

# Member guide

Issued: 1 February 2024

The information in this document forms part of the *Accumulation account Product Disclosure Statement*, issued: 1 February 2024.

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**SUPERANNUATION    INVESTMENT    ADVICE    INSURANCE**

This document has been prepared and issued by LGIASuper Trustee (ABN 94 085 088 484 AFS Licence No. 230511) (Trustee) as trustee for LGIASuper (ABN 23 053 121 564) (Fund), trading as Brighter Super. In this document, Brighter Super may refer to the Trustee or LGIASuper as the case may be.  
Brighter Super products are issued by the Trustee on behalf of Brighter Super.

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Brighter Super recommends that you should, before acting on this information, consider your own personal objectives, financial needs and situation. Brighter Super recommends you consult a licensed financial adviser if you require advice that takes into account your personal circumstances. A Target Market Determination (TMD) is a document that outlines the target market a product has been designed for. Find the TMD's at [brightersuper.com.au/about-us/governance](https://brightersuper.com.au/about-us/governance). Brighter Super has representatives that are authorised to provide personal advice on Brighter Super products and superannuation in general.

The information in this document is up to date at the date of preparation of the document. Some of the information may change following its release. If the change is not significant we may not update the document immediately. Current information about investment performance and other issues will be published on our website and in our newsletters. We will send you a free printed copy at your request. Where there is an inconsistency between this document and the Fund's rules as per the LGIAsuper Trust Deed and Government regulations, the rules in the Trust Deed and Government regulations shall prevail.

# What is super?

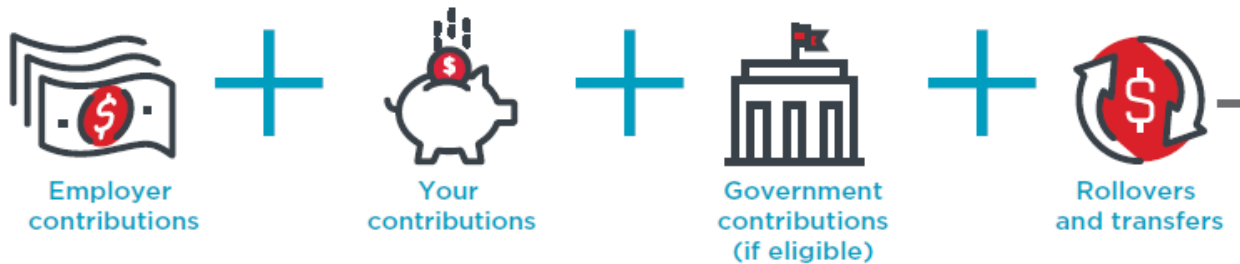
**Superannuation (super) is a means of saving for your retirement while you're working.**

It's a long-term investment designed to provide you with a regular income later in life when you retire. Your employer pays a percentage of your salary (11% from 2023/24) into a super fund on your behalf. This is known as Superannuation Guarantee (SG) contributions.

You can also boost your super by making extra contributions from either your before-tax or after-tax pay. The Government helps by providing tax savings and other incentives to make super an effective way of saving for your future. There are two significant factors that can affect how much your super will grow, these include:

- How much is contributed during your working life.
- Investment performance of the options in which you invest. See the *Investment choice guide* available on our website at [brightersuper.com.au](https://brightersuper.com.au) for more information about investment options.

## Your benefit is made up of:



Contributions and rollovers paid into your account are invested in the investment option(s) of your choice

Less

Deductions for tax, withdrawals, fees and insurance costs (if applicable)

Plus or minus

Investment earnings\*

Equals

Your super savings



Insurance benefit

(If applicable) to which you may be entitled.

\*Investment earnings will vary and may be negative at times.

Superannuation is one of the best ways to save for your retirement. Your super savings are generally taxed at lower rates than investments held outside super, but there are limits on when you can withdraw your money.

In most cases, you can't access your super until after your preservation age (see page 11 for further details on accessing your super).

## Contribution types

### Employer contributions

Most employees are entitled to Superannuation Guarantee (SG) contributions of 11% of their ordinary salary from their employer (2023/24). This percentage is known as the SG rate. If you receive SG contributions, your employer must pay into your super account at least every three months, a minimum percentage (the SG rate) of your Ordinary Time Earnings, up to the Maximum Contribution Base (\$62,270 per quarter in 2023/24).

The SG rate increased to 11% on 1 July 2023 and will continue to increase by 0.5%, until it reaches 12% in 2025/26.

Some employees may benefit from higher employer contributions as part of an agreement with their employer (refer to the *Superannuation for councillors info sheet* on our website) Brighter Super can accept contributions from any employer.

The SG rates for each financial year are shown in the table below.

Financial year	SG rate
2020/21	9.5%
2021/22	10%
2022/23	10.5%
2023/24	11%
2024/25	11.5%
2025/26	12%

### Personal contributions

You can add extra to your super through personal contributions if you are aged less than 75. These contributions can be made by lump sum, in pre-tax dollars through salary sacrifice, or from after-tax pay. Most people are able to claim a tax deduction for their personal contributions. If you are aged 67-74 and wish to claim a tax deduction for a personal contribution, you need to be gainfully employed for at least 40 hours over 30 consecutive days during the current financial year. To make a claim for a tax deduction you will need to send us a *Notice of intent form* if you're claiming a deduction.

After you reach age 75, you are unable to contribute to your super. Contributions may be accepted up to 28 days after the end of the month in which you turn 75. SG contributions from your employer may be accepted if you are age 75 or over.

There are two ways you can make personal contributions:

- Payroll deduction salary sacrifice - ask your employer to pay an amount from your salary to Brighter Super each pay period.
- BPAY\* from your bank account.

### First Home Super Saver (FHSS) Scheme

To help first home buyers save money faster to purchase their first home the Australian Government introduced the First Home Super Saver (FHSS) Scheme.

The FHSS Scheme allows you to save money for a first home by making voluntary concessional (before-tax) contributions, including salary sacrifice and non-concessional (after-tax) contributions into your super fund.

From 1 July 2018, any contributions made from 1 July 2017 may be released up to a maximum of \$15,000 for any one financial year and \$50,000 in total across all years. You will also receive an amount of earnings that relate to those contributions.

The FHSS Scheme is suitable for first home buyers if:

- you either live or intend to live in the premises you're buying as soon as practicable; or
- you intend to live in the property for at least six months of the first 12 months you own it, after it is practical to move in.

