

Updated information for VicSuper Flexible Income Product Disclosure Statement dated 1 November 2020

Issued by Aware Super Pty Ltd ABN 11 118 202 672, AFSL 293340, as trustee for Aware Super (Fund) ABN 53 226 460 365

Dated 12 July 2021

This additional information updates the content in the VicSuper Flexible Income Product Disclosure Statement (PDS) issued 1 November 2020. It should be read in conjunction with the PDS.

Changes to superannuation rates and thresholds

The VicSuper Flexible Income PDS includes superannuation rates and thresholds, which apply to your account.

The Government may legislate changes to superannuation rates and thresholds. The changes to rates and thresholds which apply to VicSuper Flexible Income from 1 July 2021 are shown below:

1. Tax treatment on commutations

Partial lump sum withdrawal and full exit payments for members under age 60

There is no tax payable on the tax-free component of a lump sum withdrawal (including for members under age 60). The tax treatment of the taxable component for the 2020/21 and 2021/22 financial years are shown in the table below:

Contributions	Tax treatment 2020/21	Tax treatment 2021/22
Under preservation age	20% plus the Medicare levy	20% plus the Medicare levy
Reached preservation age and under age 60	<ul style="list-style-type: none"> 0% for amounts up to the low rate threshold of \$215,000 and 15% plus Medicare levy for amounts over \$215,000 	<ul style="list-style-type: none"> 0% for amounts up to the low rate threshold of \$225,000 and 15% plus Medicare levy for amounts over \$225,000

2. Transfer balance cap

	2020/21 Financial Year	2021/22 Financial Year
General Transfer Balance Cap	\$1,600,000	\$1,700,000 ¹

1. There is a general transfer balance cap of \$1.7 million, which is a lifetime limit on the total amount of superannuation that can be transferred into retirement phase income streams.

From 1 July 2021, all Individuals have a personal transfer balance cap between \$1.6 million and \$1.7 million. Individuals who start their first retirement phase income stream on or after 1 July 2021 will have a personal transfer balance cap of \$1.7 million.

It's important to note that everyone will have their own personal transfer balance cap. You will need to visit ato.gov.au to find out what cap applies to you. This cap applies to all retirement phase income stream accounts you may have, except Transition to Retirement income streams. If you exceed the transfer balance cap, the Australian Taxation Office (ATO) will require you to remove the excess from your income stream(s) and additional tax may apply.

Because laws change from time to time, please visit ato.gov.au to confirm current superannuation key rates and thresholds or call us on **1300 366 216** to speak to a super consultant.