

ClearView **WealthFoundations**

Super and Pension

Update pursuant to ASIC Class Order 03/237

Date issued 1 July 2017

The information in this notice dated 1 July 2017, provides non-materially adverse updates to the WealthFoundations Super and Pension Product Disclosure Statement (**PDS**), Additional Information Brochure (**AIB**) and Investment Options List (**IOL**) all issued 23 March 2017. This update is issued by ClearView Life Nominees Pty Limited ABN 37 003 682 175 AFSL 227683 (**CLN**) as Trustee for the ClearView Retirement Plan ABN 45 828 721 007. It should be read together with the PDS, AIB and IOL which are available at www.clearview.com.au.

About this update

The government has announced a range of super tax reforms impacting contributions, transition to retirement pensions and retirement income streams. These changes have become law and come into effect from 1 July 2017.

This update outlines the disclosure changes in respect of transition to retirement pension changes effective from 1 July 2017:

Changes to the PDS (including the AIB and IOL) from 1 July 2017

Transition to retirement pension changes – what has changed?

A Transition to Retirement (TTR) pension can be commenced with preserved super funds once you reach preservation age even if you are still working. From 1 July 2017, the current tax exemption on earnings generated from a TTR pension will be removed. Instead, the tax rate on earnings will be 15%. The tax treatment of income payments received from a TTR pension will not change (eg tax free income for those aged 60 and over).

What are the PDS changes?

1 Replace:

References to ‘Super’ in the ‘Indirect cost ratio’ row of the fees table in section 6. ‘Fees and costs’, on page 6 of the PDS.

With:

‘Super and TTR’

So it reads:

WealthFoundations Super and Pension			
Type of fee	Amount for IPS Dynamic 70 strategy	Amount for Guaranteed Cash	How and when paid
Indirect cost ratio	Super and TTR: 1.27% p.a. Pension: 1.45% p.a.	Super and TTR: 0.85% p.a. Pension: 1.00% p.a.	This cost is calculated daily and factored into the unit price of each underlying investment option and is not deducted from your account.

2 Replace:

The following paragraph under the section 7. ‘How super is taxed’, sub-heading ‘Tax on earnings’ on page 7 of the PDS:

‘Investment earnings and capital gains are taxed at a maximum rate of 15% in WealthFoundations Super. This is generally lower than the personal rate of tax that applies to income from most other investments. Tax credits may apply to WealthFoundations Pension account.’

With:

‘Investment earnings and capital gains are taxed at a maximum rate of 15% in WealthFoundations Superannuation **and for transition to retirement pensions**. This is generally lower than the personal rate of tax that applies to income from most other investments. Tax credits may apply to WealthFoundations Pension account.’

3 Replace:

References to 'Super' in the 'Indirect cost ratio' row of the fees table in section 7. 'Fees and costs', on page 28 of the AIB.

With:

'Super **and TTR**'

So it reads:

WealthFoundations Super and Pension		
Type of fee	Amount	How and when paid
Indirect cost ratio	Super and TTR : 0.49% – 1.89% Pension: 0.58% - 2.11%	This cost is calculated daily and factored into the unit price of each underlying investment option and is not deducted directly from your account.

4 Replace:

The following paragraph under the section '8. How super is taxed', sub-heading 'Tax on investment earnings and fees' on page 33 of the AIB:

'The earnings of the super investments in the Plan are taxed at a maximum rate of 15%. This is generally lower than the personal rate of tax that applies to income from most other investments.'

With:

'The earnings of the super **and TTR** investments in the Plan are taxed at a maximum rate of 15%. This is generally lower than the personal rate of tax that applies to income from most other investments.'

5 Replace:

All references to the 'Current estimated ICR' on pages 4-11, of the IOL:

'Super'

With:

'Super **and TTR**'

6 Replace:

The column name from the table of section 'Underlying investment options', on page 12 of the IOL:

'APIR code (Super)'

With:

'APIR code (Super **and TTR**)'

7 Replace:

All references to the 'Other indirect costs' and 'Total indirect costs' on pages 13-14, of the IOL:

'Super'

With:

'Super **and TTR**'

Need more information?

Please speak to your financial adviser or contact our Service Centre on **132 977**.

More information on these changes is also available at www.ato.gov.au/Individuals/Super/Super-changes

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