You must meet the eligibility requirements to apply for the release of your savings. For more information on eligibility requirements and making contributions, visit [ato.gov.au/fhss](http://ato.gov.au/fhss).

### Spouse contributions

You can contribute to Brighter Super on behalf of your spouse or have your spouse contribute to your account, as long as the receiving spouse is under age 67 and you are living together. Between the ages of 67 and 75, the receiving spouse must be gainfully employed for at least 40 hours over 30 consecutive days in the current financial year to have spouse contributions paid to their account. Once the receiving spouse reaches age 75 spouse contributions can no longer be received.

Spouse contributions can be made by married or de facto couples. These contributions are not eligible to receive the super co-contribution, but you could receive a tax offset of up to \$540 if the receiving spouse has assessable income of less than \$40,000 p.a.

Your partner can open a Brighter Super account at [brightersuper.com.au](http://brightersuper.com.au) or by completing the *Member application* form at the back of the *Brighter Super Accumulation account Product Disclosure Statement*.

\* Registered to BPAY Pty Ltd ABN 69 079 137 518

## Contribution caps

Limits apply to the amounts you and your employer can pay in to super without penalty tax being imposed. These are known as concessional and non-concessional contribution caps. See the how super is taxed section on page 7 for more information on the contribution caps.

## Contribution splitting

Most employer and salary sacrificed contributions made to your account can be split with your spouse. You can do this once a year for contributions made in the previous financial year.

To request a split, complete and return the *Contributions split form* available at [brightersuper.com.au](http://brightersuper.com.au) or by calling us on **1800 444 396**.

If you wish to claim a tax deduction for any personal contributions you have made to your Brighter Super account, please lodge a *Notice of intent form* available at [ato.gov.au](http://ato.gov.au) before applying to split contributions.

Contribution splitting does not reduce the amount counted towards your concessional contributions cap.

## Downsizer contribution

If you are 55 or older you may be eligible to make a non-concessional (after-tax) superannuation contribution of up to \$300,000 (total \$600,000 for couples) from the proceeds of selling your home, which was your main residence.

You can make a downsizer contribution if:

- you are 55 years or older at the time of making the contribution
- you or your spouse owned your home for 10 years or more prior to the sale
- your home is in Australia and is not a caravan, houseboat or other mobile home
- the proceeds (capital gain or loss) from the sale of the home are either exempt or partially exempt from capital gains tax (CGT) under the main residence exemption (for more information see [ato.gov.au](http://ato.gov.au))
- you make the downsizer contribution within 90 days of receiving the proceeds of sale
- you have not previously made a downsizer contribution.

Existing contribution caps and rules (age and work test) will not apply to the downsizer contribution. However, these contributions will not be exempt from the Transfer Balance Cap (currently \$1.9 million) if being used to start an income stream.

To make a downsizer contribution you will need to complete the downsizer contribution form available from [ato.gov.au](http://ato.gov.au) and return it to us with your contribution. Submitting the form with your downsizer contribution, will confirm that you have met all the eligibility requirements.

Remember that all downsizer contributions must be made within 90 days of receiving the proceeds of sale, usually the date of settlement. For more information see [ato.gov.au](http://ato.gov.au).

## Transfers from other super funds

If you have more than one super fund, you could be paying more than one set of fees and insurance premiums. Consolidating your super into one account could save you thousands of dollars over your working life.

Consider what is best for your situation. Compare your super funds, choose the one you think will give you the best long-term outcome. Before consolidating, you should check with your other super fund(s) to see if this could result in changes to your employer contributions, any fee or tax implications, or loss of insurance cover.

If you would like to consolidate other accounts into Brighter Super, you can do it all online. It only takes a few minutes. Visit [brightersuper.com.au/consolidate](http://brightersuper.com.au/consolidate) or log in to your account on Member Online to use our **Find my super tool**.

Alternatively, complete a *Transfer to Brighter Super form* and send it to us.

## New Zealand KiwiSaver transfers

If you have left New Zealand and permanently reside in Australia, and you have retirement savings within a KiwiSaver scheme, you are able to transfer your retirement savings. If you choose to do so, you will be required to transfer the full amount of your KiwiSaver scheme. Whilst there is no limit as to how much you can transfer from a KiwiSaver Scheme you need to be aware of the non-concessional contribution cap limit and Total Superannuation Balance.

Retirement savings transferred from a KiwiSaver scheme are treated as non-concessional contributions and will be subject to the non-concessional contributions cap. If you exceed the cap, you will be liable for excess contributions tax.

Transferred KiwiSaver savings are held in two parts:

- **New Zealand-sourced component** - to access this you will need to reach the New Zealand age of retirement (currently 65).
- **Australian-sourced component (earnings that relate to transfer amount)** - to access this you will need to meet a condition of release.

### Important considerations before you transfer:

- Money can only be transferred to and held in a complying super fund regulated by the Australian Prudential Regulation Authority (APRA).
- You cannot roll your KiwiSaver Component to another super fund in Australia unless it is a super fund that can also receive KiwiSaver transfers directly. This is because it is not compulsory for a super fund to accept KiwiSaver transfers.
- You cannot roll your KiwiSaver Component to a Self-Managed Super Fund (SMSF) or to another country.
- Should you permanently return to New Zealand the option to transfer the funds back to New Zealand is also available.

To transfer your retirement savings from a KiwiSaver scheme, please contact us. You will also need to ensure that you have supplied us with your Australian Tax File Number (TFN) and New Zealand Inland Revenue (IRD) number otherwise - we will be unable to accept the amount and will be required to return your retirement savings back to your KiwiSaver scheme. When your KiwiSaver transfer has been received a new account will be opened. No administration fees will be charged to this account.

For further information about transferring your KiwiSaver scheme, please refer to our website at [brightersuper.com.au/campaigns/kiwisaver](http://brightersuper.com.au/campaigns/kiwisaver) or visit the ATO website at [ato.gov.au](http://ato.gov.au)

### Super co-contribution

The super co-contribution is an incentive offered by the Australian Government to encourage you to save for retirement.

#### Here's how it works...

The government will put in \$0.50 for each \$1 you contribute to super, if you are employed and your total income is less than \$43,445 p.a.

The co-contribution gradually reduces for incomes above \$43,445 p.a. before cutting out completely for incomes of \$58,445 p.a. or more.

