participating employer—for reasons other than disablement (including temporary incapacity), death or suffering a terminal medical condition:

- you're entitled to a benefit calculated using the formula set out on pages 6 and 7
- your inbuilt benefits cease.

This could be because you've retired or left your job.

Your total super balance when you cease eligible service also includes the balance (if any) of your accumulation component including investment returns (which may be positive or negative) less any fees, costs, charges and taxes.

If you've also met a condition of release (you've retired, for instance), you may be able to access your benefit.

**YOUR OPTIONS WHEN YOU LEAVE YOUR JOB**

If you leave your job (other than due to death or disablement), you'll need to decide what to do with your defined benefit component.

Inbuilt benefits cease when you cease eligible service with a participating employer. You may be entitled to an inbuilt benefit if you became ill or injured before you ceased eligible service with a participating employer, even if you've since transferred out of the DBD. A continued inbuilt benefit, may be payable if you become ill or injured within 90 days after you ceased eligible service with a participating employer. See page 12 for more information.

If you leave and haven't already re-commenced contributing to the DBD, you can defer your defined benefit component and remain a DBD member, or choose to transfer to an Accumulation 1 account. We'll write to you outlining your options.

The time you are given to decide what to do is known as your 'option period'. This is the later of:

- 90 days after leaving your job, or
- 30 days after we write to you about your options.

If we don't hear from you within the time frame, or you choose not to defer, we'll transfer the value of your defined benefit and any accumulation component to Accumulation 1. If you elect to join the DBD and subsequently transfer to Accumulation 1, you will not be able to re-join the DBD in the future.

**DEFERRING YOUR DEFINED BENEFIT COMPONENT**

If you elect to defer your defined benefit component:

- you'll maintain your membership in the DBD, which may be useful if you're planning to work again in the higher education and research sector.
- it will generally increase with inflation, as measured by the Consumer Price Index (CPI), and age-related factors.
- it will generally be protected from investment market volatility, subject to risks associated with defined benefits and Clause 34 of UniSuper's Trust Deed (see page 27).
- your accumulation component can accept contributions from other employers, personal contributions from you and transfers from other super funds.
- your inbuilt benefits cease.

If you don't provide instructions within your option period—and you haven't recommenced contributing to the DBD—the value of your defined benefit component (together with your accumulation component) will be transferred to Accumulation 1.

**ENDING DEFERRAL OF YOUR DEFINED BENEFIT COMPONENT**

If you choose to defer, you can request to transfer to Accumulation 1 at any time.

Alternatively you can remain a DBD member until you have reached your preservation age and met a condition of release. In addition to the preservation rules, if you're a DBD member, the Trust Deed imposes further restrictions under the Fund's governing rules that limit when you can access your defined benefit component.

Generally, if you're a contributing member of the DBD, you may only withdraw or transfer all or part of your defined benefit component if it's entirely made up of unrestricted non-preserved benefits.

**TRANSFERRING TO ACCUMULATION 1**

If you transfer to Accumulation 1, we'll invest your defined benefit component using the instructions for future contributions that you'd given us for your accumulation component. We'll also carry over the following from your DBD account to your Accumulation 1 account:

- the future contribution and rollover strategies (explained on page 29) which applied to your accumulation component. This will be our Balanced (MySuper) option if you have never nominated a strategy,
- the existing amount you have in each investment option in your accumulation component,
- any existing insurance you've elected to hold,
- any existing insurance you've not elected to hold, but only if you're aged 25 or over and have an account balance of \$6,000 or more. If you don't meet these criteria, you'll need to tell us to keep your insurance before you transfer, or we're obliged to cancel it.

# What if I change my mind?

The DBD may not suit everyone. An Accumulation 2 account gives you greater control of your investments, contributions and insurance, letting you shape your super to suit you.

## DBD or Accumulation 2?

Everyone has different needs when it comes to their super. That's why we give you the opportunity to choose a style of super that suits you.

Even though you've joined the DBD, you might decide it's not right for you. If you change your mind, within your first two years as a DBD member, you can switch back to accumulation super and go into our Accumulation 2 option.

You've generally got two years from when you join the DBD to decide whether to transfer your super to Accumulation 2. Any periods of leave (e.g. unpaid or parental leave) are included in these two years. If you transfer to Accumulation 2, you won't be eligible to return to the DBD.

If you don't do anything within this period, you'll remain a DBD member (subject to eligibility).

### Your options if you join the DBD

When you become a DBD member, you generally have two years to decide if the DBD suits you. If it doesn't, you can choose our Accumulation 2 product.



### DBD and Accumulation 2 outcomes

Your defined benefit grows according to a formula and is not intended to grow in line with investment returns on your contributions. This means your benefit does not decrease every time investment markets experience negative returns.

Depending on your situation, there may be times when your defined benefit is less than the sum of your contributions plus the investment returns which our investment options could have earned (or were targeting) if you were an Accumulation 2 member.

Generally speaking, the younger you are and the shorter the period of time you spend in the DBD, the greater the chance your defined

benefit will grow at a rate which is less than the investment return objective of our default Balanced investment option. However, this could also be the case regardless of your age and the time you spend in the DBD.

The rate at which your defined benefit grows, and how this compares to the investment returns available through Accumulation 2 membership, depends on complex interactions between the variables in our defined benefit formula, your personal circumstances, which investment options you would have chosen if you were an Accumulation 2 member and how they perform. These are hard to predict in advance.



# Accumulation 2

## Switching to Accumulation 2

If you join the DBD and change your mind, you can switch to Accumulation 2 by completing the *Transferring from the Defined Benefit Division to Accumulation 2* form at [unisuper.com.au/forms](https://unisuper.com.au/forms) and return it to us within your first two years as a DBD member.

We'll calculate your defined benefit at the date of transfer and combine it with your existing accumulation component. Refer to page 11 for further information.

Once you transfer to Accumulation 2, you can't change your mind for as long as you remain a member of the fund.

## Target Market Determination

You can read about whether the Accumulation 2 product has been designed for someone like you in the Target Market Determination for the product. It's available at [unisuper.com.au/pds](https://unisuper.com.au/pds) or call us and we'll send you a copy at no charge.

## What is my Accumulation 2 benefit?

Your Accumulation 2 benefit is your account balance at any point in time.

### YOUR BALANCE IS MADE UP OF

The amount transferred from your DBD account

- + up to 17% employer contributions
- + default member contributions, personal contributions, rollovers, investment returns (positive or negative)
- any fees, costs, charges, insurance premiums and taxes

If you switch to Accumulation 2, you'll continue to make default member contributions. You can lower them if you want, it just means you'll contribute less and will probably have less super at retirement.

## What about fees and costs?

As an Accumulation 2 member, fees, costs, taxes and premiums for insurance cover (if applicable) are deducted from your account, or from the returns on your investment.

Read the 'Fees and other costs' section for more information.

## We're here to help

We're available on a campus near you to help with information and general advice about your membership and our range of products. You might find it beneficial to speak to one of our consultants — either on campus, via video conference, or at one of our member centres. Visit [unisuper.com.au/onclick](https://unisuper.com.au/onclick) to book an appointment.

# External insurance as an Accumulation 2 member

## What happens to existing external insurance cover in Accumulation 2?

When you transfer to Accumulation 2, we're obliged to cancel any existing insurance cover if you have cover that you didn't elect to receive (unless you tell us not to) if you:

- are under age 25, or
- have an account balance under \$6,000.

## What happens to your inbuilt benefits?

If you transfer to Accumulation 2, the inbuilt benefits you had as a DBD member will cease. Depending on your circumstances, you may elect to receive external insurance cover to replace your inbuilt benefits, this is referred to as transitioned cover. This external insurance cover is provided by our Insurer.

Your total cover will consist of any existing external cover we transfer (possibly none, depending on your circumstances), plus any transitioned cover you receive.

The amount and level of transitioned cover you can choose is based on your age, salary and level of inbuilt death benefit when you transfer to Accumulation 2, subject to our Insurer's Automatic Acceptance Limits (AALs). A PEC exclusion equal to the remaining balance of the three year period from the date you commenced DBD membership will generally apply to the transitioned cover.

Income Protection cover is not available to DBD members. For Accumulation 2 members, Income Protection cover could help with some of your daily living expenses if you become ill or are injured and off work as a result.

If you have Income Protection cover and our Insurer approves your claim, you'll receive a monthly benefit that's the lesser of:

- the amount of cover you have, and
- 85% of your monthly pre-disability income (with any amount above 75% of your pre-disability income paid as a super contribution).

Income Protection cover that DBD members can elect when transferring to Accumulation 2 has a waiting period of 90 days and a benefit period of five years. You can change this cover to:

- a 30 or 60 day waiting period, and
- a benefit period of two years, or to age 65.

Our Insurer needs to approve any increase in benefit period and decrease in waiting period, and may apply exclusions to your cover and/or loadings on your insurance premiums.

If you cancel your default cover, or you don't elect to receive transitioned cover, you can always apply for cover later on. However, you'll need to provide detailed health information that satisfies our Insurer.

### Want transitioned cover to replace your inbuilt benefits?

To receive transitioned cover, you must elect it when you choose Accumulation 2.

For information regarding eligibility criteria for transitioned cover, and to learn about how we determine the level of cover you receive on transferring to Accumulation 2, the kind of restrictions, exclusions or limitations that may apply, read the *Insurance in your super* and *What happens to your inbuilt benefits if you choose Accumulation 2?* documents available at [unisuper.com.au/pds](https://www.unisuper.com.au/pds).

**MAKE SURE YOU HAVE THE INSURANCE YOU NEED**

As an Accumulation 2 member, you can reduce, cancel, or apply for more cover—it's up to you. You can apply:

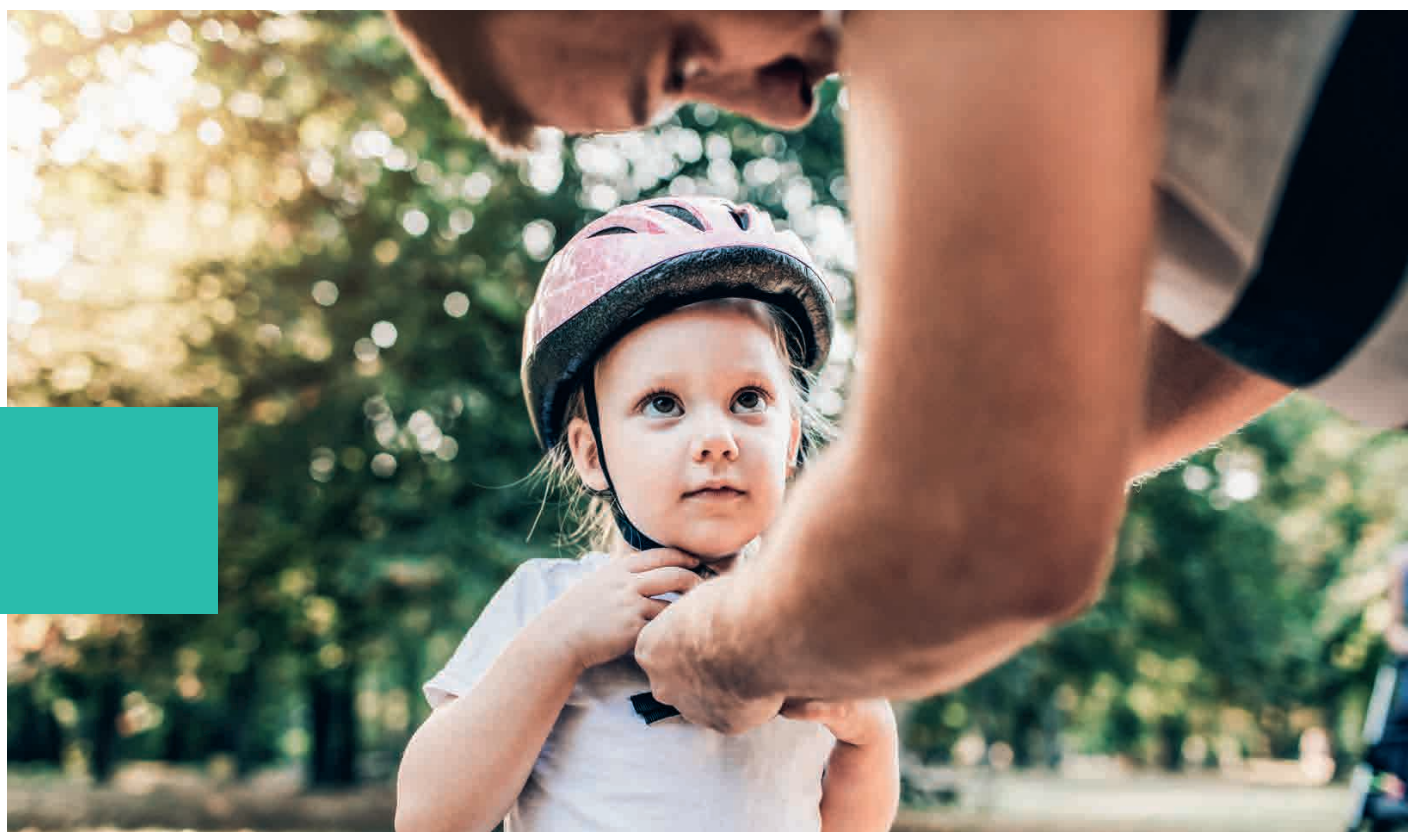
- to increase your cover
- for Death and/or TPD and Income Protection cover if you don't have it
- to change the waiting period or benefit payment period of your Income Protection cover.