The maximum co-contribution you can receive is \$500 each year. Standard member contributions are eligible for the co-contribution if paid from your after-tax salary. Salary sacrificed contributions do not attract the co-contribution.

### Low income superannuation tax offset

The low income superannuation tax offset (LISTO) is a contribution from the Australian Government of up to \$500 for eligible low income earners. The LISTO contribution aims to refund the 15% contributions tax paid on concessional contributions made by you or your employer (including notional taxed contributions for Defined Benefit members, see the Defined Benefit guides available at [brightersuper.com.au](http://brightersuper.com.au) for more information).

The LISTO contribution is equivalent to 15% of the total amount of your concessional contributions for the year but is subject to a maximum LISTO contribution of \$500. You are eligible for the LISTO if your Adjusted Taxable Income is less than \$37,000.

For example, if your Adjusted Taxable Income is less than \$37,000 and you receive concessional contributions totalling \$3,000 during the year, you will receive a LISTO of \$450.

You will be entitled to the LISTO if you satisfy all of the following criteria:

- You received concessional contributions for the year;
- Your Adjusted Taxable Income does not exceed \$37,000;
- You are not the holder of a temporary resident visa (New Zealand citizens do not hold a temporary visa and are therefore eligible); and
- You satisfy an income test in which 10% or more of your total income is derived from business or employment.

You are not required to lodge a tax return in order to be eligible. If a tax return is not lodged, the ATO will determine eligibility. The LISTO will be paid directly to your superannuation fund.

For more information about the low income superannuation contribution, visit the ATO website at [ato.gov.au](http://ato.gov.au).

**For more information on these government incentives, visit our website [brightersuper.com.au](http://brightersuper.com.au) or give us a call on 1800 444 396. You can also find out more from the Australian Taxation Office website at [ato.gov.au](http://ato.gov.au).**



## Contribution rules

Contributions can be made to your super by you, your employer(s) or by another person (such as your spouse), providing certain eligibility rules are met. The following table outlines the types of contributions that can be made to your super based on your age at the time the contribution is made:

	Employer compulsory contributions	Employer	Member personal <sup>1</sup>	Contributions from another <sup>1</sup>
	<ul style="list-style-type: none"> <li>• SG</li> <li>• Award</li> <li>• Certified industrial agreement</li> </ul>	<ul style="list-style-type: none"> <li>• Member before-tax (salary sacrifice)</li> <li>• Optional employer contributions</li> </ul>	<ul style="list-style-type: none"> <li>• Member after-tax</li> <li>• Member tax deductible (after-tax contributions for which a tax deduction is claimed)</li> </ul>	<ul style="list-style-type: none"> <li>• Spouse</li> </ul>
Under 67	Yes	Yes	Yes	Yes
67 - 74	Yes	Yes	Yes, unless intending to claim a tax deduction <sup>2</sup>	Yes
75 and over	Yes	No <sup>3</sup>	No <sup>3</sup>	No <sup>3</sup>

<sup>1</sup>Your Tax File Number is required.

<sup>2</sup>To meet the work test, before claiming a personal superannuation deduction for a contribution, you must have been gainfully employed for at least 40 hours during a consecutive 30-day period in the financial year in which the contributions are made. Gainfully employed means employed or self-employed for gain or reward in any business, trade, profession, vocation, calling, occupation or employment.

<sup>3</sup>Contributions that are otherwise eligible may be accepted up to 28 days after the end of the month in which you turn 75.



# How super is taxed

The Australian Government offers a range of incentives to promote super as one of the best ways to save for retirement. Although some taxes do apply to super, it's generally more tax-effective than having investments held outside super, which can be taxed at higher marginal rates.

Super is taxed at various stages of its life cycle. The type and amount of tax that applies will vary depending on your age, how you make contributions, the size of your benefit amount and whether you take it as a lump sum or pension payment. See below for details.

## You can add to your super in two ways

BEFORE-TAX Also called concessional contributions	AFTER-TAX Also called non-concessional contributions
Concessional contributions include the contributions you and your employer make into super before tax is taken out of your wages	Non-concessional contributions include any personal after-tax contributions made into super and spouse contributions received
Before tax contributions include: <ul style="list-style-type: none"> <li>• Employer compulsory contributions (including SG and Award contributions).</li> <li>• Employer voluntary contributions including any Salary Sacrifice contributions you arrange with your employer.</li> <li>• Personal contributions for which a tax deduction is claimed.</li> </ul>	After tax contributions include: <ul style="list-style-type: none"> <li>• Personal after-tax contributions (regular or lump sum).</li> <li>• Spouse contributions.</li> <li>• Some amounts transferred from overseas pension funds that are not subject to contributions tax.</li> <li>• Excess concessional contributions that are not withdrawn under an ATO release authority.</li> </ul>
<b>\$27,500*</b> Contribution cap for 2023/24	<b>\$110,000<sup>#</sup></b> Contribution cap for 2023/24

\*You're able to carry forward unused portions of your cap over rolling five-year periods if your Total Superannuation Balance at 30 June of the previous financial year is less than \$500,000. The first year you are entitled to carry forward unused amounts is the 2018/19 financial year. Unused amounts are available for a maximum of five years, after which they will expire.

<sup>#</sup>If your Total Superannuation Balance at the start of the financial year is equal to or more than the general transfer balance cap (\$1.9 million for the 2023/24 financial year) your non-concessional contributions cap is nil, and any non-concessional contributions you make will be classed as excess contributions.

## Bring forward rule

If you are under age 74 at any time during the financial year, you can bring forward up to two years of non-concessional contributions, providing your Total Superannuation Balance at 30 June of the previous year is less than \$1.68 million.

Total Super Balance 30 June	Maximum non-concessional cap for the first year	Bring-forward period
Less than \$1.68m	\$330,000	3 years
\$1.68m to less than \$1.79m	\$220,000	2 years
\$1.79m to less than \$1.9m	\$110,000	No bring forward period
\$1.9m	Nil	Nil

Where the bring forward rule is used, total non-concessional contributions made in the three-year period (starting on 1 July of the first financial year in which non-concessional contributions exceeded the cap) cannot exceed the bring forward cap for the year in which the bring forward is triggered. This means the bring forward cap available for the three-year period is not indexed if the non-concessional contributions cap is indexed in that period.

## Contributions tax

Money paid into your super by your employer is taxed at 15%. This is known as the contributions tax and also applies to any contributions you make from your before-tax pay (salary sacrifice) and amounts from your after-tax pay for which you claim a tax deduction.

The contributions tax is deducted directly from your Brighter Super account. If you do not give us your tax file number or exceed the non-concessional contribution cap and your money remains in the fund, your contributions will be taxed at the top marginal rate of 47% (this includes the Medicare levy). Excess concessional contributions will be taxed at your marginal tax rate plus the Medicare levy.

Excess non-concessional contributions can generally be withdrawn without penalty. Contact us **1800 444 396** if you need more information. If you are a higher income earner with a total income of more than \$250,000, an additional 15% tax on concessional contributions applies. Income is defined in a similar way to that for Medicare levy surcharge purposes.

If your income is below the \$250,000 threshold before your concessional contributions but your concessional contributions push you over the threshold, the 15% tax will only apply to the contributions above the threshold.

The money you put into your super from your after-tax earnings for which you do not claim a tax deduction does not incur the contributions tax, as long as you do not exceed the non-concessional cap.

## Investment earnings tax

The money put into your super account is invested. Income from investment returns is taxed at 15%. However, the effective tax rate may be lower because of allowable deductions, tax credits and offsets. The investment earnings you receive are the amount after the deduction of tax on investment income.

## Tax on lump sum withdrawals

Any lump sum you withdraw from Brighter Super is generally made up of two components — tax-free and taxable. Withdrawals will be drawn proportionally from each component.

### Tax-free

The tax-free component is always tax-free and includes any pre-July 1983 component at 30 June 2007 and all after-tax contributions paid in after 1 July 2007, such as:

- super co-contribution
- spouse contributions received
- personal contributions for which no tax deduction has been claimed
- any tax-free components of money transferred from other super funds to Brighter Super
- any tax-free components of eligible termination payments transferred to Brighter Super
- any amounts that are tax-free as a result of Total and Permanent Disability or Terminal Illness
- capital gains tax tax-exempt contributions (lifetime limit).

## Taxable

The rest of your money is called the taxable component, and generally grows with:

- employer and salary sacrifice contributions
- personal contributions for which a tax deduction has been claimed
- investment earnings.

Your taxable component is taxed as follows, depending on your age when you make a withdrawal. To find out your preservation age, see *Accessing your super* on page 11.

Your age	Taxable component
Under preservation age	Taxed at 22% including the Medicare levy.
Reached preservation age but below 60	First \$235,000 tax-free (2023/24). Amounts above taxed at 17% including the Medicare levy.
60 plus	Tax-free.

## Tax on income protection payments

Income Protection payments will generally be taxed at your marginal tax rate.

If you lodge an Income Protection claim, we will ask that you complete a *Tax File Number Declaration form* (available from the ATO). If you do not complete a *Tax File Number Declaration form*, the Insurer is required by law to withhold tax at the highest marginal tax rate.

At the end of the financial year, you will be sent a payment summary so you can include details in your tax return.

## Tax on Disability or Terminal Illness

If you suffer a Total and Permanent Disability before the age of 60, an additional portion of your benefit will become tax-free.

If you become terminally ill, your full benefit will be tax-free.

## Tax on death benefits

Death benefits are tax-free if paid to a dependant as defined by the ATO. Your spouse (married or de facto), child under the age of 18 years (including step-children and adopted children), anyone who is financially dependent on you at the time you die and those in an interdependent relationship are considered dependants for tax purposes. If your Death benefit is paid to anyone else, the taxable component will be taxed at 17% including the Medicare levy and any untaxed component taxed at 32% including the Medicare levy.

### Tax offsets for spouse contributions

If your spouse (married or de facto) is earning a low income or not working and you make a super contribution on their behalf, you may be able to claim a tax offset.

The maximum tax offset is \$540 but reduces depending on the amount of the spouse contribution and your spouse income.

You may be entitled to a tax offset in respect of the 2023/24 financial year if:

- you did not claim a tax deduction for the contributions.
- both you and your spouse were Australian residents when the contributions were made.
- at the time of making the contributions you and your spouse were not living separately and apart on a permanent basis.
- the sum of your spouse's assessable income, total reportable fringe benefits amounts and reportable employer super contributions (RESC) for the financial year, was less than \$40,000.
- the contribution was made to a super fund which was a complying fund in the income year in which you made the contribution.
- your spouse must also not have exceeded their non-concessional contributions cap for the relevant year or had a Total Superannuation Balance equal to or exceeding the general transfer balance cap (\$1.9 million in 2023/24) immediately before the start of the financial year in which the contribution was made.
- your spouse was under 75 years old when the contributions were made.

The tax offset is calculated as 18% of the lesser of:

- \$3,000 less the amount by which the sum of your spouse's assessable income, total reportable fringe benefits amounts and RESC exceeds \$37,000; and
- the total of your contributions for your spouse for the year.

For more information visit [ato.gov.au](https://ato.gov.au).

### Temporary residents

If you are a Brighter Super member who has entered Australia on an eligible temporary resident visa (excluding visa subclasses 405 and 410), you could be able to claim a departing Australia superannuation payment (DASP) as long as you are not an Australian or New Zealand resident, have left Australia permanently and have had your visa expire or cancelled.

The Australian Taxation Office's (ATO's) superannuation website provides a detailed list of eligible temporary resident visas. Visit [ato.gov.au](https://ato.gov.au) for more information. If you are eligible, you can apply to receive your super once you have left Australia.

If your super balance is under \$5,000, and it has been less than six months since you left Australia, you can make your claim through Brighter Super or the ATO's fee-free DASP online application service. If you have a balance of over \$5,000, you will need to apply through the ATO.

For more information, refer to our website, or call us on **1800 444 396**. If calling from outside Australia the number is +61 7 3244 4300.

### Family law and superannuation

Superannuation held by couples who have separated or divorced can be divided by agreement or court order. If you were to split your superannuation in this way, a separate account would be created for your former spouse, and they could then remain a member of Brighter Super or transfer this money to another fund. Contact us on **1800 444 396** for more information.

## Claiming a tax deduction for superannuation contributions

You can generally claim a tax deduction for personal after-tax contributions you make. However, if you have a Defined Benefit account you will not be able to claim a tax deduction on your compulsory member contributions made from your after-tax salary.

These contributions will count towards your concessional contributions cap. You should consider what other concessional contributions are being made to your super to avoid the cap.