How to apply:

- Log in to your account, or
- Go to [unisuper.com.au/forms](https://unisuper.com.au/forms) and complete the relevant insurance form, or
- Call **1800 331 685** and we can help complete your application over the phone.

All applications for insurance cover (excluding default cover, additional default cover and transitioned cover) are subject to the approval of our Insurer. Our Insurer can accept, decline or impose restrictions, apply exclusions to your cover and/or increase your insurance premiums.

For information on the terms and conditions that apply to external insurance cover (including default cover), visit [unisuper.com.au/pds](https://unisuper.com.au/pds) and read the *Insurance in your super* document.



# Risks of super

Your super is designed to provide you with an income for retirement. It aims to build your retirement savings in a cost-effective, tax-efficient way. But there are certain risks you should be aware of.

All investments, including super, have some level of risk.

Investment risk is the potential for your accumulation super to rise or fall due to how it's invested.

Different strategies may carry different levels of risk, depending on the assets that make up the strategy. Those assets with the highest potential return over the longer term (such as equities) may also have the highest risk of losing money in the shorter term. Investment risks associated with your account include the risk of negative returns from a specific investment, risk of underperformance by an investment manager, market risks, risks associated with poor performance by investments in particular markets or countries, currency risk, credit risk, climate risk, liquidity risk and risks associated with the use of derivatives.

Other risks include potential changes to legislation and taxes that may apply in the future, the risk that events beyond our control may impact our administration, including the ability to process transactions, cyber risk, inflation risk and the risk that our Trust Deed or fees and costs may change.

There's also a risk we may discontinue a particular investment option in the future or make changes to the investment strategy or objective of an option. We'd give you notification if any investment options were to be discontinued.

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

- the value of investments will go up and down
- inflation may fluctuate and affect investment returns and the real value of your retirement savings
- the level of investment returns will vary and future returns may differ from past returns
- investment returns are not guaranteed and you may lose some of your money

- the appropriate level of risk for you will depend on a range of factors including your age, your investment time frame, your other investments and your personal risk tolerance
- you may not contribute enough, or work enough (e.g. full-time or part-time), to produce an adequate retirement benefit.

The accumulation component for DBD members is subject to the risks described above, as is your account balance in Accumulation 1 or Accumulation 2.

## Specific DBD risks

Defined benefits are based on a formula that takes into account your age, salary, period of service, Average Service Fraction and Average Contribution Factor.\*

Defined benefits are supported by a pool of assets into which you and your employer contribute, and which we invest in a diversified portfolio of investments. We've designed the DBD so that in the longer term, investment returns are expected to be sufficient to provide for UniSuper's defined benefits, although this is not guaranteed. Over short periods, the funding position may vary with investment volatility.

There's a risk the defined benefit pool could be insufficient to meet all obligations to DBD members, meaning your defined benefit may be reduced.

For more information read the *Risks of super* document, available at [unisuper.com.au/pds](https://unisuper.com.au/pds).

\* See the 'definitions' section on page 50 for more information about these formula components.

# How we invest your money

Here's an overview of how we invest your money.

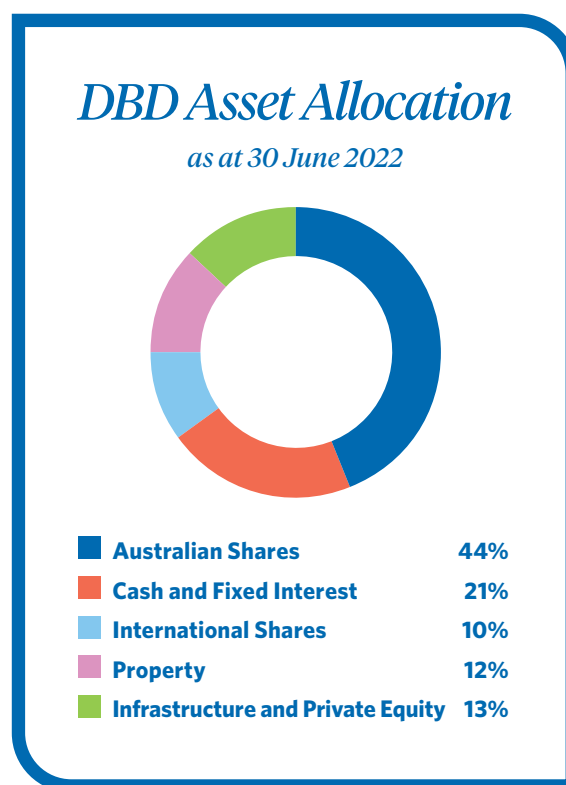
The DBD is backed by a \$31 billion<sup>1</sup> asset pool invested across a range of asset classes including shares, property, infrastructure, bonds and cash. As a DBD member, most of your contributions are invested in this asset pool. Most DBD members will also have an accumulation component which can be invested in our range of 16 investment options, with the default option being our Balanced option. For more information about our investment options read *How we invest your money* document at [unisuper.com.au/pds](https://unisuper.com.au/pds).

While your individual defined benefit isn't directly affected by the market performance of the pool of assets, the overall health of the DBD will heavily depend on the performance of the portfolio, so an effective investment strategy is crucial.

UniSuper's Trustee is ultimately responsible for approving the investment strategy of all investment options, including the DBD. The Trustee in turn delegates the responsibility to execute the strategy to UniSuper's Investment Committee and team of investment professionals.

Currently, the DBD's asset portfolio is heavily skewed towards quality assets that generate sustainable income streams, with the potential for capital growth that we expect can at least keep pace with inflation.

The following pie chart shows the general asset allocation of the DBD portfolio as at 30 June 2022. The Australian and international shares component is largely comprised of 'blue-chip' companies with a history of paying dividends. The Property component is largely concentrated in high quality retail and commercial assets, and infrastructure including 'fortress' assets such as airports.



The DBD's central investment objective is to maximise the probability of generating sufficient returns to meet its future benefit payments. As at 30 June 2022, it was in a very healthy position, as reflected by a vested benefit index (VBI) and an accrued benefit index (ABI) that sit comfortably above 100%. For more information about the VBI and ABI visit [unisuper.com.au/monitoring-the-dbd](https://unisuper.com.au/monitoring-the-dbd).

Ideally this would allow us to adopt a more conservative investment strategy such as holding more bonds. However, yields currently on offer in the bond market are below the returns required to satisfy our central objective, and expectations are that this will persist for some time.

Accordingly, we're likely to continue our current strategy which entails holding a high proportion of the portfolio in high quality assets, although actual asset allocations may deviate within forward allocation ranges depending on prevailing market conditions.

<sup>1</sup> Approximately as at 30 June 2022.



## Our investment options

Accumulation 2 members—and DBD members with an accumulation component—can choose their investment options for contributions and rollovers.

When deciding how to invest your super, it's important to choose investments you feel comfortable with and are best suited to your needs. To do this, you'll need to understand how the investment options work.

Our *How we invest your money* document at [unisuper.com.au/pds](https://unisuper.com.au/pds) provides important information about our Pre-Mixed and Sector investment options—including how they're invested, the different asset mixes and the different levels of risk associated with them.

Our website contains any product, investment or disclosure updates. We recommend you speak with a qualified financial adviser before making a decision.

**Pre-Mixed menu:** a range of diversified investment options, each with its own mix of asset classes and weightings, performance objectives and risk profile.

- Conservative
- Conservative Balanced
- Balanced (MySuper)
- Sustainable Balanced
- Growth
- High Growth
- Sustainable High Growth

**Sector menu:** investment options which mainly invest in a particular asset class. Create your own asset mix by choosing how much you want invested in each option. Sector investment options are less diversified and not intended to be used in isolation.

- Cash
- Australian Bond
- Diversified Credit Income
- Listed Property
- Australian Shares
- International Shares
- Global Environmental Opportunities
- Australian Equity Income
- Global Companies in Asia

## DEFAULT INVESTMENT OPTION

If you don't choose an investment strategy, or if we receive contributions before you make a choice, we'll automatically invest your contributions and transfers to your accumulation account in our default investment option—'Balanced (MySuper)'.

Note that our Balanced investment option is also our MySuper offering for Accumulation 2 members.

In some cases, we'll hold contributions made on your behalf that we're unable to immediately allocate to your account. If this occurs, investment returns (positive or negative) for the investment option(s) you've chosen will be applied from the date on which the contribution was received. If, while holding these contributions, the return on your investment option(s) were lower than any interest we received, we'll retain the difference.

If we receive your *Changing your default options* form with your future contributions strategy after contributions have been processed, we'll switch those contributions from the default investment option to the investments you've chosen on the date we receive your form. If you don't want those contributions switched, you can indicate this on the *Changing your default options* form.

## CHANGING YOUR INVESTMENT OPTIONS

If you log into your online account, you can switch investment options at any time for:

- your existing account balance
- your future contributions strategy, and
- your rollover strategy.

Alternatively, you can complete the *Investment choice* form—available at [unisuper.com.au](https://unisuper.com.au) or by calling **1800 331 685**.

Our *How we invest your money* document at [unisuper.com.au/pds](https://unisuper.com.au/pds) explains when your switch will become effective. Switches submitted online are generally processed more quickly.

You should consider the likely investment return, risk and your investment time frame when choosing an investment option.

From time to time, we may change the investment objectives and strategic asset allocations of our investment options. We'll notify you of any materially adverse changes and publish any changes on our website.<sup>2</sup>

<sup>2</sup> Investment objectives are not predictions or promises of any particular return.

INVESTMENT DETAILS FOR OUR DEFAULT INVESTMENT OPTION - THE BALANCED (MYSUPER) OPTION	
<b>Description of option</b>	Invests in a diversified portfolio, comprising of assets such as Australian and international shares, property, infrastructure and private equity, with some fixed interest and cash investments.
<b>Return target</b>	CPI + 3.8% per year over 10 years (after fees, costs and taxes) for a member who has a constant balance of \$50,000 and who does not incur any activity-based fees.
<b>Member suitability</b>	Members who want exposure to a range of asset classes and are comfortable with the value of their investments fluctuating.
<b>Strategic asset allocations and ranges*</b>	<p>Property 3% (0%-23%)</p> <p>Infrastructure and Private Equity 6% (0%-26%)</p> <p>Australian Shares 30% (10%-50%)</p> <p>Cash and Fixed Interest 28% (8%-48%)</p> <p>International Shares 33% (13%-53%)</p>
<b>Minimum suggested time frame for investment</b>	10 years
<b>Expected frequency of negative annual return</b>	Four to less than six in 20 years
<b>Summary risk level</b>	High

\* UniSuper has discretion to determine the extent to which foreign currency risk is hedged. Different currencies may be hedged to different extents (or possibly not at all).

We recommend you read *How we invest your money* at [unisuper.com.au/pds](https://unisuper.com.au/pds) before making a decision about your investment options.

It has detailed information on:

- switching investment options
- how we manage and change our investment options
- our key considerations in determining investment options, and
- the extent to which we take social, ethical, labour and environmental considerations into account when selecting and retaining our investments.

If you'd like more help, consider speaking with a licensed financial adviser.

# Fees and other costs

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

## Consumer advisory warning

### DID YOU KNOW?

**Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.**

**For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).**

**You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.**

**You, or your employer as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.\***

### TO FIND OUT MORE

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

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

These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of UniSuper as a whole.

Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry and exit fees cannot be charged.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document. You should read all the information about fees and other costs because it is important to understand their impact on your investment.

## Changes to fees and costs

If changes (that aren't materially adverse) are made to fees and costs, updated information will be available at [unisuper.com.au](http://unisuper.com.au) or by calling **1800 331 685**. You can request a paper or electronic copy of updated information without charge.

## Fees and costs summary

BALANCED (MYSUPER) INVESTMENT OPTION		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1</sup></b>		
<b>Administration fees and costs</b>	<b>Accumulation 2</b> The lesser of \$96 or 2% of your account balance per year. <sup>1</sup>	<b>Accumulation 2</b> No more than \$8 per month is deducted directly from your account. This fee is assessed and applied at the end of each month or, if you close your account, on that date. <sup>3</sup>  If at the end of the month your account balance is less than \$4,800 (including investment returns, where applied) you'll be charged one month's worth of the 2% annual fee.
<b>Investment fees and costs<sup>2,4</sup></b>	Balanced investment option 0.40% <sup>1</sup> per year.	The investment fee accrues daily (for DBD members, this is only for the investment option(s) your accumulation component is invested in) and is deducted from the Balanced investment option and any other option(s) you're invested in (as relevant). <sup>1,3</sup>
<b>Transaction costs<sup>2,4</sup></b>	0.08% per year.	Transaction costs are incurred over the course of the year and disclosed as a percentage of the average assets of the relevant investment option.
<b>Member activity related fees and costs</b>		
<b>Buy-sell spread</b>	Nil.	Not applicable.
<b>Switching fee</b>	Nil.	Not applicable.
<b>Other fees and costs<sup>3</sup></b>	Refer to 'Additional explanation of fees and costs' for details.	Where these fees and costs are applied to your account, they are deducted as described in the 'Additional explanation of fees and costs' section.

<sup>1</sup> For Accumulation 2 members, if your account balance is less than \$6,000 at the end of UniSuper's income year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

<sup>2</sup> The investment fees and costs and transaction costs shown above are indicative only and are based on the investment fees and costs and transaction costs for the year ended 30 June 2022, including several components which are estimates. The actual amount you'll be charged in subsequent financial years will depend on the actual fees and costs incurred by the Trustee in managing the investment option. Investment fees and costs includes an amount of 0.02% for performance fees. The calculation basis for this amount is set out under 'Additional explanation of fees and costs'. Refer to 'Additional explanation of fees and costs' for more information about how performance fees are calculated, including how performance fees are calculated where there is negative performance in a particular year.

<sup>3</sup> See 'Additional explanation of fees and costs' on page 35 of this PDS.

<sup>4</sup> The investment fees and costs and transaction costs for other investment options are set out on page 36, and are calculated on the same basis, and paid at the same frequency and in the same manner as the Balanced investment option.

## FEES AND OTHER COSTS

## Example of annual fees and costs for the Balanced (MySuper) investment option

This table gives an example of how the ongoing annual fees and costs for the Balanced (MySuper) investment option can affect your superannuation investment over a one-year period. You should use this table to compare this superannuation product with other superannuation products.<sup>1</sup>

To have an investment in MySuper, you must be an Accumulation 2 member with some or all of your account invested in the Balanced option.

EXAMPLE - BALANCED (MYSUPER) INVESTMENT OPTION		BALANCE OF \$50,000 <sup>2</sup>
Administration fees and costs	The lesser of \$96 or 2% of your account balance per year.	For every \$50,000 you have in the superannuation product, you will be charged or have deducted from your investment <b>\$0</b> in administration fees and costs, plus <b>\$96</b> regardless of your balance
<b>PLUS</b> Investment fees and costs	0.40% <sup>3,4</sup>	<b>And</b> , you will be charged or have deducted from your investment <b>\$200</b> in investment fees and costs
<b>PLUS</b> Transaction costs	0.08% <sup>3,4</sup>	<b>And</b> , you will be charged or have deducted from your investment <b>\$40</b> in transaction costs
<b>EQUALS</b> Cost of product		If your balance was \$50,000, at the beginning of the year, then for that year you will be charged fees and costs of <b>\$336</b> for the superannuation product.

<sup>1</sup> Additional fees may apply. If your Accumulation 2 account is invested in investment options other than the Balanced investment option, the investment fees and costs and transaction costs will be different to those displayed. Refer to the 'Additional explanation of fees and costs' section on page 35 for further details.

<sup>2</sup> The calculated amounts do not include contributions that may be made during the year.

<sup>3</sup> The investment fees and costs and transaction costs shown above are indicative only and are based on the investment fees and costs and transaction costs for the year ended 30 June 2022, including several components which are estimates. The actual amount you'll be charged in subsequent financial years will depend on the actual fees and costs incurred by the Trustee in managing the investment option. Investment fees and costs includes an amount of 0.02% for performance fees. The calculation basis for this amount is set out under 'Additional explanation of fees and costs'.

<sup>4</sup> The investment fees and costs and transaction costs for other investment options are set out on page 36, and are calculated on the same basis, and paid at the same frequency and in the same manner as for the Balanced investment option.



## Cost of product information

### Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your superannuation investment over a one-year period for all superannuation products and investment options. It is calculated in the manner shown in the Example of annual fees and costs.

The cost of product information assumes a balance of \$50,000 at the beginning of the year. (Additional fees such as a buy-sell spread may apply: refer to the Fees and costs summary for the relevant superannuation product or investment option.)

You should use this figure to help compare superannuation products and investment options.

This cost of product information is only suitable for use by Accumulation 2 members. No administration fee is deducted directly from the account of DBD members, so these figures are not representative of the total cost of holding these investment options through the accumulation component of the DBD.

INVESTMENT OPTION	COST OF PRODUCT
<b>Conservative</b>	\$361
<b>Conservative Balanced</b>	\$371
<b>Balanced (MySuper)</b>	\$336
<b>Sustainable Balanced</b>	\$271
<b>Growth</b>	\$401
<b>High Growth</b>	\$401
<b>Sustainable High Growth</b>	\$301
<b>Cash</b>	\$131
<b>Australian Bond</b>	\$166
<b>Diversified Credit Income</b>	\$266
<b>Listed Property*</b>	\$211
<b>Australian Shares</b>	\$326
<b>International Shares</b>	\$391
<b>Global Environmental Opportunities</b>	\$276
<b>Australian Equity Income</b>	\$296
<b>Global Companies in Asia</b>	\$316

\* This option is not intended for people who are seeking returns from investing in real property. Investing in a listed REIT is very different from investing in real estate or real property. Refer to *How We Invest Your Money* for more information.

## Additional explanation of fees and costs

### INVESTMENT FEES AND COSTS

The investment fees and costs for the year ending 30 June 2022 (including transaction costs) can be viewed on page 36, or at [unisuper.com.au/investment-costs](https://unisuper.com.au/investment-costs). These costs show the total investment fees and costs attributed to each of our investment options (excluding the fees that are charged directly to your account) as a percentage of the total average net assets of the relevant investment option.

### PERFORMANCE FEES

We don't directly deduct any performance fees from member accounts. However, some external investment managers may be entitled to receive performance fees if they generate strong investment returns. Performance fees may be paid directly out of the fund or may be incurred indirectly out of an interposed vehicle. These are included in the investment fees and costs and are indirectly borne by members invested in an option.

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

Note that managers generally manage portfolios comprising assets which relate to multiple investment options. It's not possible to accurately predict the amount of performance fees that may be payable in respect of a particular investment option in any given year. This will depend on:

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

The table below includes the average performance fee for each option (including performance fees in any interposed vehicles) over the five financial years ended 30 June 2022.

INVESTMENT OPTION	PERFORMANCE FEE
Conservative	0.02%
Conservative Balanced	0.02%
Balanced (MySuper)	0.02 %
Sustainable Balanced	0.00%
Growth	0.05%
High Growth	0.05%
Sustainable High Growth	0.00%
Cash	0.00%
Australian Bond	0.00%
Diversified Credit Income	0.00%
Listed Property <sup>1</sup>	0.00%
Australian Shares	0.05%
International Shares	0.03%
Global Environmental Opportunities	0.00%
Australian Equity Income	0.00%
Global Companies in Asia	0.00%

<sup>1</sup> This option is not intended for people who are seeking returns from investing in real property. Investing in a listed REIT is very different from investing in real estate or real property. Refer to page 6 of *How We Invest Your Money* for more information.

The table below provides the performance fees incurred by the Balanced (MySuper) Option for the last five years.

BALANCED (MYSUPER) PERFORMANCE FEES OVER FIVE YEARS ENDED 30 JUNE 2022	
Year ended 30 June	Performance fee
2018	0.01%
2019	0.02%
2020	0.01%
2021	0.04%
2022	0.05%
Average	0.02% <sup>2</sup>

<sup>2</sup> Average performance fee is calculated prior to rounding for individual years.

INVESTMENT OPTION FEES AND COSTS FOR THE YEAR ENDED 30 JUNE 2022			
<i>Option</i>	<i>Investment fees and costs (%)<sup>1</sup></i>	<i>Transaction costs (%)<sup>1</sup></i>	<i>Total investment fees and costs and transaction costs (%)<sup>2</sup></i>
<b>Conservative</b>	0.36	0.16	<b>0.53</b>
<b>Conservative Balanced</b>	0.38	0.17	<b>0.55</b>
<b>Balanced</b>	0.40	0.08	<b>0.48</b>
<b>Sustainable Balanced</b>	0.33	0.02	<b>0.35</b>
<b>Growth</b>	0.46	0.16	<b>0.61</b>
<b>High Growth</b>	0.47	0.14	<b>0.61</b>
<b>Sustainable High Growth</b>	0.38	0.02	<b>0.41</b>
<b>Cash</b>	0.06	0.01	<b>0.07</b>
<b>Australian Bond</b>	0.13	0.02	<b>0.14</b>
<b>Diversified Credit Income</b>	0.32	0.02	<b>0.34</b>
<b>Listed Property<sup>3</sup></b>	0.21	0.02	<b>0.23</b>
<b>Australian Shares</b>	0.37	0.10	<b>0.46</b>
<b>International Shares</b>	0.51	0.08	<b>0.59</b>
<b>Global Environmental Opportunities</b>	0.32	0.04	<b>0.36</b>
<b>Australian Equity Income</b>	0.36	0.04	<b>0.40</b>
<b>Global Companies in Asia</b>	0.41	0.03	<b>0.44</b>

<sup>1</sup> The investment fees and costs and transaction costs shown above are indicative only and are based on the investment fees and costs and transaction costs for the year ended 30 June 2022, including several components which are estimates. The actual amount you'll be charged in subsequent financial years will depend on the actual fees and costs incurred by the Trustee in managing the relevant investment option. Investment fees and costs may include an amount for performance fees. The calculation basis for this amount is set out under 'Additional explanation of fees and costs'.