If you are eligible to make personal contributions and you intend to claim some or all of your contributions as a tax deduction, you are required to notify us using a *Notice of intent* form available at [ato.gov.au](http://ato.gov.au).

Once you have submitted a valid completed notice, the applicable contributions tax will be deducted from your account and we will send you an acknowledgment of your notice.

**Please note:** All personal contributions you make will be processed initially as non-concessional contributions and will count towards your non-concessional contributions cap until you submit a valid *Notice of intent form*.

To claim a tax deduction, you must submit a deduction notice either when you make the contribution or before any of the following:

- You lodge your income tax return for the year in which the contribution was made or the end of the financial year following that in which the contribution was made.
- You apply to split the contributions with your Spouse, and we accept your application.
- You commence an income stream based in whole or part of the contribution.
- You cease to be a member of the Fund.

**Please note:** You are unable to submit a deduction notice after any of the events above have occurred if all or part of the contribution has been covered by an earlier notice, or if the Fund no longer holds the contribution (e.g. you have withdrawn or rolled over the contribution to another fund).

You may vary an earlier notice in certain circumstances, but only to reduce the amount you intend to claim as a tax deduction (including to nil). To vary an earlier notice, you must also notify us by submitting a newly completed *Notice of intent form* available at [ato.gov.au](http://ato.gov.au).

To vary a tax deduction, any of the following must have occurred:

- You must have lodged your income tax return for the year in which your contributions were made, prior to the end of the following income year, and lodge your variation notice before the end of the day on which the return was lodged.
- You must have not yet lodged your income tax return for the relevant year and lodge the variation notice on or before 30 June in the financial year following the year in which your personal contributions were made.
- The ATO has disallowed your claim for a deduction for the relevant year and the variation notice reduces the amount stated in your previous valid notice by the amount that has been disallowed.

We will not be able to accept a variation to an earlier notice if the Fund no longer holds your contributions.

When deciding whether to claim a deduction you should consider the impact this might have on whether you will exceed your contribution caps or if it will affect your Government Co-contribution eligibility. We recommend you seek taxation and financial advice before making a decision. For more information on claiming a tax deduction for your contributions visit [ato.gov.au](http://ato.gov.au)



# Accessing your super

Because superannuation is intended to be a long-term investment, the Australian Government requires that it remain 'preserved' in a super fund until you meet a 'condition of release'. Conditions of release are usually age based, meaning you must meet your 'preservation age' before you can access your benefit.

Some conditions of release allow you to access your full super balance as either a cash payment, as an income stream or as a combination of these. Other conditions of release contain restrictions that limit how you can access your super or the amount you can withdraw.

Preservation age has been set by the Government, and will be between 55 and 60 years depending on your date of birth. It is the age at which you are able to access your super benefits, if you are permanently retired. You can work out your preservation age using the table below.

## What is my preservation age?

DATE OF BIRTH	PRESERVATION AGE
Before July 1960	55
1 July 1960 - 30 June 1961	56
1 July 1961 - 30 June 1962	57
1 July 1962 - 30 June 1963	58
1 July 1963 - 30 June 1964	59
From July 1964 onwards	60

Preservation age is not the same as Age Pension age. Age Pension age is when you become eligible for Government pension benefits, depending on your income and assets. You may reach preservation age before you reach Age Pension age.

**The most common way to access benefits is by reaching your preservation age and retiring. There are four conditions of release associated with reaching preservation age.**

### Transition to Retirement pension

This is a way to access some of your benefit after reaching preservation age but before retirement\*. Some of your benefit can be transferred to a Transition to Retirement (TTR) pension, which has strict requirements on the minimum and maximum payments that can be made, while you continue to work. This is intended to allow you to reduce your working hours, if you wish, while continuing to receive the income you need.

Please note: If you are a temporary resident, you are not eligible to apply for an income stream or pension product offered by any superannuation fund. However, should your temporary residence status change (e.g. you become a permanent resident) at some stage throughout your membership you may then be able to apply.

### Permanent retirement after preservation

If you are over your preservation age, and fully retired from the workforce (i.e. have ceased gainful employment and intend to never again be gainfully employed for 10 or more hours per week) you are able to access your super benefits\*. You may need to confirm with the Trustee that you do not intend to work again.

### Retirement after age 60

If you have ceased gainful employment with an employer after turning 60, your super benefits are accessible\*. You do not need to be permanently retired from working.

### Age 65

After age 65, your benefits are accessible, regardless of your employment situation.

*\*These conditions of release do not apply to New Zealand-sourced amounts transferred from KiwiSaver schemes. These amounts can only be accessed once a member reaches New Zealand's retirement age (currently 65 years).*

### Additionally, there may be some conditions of release where you can access your super earlier.

A condition of release is an event, or series of events, that allow your preserved and/or restricted non-preserved monies in superannuation to be accessed. You can usually access your super at retirement after reaching preservation age, however in some circumstances you can access some or all of your super early. These include the following, which are described in further detail below:

Total and Permanent Disablement (TPD)
Terminal Medical Condition
Severe Financial Hardship
Compassionate Grounds
First Home Super Saver Scheme
ATO Release Authority
Departing Australia Superannuation Payment (DASP)

#### Total and Permanent Disablement (TPD)

If the Trustee is satisfied you have a Permanent Incapacity, your benefit can be released. Your benefit may also include insurance cover. You may be able to claim if you become Permanently Disabled and have cover at the date of disablement under any of the conditions as defined in the *Insurance Guide* relevant to your account.

#### Terminal Medical Condition

If the Trustee is satisfied you have a Terminal Medical Condition that is likely to result in your death within 24 months your benefit can be released. Your benefit may also include an insurance component if you have Death insurance cover and are eligible under the insurance policy terms and conditions.

Unlike a Permanent Incapacity benefit or Total and Permanent Disablement insurance benefit you do not need to have ceased employment to be eligible. If you withdraw all or part of your super as a lump sum under this condition of release it is not subject to tax.

For more information on Death cover and the Terminal Illness insurance benefit please refer to the *Insurance Guide* relevant to your account.

#### Severe Financial Hardship

To be granted early release of super on the grounds of severe financial hardship, the Trustee must be satisfied that either:

- 1 You are unable to meet reasonable and immediate family living expenses and you are receiving and have been in receipt of an eligible Commonwealth income support payment (e.g. Newstart Allowance) for the last 26 weeks; or
- 2 You've reached your preservation age and 39 weeks and all the following scenarios have occurred:
  - You have been receiving eligible Commonwealth income support payments for a cumulative period of at least 39 weeks since reaching your preservation age.
  - You are unemployed or employed for less than ten hours a week when you make your application for payment under financial hardship.
  - You have been a member of the Fund for more than 2 years.