<sup>2</sup> Components may not add to 'Total' due to rounding.

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

**FEES AND OTHER COSTS****WHAT'S AN INTERPOSED VEHICLE?**

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

An investor buys shares in a particular company listed on the Australian Securities Exchange (ASX). In this case, the shares in that company are an investment in their own right.

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

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

The Guide is available at [www.asic.gov.au/regulatory-resources/find-a-document/regulatory-guides/](http://www.asic.gov.au/regulatory-resources/find-a-document/regulatory-guides/)

**TRANSACTION COSTS**

Each investment option incurs transaction costs which differ for each option. These may be incurred directly by the Fund or through an interposed vehicle. They may be paid directly out of the Fund or out of an interposed vehicle which may indirectly reduce the return on an investment. These typically include:

- brokerage
- stamp duty
- settlement costs (including custody costs)
- clearing costs, and
- buy-sell spreads.

**INSURANCE PREMIUMS**

The *Insurance in your super* document at [unisuper.com.au/pds](http://unisuper.com.au/pds) has information on the premiums associated with your insurance cover. Applicable insurance premiums are deducted from your account each month. A fee for administering the insurance agreement is included in the premium cost. This administration fee is paid to the Trustee.

**OPERATIONAL RISK FINANCIAL REQUIREMENT**

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

The financial resources are held in the Operational Risk Reserve (ORR). This is funded out of investment related charges which are included in the investment fees and costs for each option. This component of the ORR is currently 0.01% p.a. for each investment option. In accordance with APRA requirements, the ORR has also been funded with respect to the DBD.

**FEES FOR UNISUPER ADVICE**

Factual information and general advice is provided at no additional charge to UniSuper members. The cost of that service is included in the administration fees and costs you pay. You can find out more about this service [unisuper.com.au/advice](http://unisuper.com.au/advice).

UniSuper Advice is a financial planning service generally available to UniSuper members, former members and their families through UniSuper Management Pty Ltd (USM) ABN 91 006 961 799 Australian Financial Services Licence No. 235907, which is licensed to provide financial advice services and deal in financial products. UniSuper advisers are employees of USM. They are remunerated by way of a base salary and potential bonuses.

UniSuper Advice offers personal scaled advice on several topics, or comprehensive personal advice. Personal scaled advice covers topics like super contributions, investment options and insurance as they relate to your UniSuper account. Comprehensive advice includes retirement planning, insurance, non-super investments and wealth accumulation.

You'll receive an advice fee quote before UniSuper Advice proceeds with personal advice services. You'll be charged on a fee-for-service basis at either a fixed or hourly rate. The cost of the service provided varies depending on a number of factors, including the complexity of the advice sought, and the cost for some personal scaled advice may be partially included in the administration fees and costs you pay.

These fees are additional to the fees stated in this PDS.

You can learn more about UniSuper Advice by referring to the *Financial Services Guide—Personal Advice and Financial Services Guide—General Advice*, available at [unisuper.com.au/financial-advice/types-of-advice](https://unisuper.com.au/financial-advice/types-of-advice) or by calling us.

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

### EXCLUDED TRANSACTIONAL AND OPERATIONAL COSTS

The following transactional and operational costs are excluded from the investment fees and costs:

- borrowing costs
- property operating costs, and
- implicit transaction costs and market impact costs other than in relation to certain derivative financial products.

### TAX

See the *Product Disclosure Statement* and the *How super is taxed* document for information on the tax applicable to your account. We'll provide you with a 15% rebate for administration fees, switching fees and external insurance premiums paid where a tax deduction is available to us. This means for every \$100 in fees and premiums deducted from your account, we provide you with a \$15 rebate to reduce these costs. The rebates for administration fees and external insurance premiums are credited to your account on a monthly basis.

### GST AND STAMP DUTY

Fees and costs may include GST and stamp duty where applicable. The amount of GST payable may be reduced in certain circumstances as a result of tax credits available to the Trustee.

### BANK FEES

The Trustee reserves the right to recover any bank fees incurred on a cost recovery basis.

### ALTERATIONS TO FEES

Fees are generally reviewed annually and may change without your consent. We reserve the right to introduce a new fee or change any fees. We will give you 30 days' written notice (except where an increase in fee or charge is attributable to an increase in the Trustee's costs in managing your investments) before a new or increased fee takes effect. Where an increase in fee or charge is attributable to an increase in the Trustee's costs of managing your investments, the Trustee will notify you as soon as possible after the change takes effect, but not more than three months after the event occurs unless the change is not materially adverse, in which case the Trustee will notify you within 12 months of the change.

## Defined fees

This section defines the different fees and costs that are able to be legally charged to your UniSuper account. Not all charges apply to your UniSuper account.

### ACTIVITY FEES

A fee is an activity fee if:

- a) the fee relates to costs incurred by UniSuper's Trustee that are directly related to a Trustee activity:
  - i. that is engaged in at the request, or with the consent, of a member; or
  - ii. that relates to a member and is required by law; and
- b) those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a buy-sell spread, a switching fee, an advice fee or an insurance fee.

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



**FEES AND OTHER COSTS****ADMINISTRATION FEES AND COSTS**

Administration fees and costs are fees that relate to the administration or operation of UniSuper and includes costs incurred by UniSuper's Trustee that:

- relate to the administration or operation of UniSuper; and
- are not otherwise charged as investment fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

*UniSuper's administration fee for DBD members is deducted from the assets of UniSuper's defined benefit pool. For Accumulation 2 members it is the lesser of \$96 or 2% of your account balance each year.*

**ADVICE FEES**

A fee is an advice fee if:

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

*Refer to the 'Fees for UniSuper advice' section on page 37 for information about advice fees in UniSuper.*

**BUY-SELL SPREADS**

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

*Buy-sell spreads do not currently apply to your UniSuper account.*

**EXIT FEES**

An exit fee is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in UniSuper.

*UniSuper does not charge exit fees.*

**INVESTMENT FEES AND COSTS**

Investment fees and costs are fees that relate to the investment of UniSuper's assets and includes:

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

*Investment fees and costs are deducted indirectly from your UniSuper account. A breakdown of these fees to 30 June 2022, for each investment option, is provided on page 36.*

**SWITCHING FEES**

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

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

*UniSuper does not charge switching fees.*

**TRANSACTION COSTS**

Transaction costs are costs associated with the sale and purchase of assets of UniSuper's assets other than costs that are recovered by UniSuper charging buy-sell spreads.

*Transaction costs are deducted indirectly from your UniSuper account. A breakdown of these fees to 30 June 2022, for each investment option, is provided on page 36.*



# How super is taxed

Super can be a tax-effective way to save for retirement because the government provides tax breaks and incentives. Here's how tax can affect your super.

## Tax on contributions

This table is an overview of tax on contributions to super. It assumes you've provided us with your tax file number (TFN). For more information, visit [unisuper.com.au/pds](https://unisuper.com.au/pds) and read to the *How super is taxed* document.

MAIN TYPES OF CONTRIBUTIONS	HOW MUCH TAX IS PAID	HOW THE TAX IS PAID
<b>Concessional (before-tax) contributions:</b> <ul style="list-style-type: none"> <li>Superannuation Guarantee (SG) employer contributions</li> <li>Salary sacrifice contributions made by your employer from your before-tax salary</li> <li>Personal contributions where you provide us with a valid form that states your intention to claim a tax deduction</li> <li>Notional taxed contributions for your defined benefit interest.<sup>2</sup></li> </ul>	15% on contributions up to the concessional (before-tax) contributions cap. <sup>1</sup>	<p>Where the concessional (before-tax) contributions are paid into your accumulation component the tax is deducted from that account.</p> <p>Tax on notional taxed contributions is deducted from the defined benefit pool of assets. No charge is deducted directly from your accumulation component.</p>
	<p>Contributions which exceed your concessional contributions cap are included in your assessable income and taxed at your marginal tax rate. You may be eligible to carry forward any unused concessional contributions to a future financial year.</p> <p>You'll also be entitled to a 15% tax offset on the excess concessional contribution (because you have already paid tax on this money). The offset is not refundable.</p> <p>You can release up to 85% of your excess concessional contributions from your accumulation component. Amounts cannot be released from your defined benefit interest.</p> <p>Any excess concessional contributions <b>not</b> released from super are counted towards your non-concessional (after-tax) contributions cap.</p> <p>Any excess concessional contributions you release from your super account will no longer count toward your non-concessional contributions cap.</p>	<p>The ATO will provide you with an assessment. The tax is paid 'out of your pocket' to the ATO. If you choose to release some of your excess contributions, we pay this to the ATO, who will offset it against any outstanding tax or other Australian government debts you have before refunding any remaining balance.</p>

<sup>1</sup> If your income for the purposes of 'Division 293 tax' exceeds \$250,000 during an income year, additional tax may apply to your concessional tax contributions. For more details, visit [unisuper.com.au/pds](https://unisuper.com.au/pds) and read the *How super is taxed* document.

<sup>2</sup> See page 43 for further information about Notional taxed contributions.

MAIN TYPES OF CONTRIBUTIONS	HOW MUCH TAX IS PAID	HOW THE TAX IS PAID
<b>Non-concessional (after-tax) contributions:</b> <ul style="list-style-type: none"> <li>Personal contributions that haven't been claimed as a tax deduction</li> <li>Contributions your spouse makes on your behalf. These are treated in the same way as after-tax contributions, provided your spouse doesn't claim the contribution as a tax deductible employer contribution and provided you're not living separately from your spouse</li> <li>Excess concessional contributions not released from your super account.</li> </ul>	There's no tax payable on non-concessional contributions made up to your non-concessional contributions cap.	
	<p>If you exceed the non-concessional contributions cap, you may choose to release the super contributions in excess of your non-concessional contributions cap plus 85% of any associated earnings. Amounts cannot be released from your defined benefit interest.</p> <p>The associated earnings released are taxed at your marginal tax rate. You will also be entitled to a 15% tax offset on the associated earnings included in your assessable income (because you've already paid contributions tax on this money).</p> <p>The offset is not refundable.</p>	<p>The ATO will provide you with an assessment.</p> <p>The funds released are paid from us to the ATO, who will offset it against any outstanding tax or other Australian government debts you have before refunding any remaining balance.</p>
	If you choose not to release your excess non-concessional contributions, they will remain in your super account and the excess will be taxed at 47%.	The excess contributions tax is paid out of your nominated super account.

## Government caps on contributions

The government imposes limits, called contributions caps, on the total amount of contributions you can make to super in each financial year and still receive concessional tax treatment on those contributions.

If you exceed the caps, you may pay a higher tax rate on contributions that exceed the caps, or we may be unable to accept contributions in some circumstances.

Each cap applies to all contributions made by you or on your behalf in a financial year, regardless of how many employers or super funds you have. Some contributions, including Government co-contributions and certain personal injury payments, are not included in any of the caps.

It's your responsibility to monitor the contributions made into your UniSuper account, and to any accounts you may hold in other super funds, to ensure you don't exceed the caps.

CONTRIBUTION CAPS (2022-23) <sup>1</sup>	
Concessional cap	Non-concessional cap
\$27,500 <sup>2</sup>	\$110,000 <sup>3</sup>

<sup>1</sup> Your cap may be different to the standard non-concessional cap if you are eligible for or have already triggered the bring forward rule. Read *How super is taxed* at [unisuper.com.au/pds](https://unisuper.com.au/pds) for more details.

<sup>2</sup> There's 15% tax payable by your fund on concessional (before-tax) contributions paid into a super fund. Your super fund usually reduces your super account by your share of this tax. You may be subject to additional 'Division 293' tax if you are a high-income earner. For more details, visit [unisuper.com.au/pds](https://unisuper.com.au/pds) and read the *How super is taxed* document.