If you apply under the first criteria, the Trustee will determine the amount of your payment, between the limits of \$1,000 and \$10,000. You cannot access more than the balance of your super account and you can only access severe financial hardship once every 12 months.

If you apply under the second criteria, you can access the whole balance of your account and can apply more than once each 12 months.

To request early release of your superannuation under these criteria please complete the *Financial hardship application form* available from [brightersuper.com.au](http://brightersuper.com.au) or by calling us on **1800 444 396**.

## Compassionate Grounds

If you have significant financial difficulties in relation to certain types of expenses and do not qualify for severe financial hardship, you may be able to access some of your benefit by lodging an application with the Australian Taxation Office (ATO). The ATO will determine the amount you can receive, after taking into account the amount requested.

You must have expenses relating to the following:

- Pay for medical treatment for you or a dependant.
- Palliative care for you or your dependant.
- Make payment on a loan or council rates to prevent you from losing your house.
- Modify your home or vehicle for the special needs of you or a dependant because of severe disability.
- Pay for expenses associated with a death, funeral or burial.

For more information on applying online via the ATO website or via application form, visit [ato.gov.au](http://ato.gov.au) or call 13 28 65.

## First Home Super Saver Scheme

Please see page 3 of this guide for further information on the First Home Super Saver Scheme.

## Release Authority from the Australian Taxation Office (ATO)

If we receive a valid ATO release authority, the Fund may be authorised to release an amount from your super account according to the instructions contained in the release authority.

Different types of release authorities include:

- **Refund of excess concessional contributions release authority:** The Fund may receive a refund release authority if you have exceeded your concessional contributions cap in the 2011/12 and 2012/13 financial years:
  - for the first time by up to \$10,000; and
  - accepted a once-only offer from the ATO to have benefits released.
- **Voluntary release authority:** The ATO may send you a voluntary release authority if they have issued you with an excess concessional contributions tax assessment. You may use the voluntary release authority to withdraw the excess contributions from one or more of your super funds up to the amount of your excess concessional contributions tax.
- **Excess concessional contributions release authority:** We may receive an excess concessional contributions release authority because you have exceeded your concessional contributions cap and you have elected to release the excess concessional contributions.
- **Compulsory release authority:** The ATO may send you a compulsory release authority if they have issued you with an excess non-concessional contributions tax assessment. You must use the compulsory release authority to withdraw an amount from one or more of your super funds equal to the amount of your excess non-concessional contributions tax.

- **Release authority for Division 293 tax:** The release authority for Division 293 tax can be used to pay a Division 293 tax debt if you choose to use it. Division 293 tax is the tax paid on concessional contributions by certain individuals with income above the threshold (\$250,000 in 2023/24).

For more information about release authorities and Division 293 tax, visit the ATO's website at [ato.gov.au](http://ato.gov.au)

## Departing Australia Superannuation Payment (DASP)

If you are a former temporary resident, you may be entitled to receive your superannuation benefits once you permanently leave Australia and your temporary resident visa has expired or been cancelled.

### How to make a claim

If you're eligible for a DASP, you can submit a claim directly through the ATO's DASP online application system. If you apply online using the DASP online application system, the application is free and includes online verification of your immigration status to confirm that your temporary resident visa has ceased to be in effect and that you have left Australia.

For more information, visit [ato.gov.au/departaustralia](http://ato.gov.au/departaustralia).

## Accessing preserved vs non-preserved super

Money in superannuation is made up of three different preservation components. These components can be accessed at different times.

- **Unrestricted non-preserved benefits** – These are benefits contributed prior to preservation rules, or benefits that you have voluntarily kept in super after you met a condition of release. These can be accessed at any time.
- **Restricted non-preserved benefits** – These are benefits that are not preserved, but may be linked to employment with your contributing employer, or other fund rules which restrict access to the benefits. Once you have left your employer, or met another condition of release, these benefits can then be accessed.
- **Preserved benefits** – These are benefits that must remain preserved in superannuation until you satisfy a condition of release.

Your Annual Statement shows the amount held in each component (if more than one) at the end of the financial year. You can obtain up-to-date information about your preservation components by logging onto Member Online.

Preserved benefits that are less than \$200 and you have ceased work with a contributing employer or classified as a lost member can be accessed. If you cease employment with a contributing employer you will have access to any Restricted Non-Preserved components of your account balance.

## Who can access your super when you die

In the event of your death, the whole of your account balance, plus any insurance benefit payable, will be paid to your dependants or your estate. Refer to the information about nominating beneficiaries on the next page.

# Using a Financial Adviser

For help managing your Brighter Super account, you may wish to speak to a registered financial adviser. Brighter Super have a team of in-house financial advisers who can assist you, or you can also nominate another registered adviser of your choice.

You do not need a financial adviser to open or maintain a Brighter Super account, however you may appoint a financial adviser as your Listed Adviser, and provide them with limited transaction authority to make changes to your account via the adviser online portal.

By providing your financial adviser with limited transaction authority, you authorise the named adviser, and their authorised delegates, access to the details of your account(s) to perform the following activities on your behalf via the adviser online portal:

- Make additional contributions
- Change current and future investment strategies
- Search for your lost super and consolidate
- Change pension payment amounts and frequency
- Request information about your account and copies of any documents provided by us in relation to it

With a limited transaction authority, your adviser cannot:

- Transact via your online personal account
- Request a withdrawal or transfer on your behalf
- Request a payment to someone other than you
- Appoint other authorised third parties
- Change any fees or charges without your written authority
- Change your address or contact details

If your circumstances change and this authority is no longer consistent with your needs, you can cancel or change your nomination at any time by contacting us.

As part of normal business practice, advice businesses may be sold, a new adviser may take over a book of clients, or an adviser may transfer from one licensee to another. Where this occurs, a new adviser may be nominated on your account, or the licensee attached to your account may change without your direction.

Where your account is transferred to a new licensee or adviser they (and their delegates) will be authorised to access information regarding your account(s).

Your periodic statement and other communications will contain details of the adviser nominated on your account.



# Nominating beneficiaries

To ensure your Death benefit is paid the way you want, it's important to nominate your beneficiaries and, whenever life changes, to make sure your nomination is up to date.