<sup>3</sup> An additional cap—the *total super balance*—applies to non-concessional (after-tax) contributions. Read *How super is taxed* at [unisuper.com.au/pds](https://unisuper.com.au/pds) for more details.

## DBD MEMBERS AND NOTIONAL TAXED CONTRIBUTIONS

It's important to note when considering your contributions caps how notional taxed contributions (NTCs) apply to DBD members. NTCs are the notional amount of contributions—excluding non-concessional (after-tax) contributions—that relate to your defined benefit component. NTCs count towards your concessional contributions cap and are added to the other concessional (before-tax) contributions made to your accumulation component in a financial year.

### What this means

NTC values are generally lower than the actual amount of contributions that relate to your defined benefit component. This means you may be able to 'top up' your before-tax contributions to your accumulation component without exceeding your concessional contributions cap.

It's important to remember that although your NTC value may generally be lower than the actual contributions that relate to your defined benefit component, your final benefit is not affected in any way. Your benefit is still calculated using the formula set out in the Trust Deed. You can find out more about NTCs and how they affect you by logging into your account on our website. You can also find more details in the following fact sheets at [unisuper.com.au/factsheets](https://unisuper.com.au/factsheets):

- *The concessional contributions cap and NTC rates for DBD members receiving 17% employer contributions*
- *The concessional contributions cap and NTC rates for DBD members receiving 14% employer contributions.*

## Tax on transfers

If you transfer your super from one fund to another, there isn't any tax payable unless the amount contains an untaxed element, e.g. from a public-sector super fund. Any untaxed element transferred to UniSuper is taxed at 15% when we receive it.

## Tax on investment earnings

Investment earnings are generally taxed at up to 15%. This tax is deducted from the Fund's investment earnings before they're allocated to your account.

## Tax on withdrawals

You may have to pay tax when you withdraw super from us. We'll normally deduct any tax before paying you. The amount of tax will depend on things like your age and how your benefit is paid.

Your payment will generally be tax free if you're 60 or older, but it may incur tax if you're under 60.

Regardless of your age, your payment may incur tax if it's paid in some circumstances (like if you die and a death benefit is paid to a non-dependant for tax purposes). For more information, please read the *How super is taxed* document.

### More information

Visit [unisuper.com.au/tfn](https://unisuper.com.au/tfn) to read the important information about providing your TFN. You can also request a printed copy, free of charge, by calling **1800 331 685**.



# Other super contributions

## Other ways to contribute to super

### **VOLUNTARY CONTRIBUTIONS**

These are optional contributions made over and above your default member contributions and go into your accumulation component/account. Voluntary contributions can be made either before-tax (concessional) or after-tax (non-concessional).

### **SALARY SACRIFICE CONTRIBUTIONS**

You can sacrifice part of your take-home pay and add it to your super. You can set this up through your employer, and you may get some tax benefits too. Many employers allow you to make super contributions from your salary before income tax is deducted. Salary sacrifice contributions count towards your concessional contributions cap.

### **SPOUSE CONTRIBUTIONS**

You may be eligible to make an after-tax contribution into your partner's super account, or vice versa. You may be able to claim an 18% tax offset on contributions of up to \$3,000 you make to your spouse's super account providing they meet certain conditions. You both must be Australian residents when the contribution is made.

### **DOWNSIZER CONTRIBUTIONS**

If you're 60 or over and are looking to sell the family home, you may also consider making 'downsizer' contributions with the proceeds. Read *How super works* at [unisuper.com.au/pds](https://unisuper.com.au/pds) for more information. A proposal to reduce the minimum eligible age from 60 to 55 is under consideration. However, at the date of this PDS, the change has not yet been legislated.

### **GOVERNMENT CO CONTRIBUTIONS**

Depending on your annual income and other eligibility criteria, the government will pay up to 50 cents for every extra dollar you add to your super in a financial year. When you lodge your tax return, the Australian Taxation Office (ATO) will decide how much you're eligible to receive and make the payment into your super. This is called a 'co-contribution'.

### **LOW INCOME SUPERANNUATION TAX OFFSET (LISTO)**

The LISTO is a government payment of up to \$500 to help boost the super savings of low-income earners. LISTO provides a tax offset of up to \$500 per annum for individuals with a taxable income up to \$37,000 who satisfy the eligibility criteria. Eligible members will receive a government super payment of 15% of their concessional super contributions.

Read the *How super works* and *How super is taxed* documents at [unisuper.com.au/pds](https://unisuper.com.au/pds) for more information on all these contributions.

### **TRANSFERRING SUPER FROM OTHER SUPER FUNDS**

Got super here, there and everywhere?

If you've had more than one job throughout your working life, there's a chance you've got more than one super account. It's easy to find all your super and bring it together in one account. Go to [unisuper.com.au/combine](https://unisuper.com.au/combine) for more information and to get started. Before combining your super, consider the possible effects this might have on things like the fees you pay, the conditions of your insurance and the tax on your super. There could be other effects too, so it's best to seek financial advice if you're unsure.

## When we can't accept contributions

In some cases, certain requirements must be met before we're able to accept your contributions.

### **IF YOU DON'T PROVIDE US WITH YOUR TFN**

Your TFN is a unique, confidential number which links all your investments, super and tax records to your identity. While it's not compulsory to give us your TFN, if you don't, any contributions or transfers that would attract tax (such as employer contributions or salary sacrifice contributions) may be taxed at the highest marginal tax rate and you may no longer be eligible for DBD membership. We also won't be able to accept non concessional (after-tax) contributions if we don't have your TFN. However, if you want to join the DBD it is compulsory to provide us with your TFN.

### **AGE RESTRICTIONS ON CONTRIBUTING TO SUPER**

There are age restrictions on when we can and can't accept contributions.

If you're a DBD member and you reach age 75, your defined benefit component will be deferred, and any future contributions will be made to your accumulation component.

Read the *How super works* document at [unisuper.com.au/pds](https://unisuper.com.au/pds) for more information.

# Accessing super

There are restrictions on when you can withdraw your money from super funds.

## When can you access your super?

To access your super, you must satisfy what is known as a 'condition of release'. Retirement is the most common condition of release, but there are others, including:

- ceasing employment on or after the age of 60
- turning 65
- permanent incapacity
- having an account balance of less than \$200 when you terminate employment with an employer who contributed to UniSuper, and
- death.

For information about additional special circumstances and accessing your super, visit [unisuper.com.au/pds](https://unisuper.com.au/pds) and read the *How super works* document.

### DEFINED BENEFIT MEMBERS

Restrictions imposed under UniSuper's Trust Deed limit when you can access your defined benefit component. Generally, you can only withdraw all or part of your defined benefit component if that component consists entirely of unrestricted non-preserved super (super that can be paid with no restrictions on request).

If you withdraw all or part of your defined benefit component, you'll cease to be a DBD member and generally any remaining defined benefit component will be transferred together with your accumulation component to an accumulation account.\* Any future employer and member contributions will be made into this account.

Different rules apply to requests to withdraw benefits on the grounds of family law, severe financial hardship or ATO approved compassionate grounds.

### WHEN YOU RETIRE OR LEAVE YOUR JOB

'Retirement' has its own definition in super. There are three ways you can retire:

1. You're between your preservation age and 60 and:
  - you've left a job and
  - you never intend to work full-time or part-time again
2. You turned 60 and then you've left a job; or
3. You're 60 or over and:
  - you left a job before turning 60 and
  - you never intend to work full-time or part-time again.

Your balance will include your accumulation super which includes investment returns (which may be positive or negative), minus any fees, costs, charges and taxes. We may need to verify your identity, or that of your beneficiaries, when we pay a benefit to you or them.

### TAKING YOUR SUPER AS A TTR FLEXI PENSION WHILE YOU'RE WORKING

Under the government's transition to retirement (TTR) rules, you may be able to start a TTR Flexi Pension if you're still working, you've reached your preservation age, and you satisfy the eligibility requirements. You should read the *Flexi Pension PDS* at [unisuper.com.au/pds](https://unisuper.com.au/pds) before deciding to start a TTR Flexi Pension.

If you use any part of your defined benefit component to set up a TTR Flexi Pension, you'll cease to be a DBD member and will be transferred to an accumulation account\* and your inbuilt benefits will cease. Your benefit entitlements will then be based on your account balance. If you're still employed and eligible, you can elect to receive transitioned external insurance cover for Death, TPD and Income Protection. For more information about how inbuilt benefits are impacted when transferring to Accumulation 2 read the *What happens to your inbuilt benefits if you choose Accumulation 2?* document available at [unisuper.com.au/pds](https://unisuper.com.au/pds).

\* If you're still receiving 14% or 17% contributions, we'll transfer you to an Accumulation 2 account. If you only receive Superannuation Guarantee (SG) contributions, we'll transfer you to an Accumulation 1 account.

### PARTIAL DBD WITHDRAWALS

You can access some of the super in your defined benefit component and remain a DBD member in the following limited circumstances:

- you elect to take a lump sum inbuilt disablement benefit, or
- to give effect to:
  - a Family Law payment split, or
  - a payment on approved compassionate or severe financial hardship grounds.

If this occurs, the value of your defined benefit component will be reduced to reflect the amount paid. To do this, a 'reduction factor' will be determined and applied to your Benefit Service—a part of the formula which is used to calculate your defined benefit. The reduction factor will continue to apply to all future defined benefit lump sum calculations. Given the reduction factor decreases the value of your defined benefit component, the value of your inbuilt death benefit also reduces.

For more information, visit [unisuper.com.au/factsheets](https://unisuper.com.au/factsheets) and read the *How your defined benefit component is affected after a partial withdrawal* fact sheet.

### PORTABILITY TRANSFERS

Under portability transfer rules, you can transfer all or part of your accumulation component or Accumulation 2 account into another complying super fund. Your employer will continue to make contributions into UniSuper on your behalf so your UniSuper account will remain open. You may request a portability transfer up to four times in each 12-month period. If you're not transferring the entire amount, you must leave at least \$6,000 in your UniSuper account. If you want to elect choice of fund for your ongoing employer contributions, complete the choice of fund form and return it to your employer.

If you're a DBD member, you can't transfer your defined benefit component.

If you transfer your entire accumulation component or account to another super fund, your insurance cover (if applicable) will be cancelled because you won't have enough money in your accumulation component/account to cover your insurance premiums when due.

Visit [unisuper.com.au/forms](https://unisuper.com.au/forms) and download a *Portability and rollover* form.

### CHOICE OF FUND

- Under Choice of Fund legislation, certain employees can choose the super fund for their Superannuation Guarantee contributions.
- If you're a DBD member, you may not be eligible for choice of fund.
- If you're an Accumulation 2 member and eligible for choice of fund, and you nominate another super fund, your employer can pay contributions into your chosen fund.

If you request a full withdrawal, the amount we pay you will include your investment returns (positive or negative) on your account up to the day prior to processing your withdrawal. Your insurance cover will cease if you close your account, or you have insufficient funds to cover your insurance premiums.

# General information

Some extra important information you should know as a UniSuper member.

## Making a complaint

Providing great service and genuine care underpins everything we do.

If something has gone wrong or you're not happy with our service, tell us so we can do our best to fix it quickly.

Please call us on **1800 331 685** and we'll do our best to resolve your complaint as soon as possible. We're available from 8.30am to 6.00pm, Monday to Friday.

Alternatively, you can make your complaint by:

- Online form or chat service accessible at [unisuper.com.au/complaints](https://unisuper.com.au/complaints)
- Mail: Complaints Officer, UniSuper, Level 1, 385 Bourke St, Melbourne VIC 3000

You'll need to provide details about your complaint, including:

- your member number and contact details
- the reason for your complaint
- the outcome you're seeking
- any supporting information.

### HOW WE HANDLE YOUR COMPLAINT

We'll provide confirmation when we receive the complaint and keep you updated with our investigation.

You can expect an outcome within:

- 30 days for financial advice complaints
- 45 days for super complaints
- 90 days for objections to death benefit distributions (starting after the 28-day deadline to submit your objection).