You can nominate as many eligible beneficiaries as you like. Who superannuation benefits can be paid to is strictly defined by legislation, as outlined below. We do not charge a fee when you make or change a Death benefit nomination.

## Types of nominations

There are three ways you can nominate beneficiaries:

- **Preferred beneficiary nomination** - this is not binding, meaning that we will have discretion to decide who will receive your Death benefit. Upon your death, we will consider your nomination but will take into account a range of other factors (such as the personal circumstances of your dependants) when making a decision about who will receive your benefit.
- **Binding death benefit nomination** - this is binding if a valid nomination. This means that we must pay your Death benefit to your nominated dependents or legal personal representative in accordance with your instructions, without taking into account any other factors. A binding death benefit nomination lapses after three years.
- **Non-lapsing death benefit nomination** - this is also binding if it is a valid nomination. We will pay your Death benefit in accordance with your instructions if we have consented to the nomination and it is still valid.

If you do not make a nomination, or your nomination becomes invalid, in the event of your death we must pay your benefit to your legal personal representative or to any dependants if they can be found. If there are no dependants and no legal personal representative, we must pay your benefit to any other person/s as permitted by law. The most appropriate nomination will depend on your personal circumstances. As there may be taxation, Centrelink and other implications to consider, we recommend that you seek professional legal, taxation and financial advice before making your nomination.

## Who can you nominate

Your Death benefit can be paid to your dependants or your legal personal representative. Under superannuation law, your dependants are:

- your spouse — married, de facto or same-sex partner;
- your children — including step-children, adopted children, mature-age children or the child of a spouse;
- someone in an interdependent relationship with you; or
- financial dependants (such as someone who relies on you financially).

Two people will have an interdependency relationship if:

- they live together;
- they have a close personal relationship; and
- one or each of them provides the other with financial and domestic support and personal care.

Interdependency can also apply in the case where a close personal relationship exists but the other requirements for interdependency are not satisfied because either or both people suffer from a physical, intellectual or psychiatric disability.

## How to make a death benefit nomination

A **preferred nomination** can be made or updated any time by logging on to Member Online.

A **binding death benefit nomination** can be made or updated at any time. A binding nomination must be made using our approved form and be witnessed by two people over the age of 18 years who are not your "Beneficiaries". Binding nominations expire after three years. It will also become invalid if any person nominated as your dependant (under superannuation law) dies or ceases to be your dependant. Every year, we will notify you of the details of your binding nomination and its expiry date. To make a binding Death benefit nomination, simply download and complete a *Binding Death Benefit Nomination form* available at [brightersuper.com.au](http://brightersuper.com.au).

A **non-lapsing Death benefit nomination** can be made or updated any time. To make a non-lapsing death benefit nomination, simply download and complete a *Binding Death Benefit Nomination form* available at [brightersuper.com.au](http://brightersuper.com.au).

Unlike a binding nomination, a non-lapsing nomination will not expire after three years. However, a non-lapsing Death benefit nomination will become invalid if:

- you nominated your spouse and they cease to be your spouse (e.g. you divorce) or you become permanently separated from them;
- you commence a relationship with a spouse who is not named in the nomination; or
- any person nominated as your dependant (under superannuation law) dies or ceases to be your dependant.

You should review your nomination regularly so that your wishes are met. Changes in your circumstances, such as a new de facto relationship, birth of a child or marriage breakdown, may affect the validity of your nomination or your wishes. Your Annual Statement will show details of your nomination (if any) and its expiry date if it is a binding nomination. To renew, change or cancel your nomination, simply complete the relevant Death benefit nomination form.

# Important information

## Providing you tax file number

The Fund is authorised to collect your TFN by tax laws, the *Superannuation Industry (Supervision) Act 1993* and the *Privacy Act 1988*.

By providing your TFN to the Fund, you will allow the Fund's Trustee to use your TFN for any lawful purposes.

### This may include:

- Calculating tax on any benefit to which you may be entitled.
- Provision to the ATO for taxation and contribution limit purposes.
- Provision to the ATO so they can determine whether you are eligible for a co-contribution payment.
- Finding and amalgamating your superannuation benefits.
- Provision to the ATO when you receive a benefit, or if your benefit is transferred to the ATO.
- Provision to another superannuation provider receiving benefits you may transfer (we won't pass your TFN to any other superannuation provider if you tell us in writing that you don't want us to pass it on).
- You are not required to provide your TFN and declining to quote your TFN is not an offence.

However, if you choose not to provide your TFN to the Fund:

- We will not be able to accept any non-concessional contributions (including spouse contributions) on your behalf.
- Your taxable contributions received by us may be subject to additional tax of 32% (this is in addition to the 15% tax currently applicable to concessional superannuation contributions).
- You may pay more tax on your superannuation benefit than is necessary (you may be eligible to get this back at the end of the financial year in your income tax assessment).
- It may be more difficult to find your superannuation benefit if you change address without notifying the Fund.
- The lawful purposes for which your TFN can be used and the consequences of not quoting your TFN may change in the future as a result of legislative change.

More information on Tax File Numbers for superannuation purposes can be obtained from the Australian Prudential Regulation Authority (APRA) on 1300 558 849 or the ATO on 13 28 65.

We will advise you in the Welcome Pack we send you when you join if we do not have your TFN. You can also check if we have your TFN at any time by logging into Member Online.

## Lost members and inactive low-balance accounts

In certain circumstances, the Fund is required to transfer a member's account to the ATO if the member is deemed to be a lost member or an inactive low-balance account member.

A member is considered to be lost if:

- We do not have a current address (e.g. where no address details have been supplied, or written communications - including electronic - sent to the last known address have been returned unclaimed).
- In the last 12 months the member has not contacted us, logged on to Member Online or had a contribution or rollover paid into their account.
- The Fund is satisfied that it will never be possible to pay an amount to the member, having regard to the information reasonably available to the Fund.
- They are not a Defined Benefit member.

A member is considered to have an inactive low-balance account if the member:

- Has an account balance less than \$6,000.
- Does not have insurance cover.
- Has not had contributions or rollovers go into their account for a continuous period of 16 months.
- Has not made any changes to their account such as a beneficiary nomination or investment switch.
- Has not met a condition of release (as outlined in this Guide).
- Has not made an election in writing\* (either to the Fund or the ATO) to be excluded from being considered an "inactive low-balance" member.
- Is not a Defined Benefit member.