There may be times where we can't reasonably respond within these timeframes. We'll let you know in writing if this happens.

For more information about our complaints process, download our Complaints Policy from our website at [unisuper.com.au/complaints](https://unisuper.com.au/complaints).

### IF YOU'RE NOT SATISFIED WITH OUR RESPONSE

You can make a complaint at any time with the Australian Financial Complaints Authority (AFCA).

This includes when:

- you're unhappy with our formal response
- you haven't received a response within the applicable timeframe
- you'd prefer to speak to someone else.

AFCA provides a fair and independent complaint resolution service at no cost.

You can lodge a complaint with AFCA by:

- Phone: 1800 931 678
- Email: [info@afca.org.au](mailto:info@afca.org.au)
- Mail: Australian Financial Complaints Authority Limited, GPO Box 3, Melbourne VIC 3001

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

Visit [www.afca.org.au](https://www.afca.org.au) for more information about AFCA and their complaint resolution approach.

Visit [unisuper.com.au/complaints](https://unisuper.com.au/complaints) for more information.

## How we protect your privacy

UniSuper is committed to protecting your personal information in accordance with privacy law obligations. The information that you provide to UniSuper is collected and used in accordance with our Privacy Policy which can be found online at [unisuper.com.au/privacy](https://unisuper.com.au/privacy). If you have any privacy related questions, please call **1800 331 685**.

## Jargon buster

The super industry is full of terms that can be hard to understand. We've tried our best to keep our information straightforward, but you might find this jargon buster useful as you read the PDS.

JARGON	WHAT IT MEANS
<b>Accumulation component</b>	DBD membership has two parts—a 'defined' part based on a formula, and an 'accumulation' part (component). Some contributions, like transfers from other super funds, don't go into 'defined' super—they get added to your accumulation component. You can choose how the money in your accumulation component is invested.
<b>Average Contribution Factor (ACF)</b>	<p>A component of the Defined Benefit Division (DBD) formula used to calculate your benefit. Your ACF is the time-weighted average of your contribution factor, i.e. what level of default member contributions you've made over your DBD membership. If you always make full default member contributions (7% after tax or 8.25% before tax), your ACF is 100%. Reducing your default member contributions will generally decrease your ACF.</p> <p>Read more about contributions factors on page 50.</p>
<b>Average Service Fraction (ASF)</b>	A component of the DBD formula used to calculate your benefit. This refers to how much of your DBD membership you've spent in full-time employment. It's calculated by averaging all of your Service Fractions over your period of DBD Benefit Service. For example, if you always worked full-time when you've been contributing to the DBD, your ASF is 100%. However, any breaks in employment will reduce your ASF. Typical breaks in employment include the time between ceasing one job and starting another, periods of leave without pay, periods of part-time work and half contributions. Breaks in employment are calculated in days and include weekends.
<b>Beneficiary</b>	The person(s) you nominate to receive your death benefit if you die. To be eligible as a beneficiary when you die, the recipient must be your spouse or child, financially dependent on you, in an interdependency relationship with you or be your legal personal representative.
<b>Benefit Salary</b>	<p>A component of the DBD formula used to calculate your benefit. Your Benefit Salary is generally the average of your annual equivalent full-time salary (not indexed) over your last five years of employment with a UniSuper participating employer(s) as a contributing DBD member, and is re-calculated every time when your benefit is quoted. If you've worked for less than five years, it's generally averaged over the time you've been employed as a contributing DBD member.</p> <p>When you're not contributing to the DBD for more than three months, such as when you're on leave without pay, in receipt of a temporary incapacity or disablement benefit, or if you defer your DBD benefit, your salaries prior to this period of not contributing are included when calculating your Benefit Salary and may be indexed with regard to the Consumer Price Index (CPI) movement. Depending on actual CPI movements, the indexation component, and therefore your Benefit Salary, can move up or down. However, your Benefit Salary will not reduce below the average of your annual equivalent full-time salaries within the averaging period.</p>
<b>Benefit Service</b>	A component of the DBD formula used to calculate your benefit. Your period of service covers the years and days of your DBD membership. If you're a contributing member and you die before age 60, your benefit service will also include the period from the date of your death to what would have been your 60th birthday. If you're a contributing member and you suffer disablement, your Benefit Service covers the period (years and days) from the date of your disablement up to age 65.

## GENERAL INFORMATION

JARGON	WHAT IT MEANS
<b>Concessional contribution</b>	A concessional contribution is generally a contribution which is included in the fund's assessable income. This is generally money added to super before income tax is taken out. It's taxed at 15%—not at your income tax rate, but may be subject to additional 'Division 293' tax if you are a high-income earner. For more details, visit <a href="https://unisuper.com.au/pds">unisuper.com.au/pds</a> and read the <i>How super is taxed</i> document. Examples of concessional contributions are 'employer contributions' and 'salary sacrifice contributions'.
<b>Contributions caps</b>	The maximum amount you can pay into super each year without having to pay extra tax. There are two types of contributions caps – concessional (before tax) and non-concessional (after tax).
<b>Default member contributions</b>	This is money that comes from your pay, and goes into your super, over and above your employer's contributions. As a DBD or Accumulation 2 member, the default level is 7% after tax of your salary. You can lower your default member contributions, but this will reduce the amount you have when you retire, as you'll have contributed less (it may also affect the availability of insurance cover). See page 18 for more information.
<b>Defined benefit</b>	Super which is calculated using a formula that's typically based on the number of hours worked (e.g. full or part time), your salary, your age and your level of contributions.
<b>Inbuilt benefits</b>	Inbuilt benefits are provided by UniSuper exclusively to DBD members. Inbuilt benefits are part of the DBD's overall design—there are no charges deducted from your account balance to pay for them—and can provide financial protection against injury, illness or death.
<b>Investment options</b>	You can choose how your accumulation component is invested. We offer 16 different investment options, each with differing levels of risk and expected returns. There's a default option if you don't choose. You don't choose investment options for defined benefit super as it's determined by a formula.
<b>Lump sum</b>	When super is withdrawn as a single amount—rather than being transferred into a pension or income stream—we call this a lump sum.
<b>Lump Sum Factor</b>	A component of the DBD formula used to calculate your benefit, based on your age.
<b>MySuper</b>	A simple superannuation solution designed to protect members by ensuring certain rules are met in relation to investment strategy, fees and insurance cover.
<b>Non-concessional contributions</b>	This is money added to super <b>after</b> income tax has been taken out. It doesn't get taxed, because you've already paid tax on it (although limits do apply). These include personal or voluntary contributions that haven't been claimed as a tax deduction.
<b>Salary sacrifice contributions</b>	An arrangement between you and your employer where you contribute ('sacrifice') some of your before-tax salary into super. Salary sacrifice contributions into super can have tax and income advantages and are generally taxed at 15%.
<b>Trustee</b>	This is a company appointed to make sure the fund operates in accordance with our Trust Deed and with relevant law. Trustees are obliged to act in the best financial interests of members. Our Trustee is called UniSuper Limited.

**We're here to help**

We're available on your campus to help with information and general advice about your membership and our range of products. You might find it beneficial to speak to one of our consultants — either on campus, via video conference or at one of our member centres. Visit [unisuper.com.au/oncampus](https://unisuper.com.au/oncampus) to book an appointment.



## Definitions

### ACCUMULATION 1 ACCOUNT

An *Accumulation 1* account is an 'accumulation-style' account within UniSuper. Accumulation 1 is our default product. Accumulation 1 accounts are typically made up of employer super guarantee contributions, any voluntary member contributions, investment returns (which can be positive or negative), money transferred from other super funds and any other contributions such as spouse contributions.

Fees, costs, insurance premiums (if applicable) and taxes are deducted from these accounts.

### AUTOMATIC ACCEPTANCE LIMIT

means for:

- a DBD member, three units of:
  - i. Death only cover;
  - ii. TPD only cover; or
  - iii. Death and TPD cover, and
- an Accumulation 2 member, \$1.2 million for:
  - i. Death only cover;
  - ii. TPD only cover; or
  - iii. Death and TPD cover
- an Accumulation 2 member, the lesser of 34 units of Income Protection cover per month and the next-highest number of units which equates to 85% of the member's salary at the date insured cover commenced under the policy.

### CHILD/CHILDREN

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

### CONTRIBUTION FACTORS

Contribution factors are applied on a time-weighted basis in the benefit calculation – see the definition of Average Contribution Factor in the Jargon Buster section. If you reduce your default member contributions, the final benefit you receive will generally also reduce. This reduction to your defined benefit entitlement will be calculated by adjustments to your Average Contribution Factor. See page 19 for more information on the impact of reducing your default member contributions.

#### IF YOU RECEIVE 17% EMPLOYER CONTRIBUTIONS

<i>Default member contribution (after-tax)</i>	<i>Default member contribution (before-tax)</i>	<i>Contribution factor</i>
7.00%	8.25%	100%
4.45%	5.25%	100%
4.00%	4.70%	97.4%
3.00%	3.55%	91.7%
2.00%	2.35%	86.0%
1.00%	1.20%	80.2%
0.00%	0.00%	74.5%

#### IF YOU RECEIVE 14% EMPLOYER CONTRIBUTIONS

<i>Default member contribution (after-tax)</i>	<i>Default member contribution (before-tax)</i>	<i>Contribution factor</i>
7.00%	8.25%	100%
6.55%	7.70%	97.4%
5.55%	6.55%	91.7%
4.55%	5.35%	86.0%
3.55%	4.20%	80.2%
2.55%	3.00%	74.5%

### DEFINED BENEFIT COMPONENT

The part of your Defined Benefit Division benefit that's calculated in accordance with a formula that generally takes into account your five-year Benefit Salary, Benefit Service, Lump Sum Factor, Average Service Fraction (ASF) and Average Contribution Factor (ACF).

### DISABLEMENT (INBUILT BENEFITS)

A state of health which in the opinion of the Trustee renders a member permanently incapable of performing duties or engaging in employment for which they are reasonably qualified by training and experience and:

- the member satisfies the waiting period, which is generally 60 working days within 12 consecutive months, and
- the Trustee is satisfied that the state of health is not due to or induced by any wilful action on the part of the member to obtain a benefit.

**DEFINITIONS**

If you haven't met the waiting period prior to your date of termination, you'll generally have until the later to occur of:

- 60 working days; or
- three months;

from that date to do so.

**ILLNESS (EXTERNAL COVER)**

Refer to the 'Definitions' section of the *Insurance in your super* document available on our website.

**INJURY (EXTERNAL COVER)**

Refer to the 'Definitions' section of the *Insurance in your super* document available on our website.

**INTERDEPENDENCY RELATIONSHIP**

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

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

**INCOME PROTECTION DEFINITIONS OF DISABILITY (EXTERNAL COVER)****Partially disabled/partial disability/partial disablement**

Refer to the 'Definitions' section of the *Insurance in your super* document available on our website.

**Totally disabled/total disability/total disablement**

Refer to the 'Definitions' section of the *Insurance in your super* document available on our website.

**LEGAL PERSONAL REPRESENTATIVE**

Your legal personal representative is the executor of your Will, or the administrator of your estate if you die without a Will.

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

**LUMP SUM FACTOR**

Your Lump Sum Factor is determined by your age, as shown in the following table.

AGE WHEN YOU RETIRE OR LEAVE	LUMP SUM FACTOR (%)
40 or under	18.0
41	18.2
42	18.4
43	18.6
44	18.8
45	19.0
46	19.2
47	19.4
48	19.6
49	19.8
50	20.0
51	20.2
52	20.4
53	20.6
54	20.8
55	21.0
56	21.2
57	21.4
58	21.6
59	21.8
60	22.0
61	22.2
62	22.4
63	22.6
64	22.8
65 and over	23.0

Please note that the proportion of days between your last birthday and next birthday is considered when determining your Lump Sum Factor.

**PRE-DISABILITY INCOME**

Refer to the 'Definitions' section of the *Insurance in your super* document available on our website.

**PRE-EXISTING CONDITION (PEC) (EXTERNAL COVER)**

Refer to the 'Definitions' section of the *Insurance in your super* document available on our website.

**POTENTIAL SERVICE**

The number of years from your date of death until you would have reached age 60.

**SALARY**

Refers to the annual rate of salary or remuneration payable. Salary includes:

- any allowance which is taken into account for the purpose of calculating superannuation entitlements; and
- Payments which are paid to or in respect of the Member under legislation or an industrial agreement or award or otherwise instead of salary.

Salary does not include overtime and other payments of emoluments of a special nature.

The Trustee can declare the level of salary in certain circumstances, for example where there has been abnormal variation in salary, or a change in method of calculating the salary.

**SERVICE FRACTION**

Refers to how much of your time in the DBD has been spent in full-time employment.

**SPOUSE**

- a person to whom you're legally married
- a person, whether of the same sex or opposite sex, with whom you are in a relationship that is registered under a prescribed Australian State or Territory law as a prescribed kind of relationship, and
- a person, whether of the same sex or opposite sex, with whom you are not legally married but who lives with you on a genuine domestic basis as a couple within the meaning of superannuation law.

**TEMPORARY INCAPACITY (INBUILT BENEFITS)**

A state of health which, in the opinion of the Trustee, renders a member unable to perform their own duties or any other duties for which they're reasonably qualified by training and experience and available at the member's employer where:

- the member has been absent from employment through injury or illness for the waiting period (which is generally sixty working days within a period of 12 consecutive months for a full-time employee), immediately before making a claim for the benefit, and
- the Trustee is satisfied that the state of health is not due to or induced by any wilful action on the part of the member to obtain a benefit.

In some circumstances, a temporary incapacity benefit may be payable despite the waiting period being completed after ceasing employment. Refer to page 12 for more information.

**TERMINAL ILLNESS OR TERMINALLY ILL (EXTERNAL COVER)**

Refer to the 'Definitions' section of the *Insurance in your super* document available on our website.

**TERMINAL MEDICAL CONDITION (INBUILT BENEFITS)**

A condition in relation to the member where the Trustee is satisfied that the following circumstances exist:

- two registered medical practitioners have certified separately that the person suffers from an illness, or has incurred an injury, where it is likely to result in the death of that person with a period that ends not more than 12 months after the date of the certification,
- at least one of the registered medical practitioners is a specialist practising in the area related to the illness or injury suffered by the person, and
- for each of the certificates, the 12-month period has not ended.

**TOTAL AND PERMANENT DISABLEMENT OR TOTALLY AND PERMANENTLY DISABLED (TPD) (EXTERNAL COVER)**

Refer to the 'Definitions' section of the *Insurance in your super* document available on our website.

**TOTAL SUPER BALANCE**

Your 'total superannuation balance' is generally made up of the balance of all your superannuation and retirement saving accounts. This is reduced by the sum of any personal injury structured settlement amounts contributed to your super.

# Defined Benefit Division/ Accumulation 2 – changing your default options form

## Already a UniSuper member?

If you've recently moved employers and are a DBD or Accumulation 2 member, you don't need to complete this form.

If you'd like to make changes to your account, log in at [unisuper.com.au](https://unisuper.com.au) and process your request online.

- any accumulation contributions to your account will be invested in the Balanced (My Super) investment option if you haven't chosen an investment strategy, and
- where eligible, you'll receive one unit of Death and Total and Permanent Disablement (TPD) cover (subject to age and contributions) without needing to provide evidence of your health to our Insurer.

**If you wish to change any of these arrangements, complete this form and return it to us. Don't return this form any earlier than two weeks before the date you want to opt in to the DBD.**

You have two years from the date you join the DBD to decide whether you'd like to remain in it or move to Accumulation 2. Once you've made your decision, you can't change your mind.

The information you provide on this form will also apply to your Accumulation 2 membership, should you choose to transfer. Read more about the difference between the DBD and Accumulation 2—including how to transfer—in the PDS and at [unisuper.com.au](https://unisuper.com.au).

**If you're joining, transferring, or are an existing DBD/ Accumulation 2 member, please also note:**

- If you wish to reduce your default member contributions complete the *Change my default member contributions* form and return it to your employer.
- If you've previously reduced your default member contributions and have started a new job with a new employer, make sure you let them know your rate.
- This form only allows you to make changes to insurance cover you may have received when you joined UniSuper. You can also apply to make changes to insurance cover online or by completing the *Application for insurance at UniSuper* or *Changing your insurance cover* form at [unisuper.com.au](https://unisuper.com.au).

## BEFORE COMPLETING THIS FORM

Read the *Defined Benefit Division and Accumulation 2 Product Disclosure Statement (PDS)*, as well as their incorporated by reference documents, to ensure you understand the benefits and risks associated with membership, as well as your options.

## JOINING UNISUPER OR TRANSFERRING MEMBERSHIP

Depending on the terms of your employment, you may be eligible to opt in to become a Defined Benefit Division (DBD) member.

If you're not already a DBD or Accumulation 2 member and you're eligible, you have two years to opt into the DBD from the commencement of your DBD eligible employment. Your employer can let you know if you're eligible.

When you've opted into the DBD:

- you'll become a DBD member from the commencement date of your next pay period
- you'll start making default member contributions of 7% of your salary (after tax)

## SECTION 1 MEMBER DETAILS

- Please complete in BLACK or BLUE BALL POINT PEN using CAPITAL letters. Cross (X) where required.  
All fields in SECTION 1 are mandatory.

Existing member number (if known)

Title

☐ Mr

☐ Mrs

☐ Ms

☐ Dr

☐ Professor

☐ Other

Surname

Given name(s)

Date of birth (DD/MM/YYYY)

Gender

☐ Male

☐ Female


## SECTION 1

## CONTINUED

Daytime contact number

Email address

Employer

Employment start date  
(DD/MM/YYYY)

Residential address (not PO Box)

Suburb/Town

State

Postcode

Country (if not Australia)

Is your postal address different  
from your residential address?☐

No. Go to SECTION 2.

☐

Yes. Please provide your postal address below.

Postal address (PO Box if applicable)

Suburb/Town

State

Postcode

Country (if not Australia)

## SECTION 2

## TAX FILE NUMBER (TFN)

If we don't have your TFN, you may pay more tax than you need to and UniSuper will be unable to accept your non-concessional (personal after-tax) contributions.\*

If you've already provided your TFN to your employer, there's no need to provide it again.

See the PDS and the *How super is taxed* document for more information.

Your TFN

Please read the important information about providing your TFN at [unisuper.com.au/tfn](https://unisuper.com.au/tfn). You can also request a copy of that information, free of charge, by calling **1800 331 685**.

\* In order to join the Defined Benefit Division it is compulsory to provide your TFN.

### SECTION 3 FUTURE CONTRIBUTIONS STRATEGY

If you're an existing UniSuper member, only complete this section if you wish to change your future contributions strategy. Any super transferred from other funds (rollovers) will also be allocated according to your future contributions strategy, unless you've already elected a rollover strategy.

To change your rollover strategy or the way your existing accumulation account/component is invested, log in to your account at [unisuper.com.au](https://unisuper.com.au).

For your accumulation component or account, you can choose a single investment option or a mix of investment options. All future contributions will then be invested in line with these instructions. **The total must equal 100% and each nomination must be in whole numbers.** If you've transferred to the Defined Benefit Division/Accumulation 2 from Accumulation 1 or a Personal Account and you haven't provided a new future contributions strategy, then any contributions received into your new account will be invested as per your existing future contributions strategy.

You should understand the risks and other implications of selecting your investment options. Read the PDS and the latest *How we invest your money* document for more information before completing this form. We recommend you consult a qualified financial adviser before making any investment decisions.

Pre-Mixed	Conservative		%
	Conservative Balanced		%
	Balanced (MySuper)		%
	Sustainable Balanced		%
	Growth		%
	High Growth		%
	Sustainable High Growth		%
Sector	Cash		%
	Australian Bond		%
	Diversified Credit Income		%
	Listed Property		%
	Australian Shares		%
	International Shares		%
	Global Environmental Opportunities		%
	Australian Equity Income		%
	Global Companies in Asia		%
Total		100	%

Sector options are generally less diversified and are not intended to be used in isolation. They're intended to be combined with other investment options to build a diversified portfolio.

For example, the Australian Equity Income option might have exposure to as few as 20 entities, and the Global Companies in Asia option as few as 30 entities compared to the Balanced option which has an exposure to over 1,500 entities.

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



### SECTION 3A CURRENT CONTRIBUTIONS/ROLLOVERS

Any contributions and/or rollovers already made to your account will be invested in our default Balanced investment option (unless you've instructed us otherwise). When we receive this form, we'll switch those contributions and/or rollovers over to the investment option(s) you've chosen in SECTION 3, as at the date we process the form.

☐ Select this box if you'd like the contributions and/or rollovers already made to your account to remain invested in the default Balanced investment option.

### SECTION 4 DEATH AND TPD EXTERNAL INSURANCE

If eligible, you'll automatically receive one unit of Death and TPD cover—known as default cover—when you join the DBD.

If eligible, you can apply to increase your default cover up to a total of three units without providing health evidence to our Insurer.

If you reduced your default member contributions when you joined UniSuper as a DBD member but would still like to receive cover without underwriting, we must receive:

- this form within 60 days of you joining, and
- a contribution or rollover into your accumulation component within 120 days of you joining.

See the PDS and the *Insurance in your super* document at [unisuper.com.au/pds](https://unisuper.com.au/pds) for more information.

**If you're eligible to receive default cover and you don't complete this section, you'll retain, and pay for, default cover.**

If you elect 'None' below, we will cancel your default cover from the date we receive this form.

What is the total number of units of **Death cover** you wish to receive? (select 1 box only)

☐ None ☐ 1 ☐ 2 ☐ 3

Have you previously made, or are you currently eligible to receive, an insured total and permanent disablement claim?

☐ **Yes.** Go to SECTION 5

☐ **No.** What is the total number of units of **TPD cover** you wish to receive? (select 1 box only)

☐ None ☐ 1 ☐ 2 ☐ 3

### SECTION 5 CONVERTING UNITISED INSURANCE COVER TO FIXED COVER

If you're under age 61, you have the option to convert your Death and TPD insurance cover to fixed cover. Would you like to do this? This is a once-only election and you won't be able to elect unitised cover in the future. (Read the insurance section in the relevant PDS for more information on fixed cover.)

☐ **Yes.** If you're an existing member and already have Death and/or TPD insurance, your request will take effect when we receive your form.

☐ **No**

**SECTION 6****NON-BINDING BENEFICIARY NOMINATION**

You can make two types of beneficiary nomination: a non-binding beneficiary nomination and a binding death benefit nomination.

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

See the PDS for more information about the two types of beneficiary nominations and who you can nominate.

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

**Non-binding beneficiary nomination**

☐ Make your nominations below.

**Binding death benefit nomination**

☐ You need to complete a *Binding death benefit nomination* form, available from [unisuper.com.au/forms](https://www.unisuper.com.au/forms) or by calling **1800 331 685**. Continue to SECTION 7.