From 1 July 2013, the ATO started paying interest at a rate equivalent to Consumer Price Index inflation (CPI) on any super monies transferred to the ATO and subsequently reclaimed by members. Prior to 1 July 2013, no form of interest was paid by the ATO when members reclaimed their super except in the case of former temporary residents, who became an Australian or New Zealand citizen or held a permanent resident visa.

\* To make a written election to the Fund complete the *Inactive Low-balance Account - Declaration form* available from the ATO website at [ato.gov.au](http://ato.gov.au). This election is only valid for 16 months. If your account meets the criteria of being an inactive low-balance account again, you will need to make another written election.

If your account balance is transferred to the ATO, your Brighter Super account will be closed. The ATO will then try to identify if you have an active super account with another fund and, if a match is found, will automatically transfer your balance into that active account. For more information about inactive low-balance accounts visit the ATO website at [ato.gov.au](http://ato.gov.au). Brighter Super accounts will be identified as either lost or inactive low-balance accounts on 30 June and 31 December each year. These accounts will be transferred to the ATO by 31 October and 30 April each year respectively, unless the member no longer meets the "lost" or "inactive low-balance" criteria.

### **Minimum account balances**

If you decide to access or roll over only part of your super, a minimum amount of \$8,000 must remain in your account to keep it open and retain insurance cover. Brighter Super requires that you must have reached and hold a minimum balance of \$8,000 in order to process a partial lump sum withdrawal. Please note the next section - lost and inactive low balance accounts.

### **Unclaimed super**

Under legislation, we must report and pay any unclaimed super to the ATO. Your super account is generally considered unclaimed if you turn 65 and no contributions have been made to your account for at least two years, and it's been five years since we last had any contact with you.

Your super is also considered to be unclaimed in the following circumstances:

- the member was a temporary resident who had not claimed a DASP within six months since the visa had ceased to be in effect and they had left Australia and the member is neither an Australian or New Zealand citizen or has not made a valid application for a permanent visa; or
- the member has died and the Fund has not received an amount in respect of the member within the last two years and after making reasonable efforts and after a reasonable period has passed, the Fund is unable to ensure that the benefit will be received by the person(s) entitled to receive the benefit; or
- the member is a non-member spouse; and
  - a payment split applies to a splittable payment in respect of an interest that a person has as a member of the Fund; and
  - as a result, the non-member spouse (or his or her Legal Personal Representative if he or she has died) is entitled to be paid an amount; and
  - after making reasonable efforts and after a reasonable period has passed, the Fund is unable to ensure that the non-member spouse or his or her Legal Personal Representative, as the case may be, receives the amount.

### **Consolidation of multiple accounts**

The Trustee of the Fund has a duty to identify members with two or more Accumulation accounts within the Fund and merge those accounts into one account if the Trustee reasonably believes that it is in the member's best interests to do so. These rules do not apply to Defined Benefit or Pension accounts.

The Fund will review accounts on a regular basis to identify multiple accounts within one product and consolidate them. If you hold multiple accounts across different products with the Fund, we will not automatically merge accounts across different products. In determining whether to merge the accounts, the Fund will consider, amongst other factors, possible savings of fees, charges and insurance costs. You will be notified if your accounts are merged and no fee will be payable.

# Enquiries, concerns and complaints

Brighter Super is passionate about providing the trusted and reliable service you want. We do our best to look after your wellbeing with individual attention, personal advice and quick responses to your needs.

## How do I get questions answered?

Whatever your question, we can answer it. Simply visit our website at [brightersuper.com.au](http://brightersuper.com.au), call us on **1800 444 396** or email [info@brightersuper.com.au](mailto:info@brightersuper.com.au).

## Our enquiries procedure

**Note:** Where 'member' is mentioned it includes a former member and/or a beneficiary who is not a member of Brighter Super.

### Definition of enquiry

Request for information concerning a person's membership of the fund.

## When a Brighter Super member makes an enquiry, the following action is taken:

### Verbal enquiry

A verbal enquiry (telephone or face-to-face) will be answered immediately where possible. If further research is needed to answer your query, you will be contacted with a response by close of business the following day. In that case, an interim response will be given in the time frame outlined above, with an indication of when full details will be available.

### Written enquiry

A written enquiry will generally be answered within 2 business days from the date of receipt. If no answer is possible within this time, an interim response will be provided.

## What do I do if I have a concern or complaint?

If you have a concern or if we do something you are unhappy about, we want you to tell us straight away so we can resolve the matter quickly.

## Our complaint process

We hope you are happy with Brighter Super and the service we provide. If you are unhappy we have a complaints handling process. Contact details for our Complaints officer are:

**Email** [complaints@brightersuper.com.au](mailto:complaints@brightersuper.com.au)  
**Phone** **1800 444 396**  
**Post** Complaints Officer  
Brighter Super  
GPO Box 264 Brisbane Qld 4001

If you believe our internal complaints process has not satisfactorily resolved your complaint, you can contact the Australian Financial Complaints Authority (AFCA). This is an independent body set up by the Australian Government to help members resolve certain types of complaints with fund trustees.

To find out whether AFCA is able to handle a complaint you can contact them on the details below.

**Post** Australian Financial Complaints Authority  
GPO Box 3  
MELBOURNE VIC 3001  
**Website** [www.afca.org.au](http://www.afca.org.au)  
**Email** [info@afca.org.au](mailto:info@afca.org.au)  
**Phone** 1800 931 678

You can find out more on our procedures by downloading a copy of our *Enquiries, concerns and complaints info sheet* from our website or call us and we can post a free copy to you.

## Privacy

Brighter Super respects the privacy of your personal information. You can find out how we use and protect your personal details by getting a copy of our *Privacy policy* from our website at [brightersuper.com.au](http://brightersuper.com.au), or call us on **1800 444 396** and we will send you a paper copy.







right by your side

Level 20, 333 Ann Street Brisbane Qld 4000 GPO Box 264 Brisbane Qld 4001  
Telephone: **1800 444 396** From overseas +61 7 3244 4300 Fax 07 3244 4344  
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LGIAsuper Trustee (ABN 94 085 088 484 AFS Licence No. 230511) (Trustee) as trustee for LGIAsuper (ABN 23 053 121 564) (Fund), trading as Brighter Super. Brighter Super products are issued by the Trustee on behalf of the Fund.