**NON-BINDING BENEFICIARY NOMINATIONS**

Please nominate your non-binding beneficiaries. *The total percentage of benefit nominations must add up to 100%. A non-binding beneficiary nomination is not binding on the Trustee, but will be taken into account when determining who receives your death benefit.*

**Beneficiary 1**

Surname

Given names

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

☐ Spouse

☐ Child

☐ Financially dependent

☐ Interdependency relationship

☐ Legal personal representative (estate)

Percentage

 %**Beneficiary 2**

Surname

Given names

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

☐ Spouse

☐ Child

☐ Financially dependent

☐ Interdependency relationship

☐ Legal personal representative (estate)

Percentage

 %**Beneficiary 3**

Surname

Given names

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

☐ Spouse

☐ Child

☐ Financially dependent

☐ Interdependency relationship

☐ Legal personal representative (estate)

Percentage

 %**Beneficiary 4**

Surname

Given names

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

☐ Spouse

☐ Child

☐ Financially dependent

☐ Interdependency relationship

☐ Legal personal representative (estate)

Percentage

 %

## SECTION 7

## MEMBER DECLARATION AND SIGNATURE

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

- I declare the information I have given on this form is true and correct.
- If I've provided my TFN in SECTION 2, I understand the circumstances in which my TFN may be collected and used and I agree my TFN may be used for all super purposes.
- I acknowledge that I've read and understood the information in this PDS and the *How we invest your money*, *Insurance in your super* and *How super is taxed* documents, and understand that:
  - I will receive and start to pay for one default unit of Death and TPD insurance cover (if I'm eligible), and that I may choose to cancel or purchase additional cover.
  - I won't automatically receive default Death and TPD cover if upon joining the DBD I reduce my default member contributions or if my employer contributes at the rate of 14%.
  - insurance premiums will be payable until my cover is cancelled.
  - if I elect to cancel the cover I automatically receive when I join the DBD, this cover will be cancelled on the day UniSuper receives this form.
  - 'Your duty to take reasonable care' information in the *Insurance in your super* document applies.
  - the first investment option switch I make in each financial year is free and there is a fee for any subsequent switches I make in each financial year.
  - taxes, fees, charges and costs apply.
- I understand that UniSuper intends to provide me with regulatory documents such as PDSs, Benefit Statements and Significant Event Notifications by making them available digitally (e.g. as a hyperlink in an email).
- I acknowledge that UniSuper will use the email address provided in SECTION 1 of this form and any subsequent email address provided, and I can opt out of this method of disclosure at any time by contacting UniSuper on **1800 331 685**.
- I understand the investment instructions I've made in SECTION 3 of this form won't be processed if UniSuper receives the form more than 30 days from the date I sign and date it.
- I acknowledge that I have read and understood the privacy information in the PDS and consent to my personal information being used in accordance with UniSuper's Privacy Policy.

Signature

Date

<input type="text"/>	<input type="text"/>	<input type="text"/>
DD	MM	YYYY

### For further information

If you need further information:

- call us on **1800 331 685**, or
- visit our website at **[unisuper.com.au](https://unisuper.com.au)**.

### Return your form to:

Email: **[enquiry@unisuper.com.au](mailto:enquiry@unisuper.com.au)**  
Post: UniSuper  
Level 1, 385 Bourke Street  
Melbourne VIC 3000

## PRIVACY STATEMENT

UniSuper is committed to protecting your personal information in accordance with privacy law obligations. The information that you provide to UniSuper on this form is collected and used in accordance with our Privacy Policy which can be found online at **[unisuper.com.au/privacy](https://unisuper.com.au/privacy)**. If you have any privacy related questions, please call **1800 331 685**.

# Opt into the Defined Benefit Division form



## Complete and return the form to your employer

When the Superannuation Officer at your workplace receives this form, they will update your payroll records.

Please use this form if you wish to commence a DBD membership and you meet all the eligibility criteria.

### BEFORE COMPLETING THIS FORM

Your DBD membership will commence from the beginning of the next pay period, after your employer processes this form.

If you want to join the DBD it is compulsory to provide us with your Tax File Number (TFN).

DBD members are not eligible for Income Protection cover. If you have Income Protection and opt-in to the DBD, your Income Protection will be cancelled on the date your DBD membership commences. If your cover is cancelled and you want to have cover in future you may need to provide evidence of your health that satisfies the Insurer.

Once you join the DBD, default member contributions will commence at 7% on an after tax basis, unless you complete Section 3 and Section 4 or 5 to alter these.

Reducing your default member contributions is a permanent decision—you can't reverse or reinstate your previous level later on.

By reducing your default member contributions, your retirement savings will be reduced. Before making this decision, we recommend you:

- read the *Defined Benefit Division and Accumulation 2 Product Disclosure Statement (PDS)*, and the *Insurance in your super* document, which are incorporated by reference into the PDS, and
- speak to a qualified financial adviser.

Any changes to your default member contributions will take effect at the start of the next pay period after your employer processes your form.

If you reduce your default member contributions and would like to make additional contributions in the future, you can make voluntary member contributions to your accumulation component or account.

### BEFORE-TAX (SALARY SACRIFICE) CONTRIBUTIONS

If you wish to make your default member contributions on a before-tax basis, you'll need a salary sacrifice arrangement with your employer.

Before completing this form, check with your Superannuation Officer if they require any additional forms to be completed.

## SECTION 1 YOUR DETAILS

► Please use BLACK or BLUE BALLPOINT PEN and print in CAPITAL LETTERS. Cross (X) where required.

UniSuper member number

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

Title

☐ Mr ☐ Mrs ☐ Ms ☐ Dr ☐ Professor ☐ Other

Surname

Given name

Date of birth (DD/MM/YYYY)

Employer

### Want to make some changes?

If you want to update your account preferences, including insurance, investment options, beneficiaries or provide your TFN please complete the *Defined Benefit Division/Accumulation 2 Changing your default options* form on our website [unisuper.com.au/forms](https://unisuper.com.au/forms).



## SECTION 2 OPTING INTO THE DBD

Only eligible members can opt into the DBD. Check the eligibility criteria in the fact sheet or talk to a UniSuper consultant. Your employer will check your eligibility when you submit this form.

- ☐ I meet the eligibility criteria and wish to opt into the DBD. I understand this is effective from the commencement date of the next pay period after my form is processed by my employer.  
Go to SECTION 3

## SECTION 3 DEFAULT MEMBER CONTRIBUTIONS

The default level of member contributions is 7% (after tax) or 8.25% (before tax) of your salary. You can also choose to reduce your level of member contributions. Reducing your default member contributions is a permanent decision—you can't reverse or reinstate your previous level later on.

Do you want to make default member contributions?

Yes, the default level

- ☐ From your after-tax salary (7%)  
☐ From your before-tax salary\* (8.25%)  
Go to SECTION 7

Yes, at a reduced level

- ☐ From your after-tax salary  
☐ From your before-tax salary\*  
Go to SECTION 4

\* You'll need a salary sacrifice arrangement with your employer to do this. Default member contributions from your before-tax salary will be treated as employer contributions and be subject to 15% contributions tax, and will also count towards your concessional contributions cap. You can only make default member contributions from your before-tax or after-tax salary—not a combination of both.

## SECTION 4 LEVEL OF EMPLOYER CONTRIBUTIONS

What level of employer contributions do you receive?  
(Select one only)

- ☐ 17%. Go to SECTION 5 ☐ 14%. Go to SECTION 6

## SECTION 5 REDUCING YOUR DEFAULT MEMBER CONTRIBUTIONS (MEMBERS RECEIVING 17% EMPLOYER CONTRIBUTIONS)

What level of default member contributions would you like to make?  
(Select one only)

- |   |   |
|---|---|
| <input type="checkbox"/> 4.45% after tax (5.25% before tax) | <input type="checkbox"/> 4.00% after tax (4.70% before tax) |
| <input type="checkbox"/> 3.00% after tax (3.55% before tax) | <input type="checkbox"/> 2.00% after tax (2.35% before tax) |
| <input type="checkbox"/> 1.00% after tax (1.20% before tax) | <input type="checkbox"/> 0.00% (zero)                       |

Go to SECTION 7

## SECTION 6 REDUCING YOUR DEFAULT MEMBER CONTRIBUTIONS (MEMBERS RECEIVING 14% EMPLOYER CONTRIBUTIONS)

What level of default member contributions would you like to make?  
(Select one only)

- |   |   |
|---|---|
| <input type="checkbox"/> 6.55% after tax (7.70% before tax) | <input type="checkbox"/> 5.55% after tax (6.55% before tax) |
| <input type="checkbox"/> 4.55% after tax (5.35% before tax) | <input type="checkbox"/> 3.55% after tax (4.20% before tax) |
| <input type="checkbox"/> 2.55% after tax (3.00% before tax) |   |

Go to SECTION 7

## SECTION 7

## MEMBER DECLARATION AND SIGNATURE

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

- I declare that the information I've given on this form is true and correct.
- I have confirmed my eligibility with UniSuper and understand my employer will check their criteria.
- I understand my employer will reject this request if I do not meet their eligibility criteria.
- I understand that in order to join the DBD I must provide my TFN to UniSuper.
- I acknowledge that I've read and understood the information in the current *Defined Benefit Division and Accumulation 2 PDS* (and the documents that are incorporated by reference into the PDS).
- I authorise my employer to deduct default member contributions indicated on this form from my salary.
- I authorise my employer to make employer contributions to UniSuper's Defined Benefit Division in accordance with the UniSuper Trust Deed and UniSuper Regulations.
- I understand that:
  - Any Income Protection cover that I have will be cancelled on the date that my DBD membership commences and I may need to provide evidence of my health that satisfies the Insurer to obtain Income Protection in the future
  - 'Your duty to take reasonable care' information in the *Insurance in your super* document applies
  - I will remain a member of the Defined Benefit Division until my membership of that Division ceases in accordance with the UniSuper Trust Deed and UniSuper Regulations
  - my decision to reduce my default member contributions is irrevocable and I won't be able to reinstate my previous level at a later date
  - if I reduce my default member contributions, the amount of my retirement savings will be reduced
  - if I make default member contributions from my before-tax salary I'll pay 15% contributions tax on these contributions
  - the level of default member contributions I elect to make on this form will apply to the default member contributions I make with all UniSuper participating employers.
  - if I am eligible for and receive default insurance cover when I join the DBD, insurance premiums will be deducted from my account unless I choose to opt out of receiving this cover before it commences.
- I consent to my personal information being used in accordance with UniSuper's privacy policy.
- I agree to meet my obligations as a member of the Defined Benefit Division under the UniSuper Trust Deed and UniSuper Regulations.

Signature

Date

<input type="text"/>	<input type="text"/>	<input type="text"/>
DD	MM	YYYY

### Submitting this form:

Give this completed form to your employer's Superannuation Officer, or the person responsible for super at your workplace, as soon as possible.

### Need help?

For more information:

- email [enquiry@unisuper.com.au](mailto:enquiry@unisuper.com.au), or
- call **1800 331 685**.

## PRIVACY STATEMENT

UniSuper is committed to protecting your personal information in accordance with privacy law obligations. The information that you provide to UniSuper on this form is collected and used in accordance with our Privacy Policy which can be found online at [unisuper.com.au/privacy](https://unisuper.com.au/privacy). If you have any privacy related questions, please call **1800 331 685**.



**OFFICE USE ONLY — (TO BE COMPLETED BY YOUR EMPLOYER)**

**To be completed by a Superannuation Officer or the person responsible for super at your workplace.**

Note for employer: When you receive this form, check the employees eligibility to opt into the DBD. If they are not in an eligible role, do not process the form. Return it back to the employee.

Member number

Payroll number

Employer number

Employer name

Is this employee in an eligible role for DBD membership?

☐

No. Reject form

☐

Yes. Proceed.

Date employee commenced eligibility to opt into the DBD.

*This must be no more than 2 years from the date they join the DBD. (DD/MM/YYYY)*

Pay period start date (DD/MM/YYYY)

New default member contribution rate

 %

The after-tax rate must be input on the UniSuper administration system.

Has contribution rate been added to administration system?

☐

No

☐

Yes. Date system updated (DD/MM/YYYY)

☐

The employer agrees to meet its obligations regarding the Defined Benefit Division under the UniSuper Trust Deed and UniSuper Regulations in respect of this employee.

Name of Superannuation Officer or representative

Signature of Superannuation Officer or representative

Date

DD

MM

YYYY

Employer date stamp



**CONTACT US**

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