

Opting in to the Defined Benefit Division

This fact sheet is for members who are considering joining the Defined Benefit Division (DBD).

What this fact sheet covers

This fact sheet is for people who are considering joining the Defined Benefit Division (DBD) on or after 1 November 2021. It's an overview of the eligibility requirements, as well as some features of the product.

We recommend you read the Product Disclosure Statement (PDS) to learn about all aspects of the DBD before making a decision. Visit unisuper.com.au/pds for more information.

WHAT'S BEST FOR YOU?

When deciding what's best for you, there are many factors to consider. We've outlined a few of those factors, but we haven't considered your personal objectives, financial situation or needs. You may want to consider seeking professional financial advice before making your decision, as well as accessing a range of helpful resources at unisuper.com.au/choosingyoursuper.

The DBD is only open to eligible employees which is generally those who work in the higher education and research sector and receive 14% or 17% employer contributions. Defined benefit super is designed to provide reliable growth over your working 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.

It's generally well suited to you if you're:

- intending to pursue a reasonably long career in the sector, and
- expecting some salary growth arising from promotion or reclassification to higher roles during your career.

We recognise that the DBD may not suit everyone — including people anticipating only a short period of employment in the higher education and research sector, and those expecting little or no salary growth arising from promotion or reclassification to higher paying roles.

If you're eligible, and interested in making the switch, you have two years from the date your DBD eligible role started to decide. We've outlined the eligibility criteria for joining below. Please read the Defined Benefit Division and Accumulation 2 Product Disclosure Statement (PDS) for more information.

Eligibility information

In order to join the DBD, you must:

- be employed in a role your employer has approved for DBD membership, and in that role for no more than 24 months.
- be under the age of 65 on the date you commence in the DBD
- have not previously had an Accumulation 2 account
- provide your Tax File Number
- have not previously commenced a DBD membership on or after 1 November 2021.

If you meet the eligibility criteria, you'll need to complete the attached *Opt in to the DBD* form and return it to your Superannuation Officer for processing.

Default member contributions

As a DBD member, your super is made up of contributions from your employer—either 17% or 14% of your salary—as well as money from your take-home pay.

The money coming out of your pay is called a default member contribution and could come from your before-tax or after-tax salary.

Default member contributions commence at 7% (after-tax) of your salary. However, you can change or cancel them when you complete your *Opt in to the DBD* form. Your employer will start to deduct them when you join.

If you reduce your default member contributions, you won't be able to increase them later. Reducing your level of default member contributions can **impact your DBD formula**. The level of default member contributions that you can elect depends on whether you receive 14% or 17% employer contributions. The rates are shown in the tables on page 2.

Read the PDS for more information about the impact.

IF YOU RECEIVE 17% EMPLOYER CONTRIBUTIONS

<i>Before-tax contribution level</i>	<i>After-tax contribution level</i>
8.25%	7.00%
5.25%	4.45%
4.70%	4.00%
3.55%	3.00%
2.35%	2.00%
1.20%	1.00%
0.00%	0.00%

IF YOU RECEIVE 14% EMPLOYER CONTRIBUTIONS

<i>Before-tax contribution level</i>	<i>After-tax contribution level</i>
8.25%	7.00%
7.70%	6.55%
6.55%	5.55%
5.35%	4.55%
4.20%	3.55%
3.00%	2.55%

ONCE YOU'VE OPTED IN TO THE DBD:

- Your membership will commence from the first day of your next pay period.
- You'll pay default member contributions of 7% of your salary (after tax). You can change this in your *Opt in to the DBD* form. If you've previously reduced your member contributions from an earlier DBD membership, your member contributions will continue at the previous rate.
- Any contributions to your accumulation component will be invested in the Balanced investment option if you haven't chosen an investment strategy.
- If eligible, you'll receive one unit of Death and Total and Permanent Disablement (TPD) cover without providing evidence of your health to our Insurer.
- External Income Protection cover isn't offered in the DBD, so if you're currently a UniSuper member and have this cover through your account, it will be cancelled.

If you have questions about changing default arrangements, or your insurance or investment options, please speak with a superannuation consultant who can talk you through the features of the DBD. Go to unisuper.com.au/on-campus to make a booking.

Frequently asked questions

Q: How do I know if I'm eligible to join the DBD?

You need to meet the eligibility criteria from both your employer and UniSuper.

Generally, for your employer to consider you eligible:

- you're receiving 14% or 17% superannuation, and
- you're in a fixed-term contract or ongoing role.

For UniSuper it means:

- you're under the age of 65,
- you've not been an Accumulation 2 member previously,
- you provide your Tax File Number, and
- you have not previously commenced a DBD account on or after 1 November 2021.

It's important that you check all eligibility criteria before completing your *Opt in to the DBD* form.

Q: What is an eligible role?

To be in an eligible role to join the DBD, you must be employed by an employer that has been approved by UniSuper's trustee to participate in the DBD. Generally, to be approved, an employer operates in the higher education or research sector, or is associated with an entity that does.

If you're unsure whether your role is eligible, please check with your employer.

Q: How long do I have to decide?

You have two years to decide if you'd like to join the DBD from when you start in an eligible role with your employer. If you haven't transferred to the DBD within two years, you'll only get another opportunity to join the DBD if you change jobs and start in another eligible role. At that point, you'll have another two years from the commencement of that eligible role.

Q: How do I find out how much my employer contributes to my super?

The payslips your employer provides will probably include a breakdown of employer and member contributions made to your UniSuper account. If not, check with your payroll officer.

Q: How do I opt into the DBD?

Once you've read the PDS and are ready to join the DBD, you'll need to complete the attached *Opt in to the DBD* form and submit it to the person responsible for super at your workplace. They'll set up the right payroll deductions and let UniSuper know you're changing to the DBD.

Q: When does my DBD account commence?

Your DBD account will commence from the beginning of the next pay period after your employer has processed your completed form. This can take up to three weeks depending your payroll cycle. Your DBD membership will not be backdated.

Q: If I join the DBD, what happens to my accumulation super?

Your existing super account will remain invested in the options you've previously selected, or the default investment option, Balanced, if you've not made a choice.

Your DBD account will commence and operate alongside your accumulation account.

For more information about how your employer and default member contributions are invested, please read the PDS.

Q: What if I am a DBD member who joined before 1 November 2021?

If you joined the DBD prior to 1 November 2021, your membership will continue until you leave your job. We'll write to you when you leave your job to outline your options and what will happen if you are to return to an eligible role in the future.

Q: What happens if I deferred DBD my membership (before 1 November 2021) and start an eligible role after 1 November 2021?

If you commence an eligible role after 1 November 2021, you'll automatically recommence contributing to your DBD membership and your member contributions will continue at the previous rate.

Q: What if I've previously been a DBD member?

If you joined the DBD on or after 1 November 2021, left and your account was moved into Accumulation 1, this means you're unable to opt in again in the future. Therefore, if you join the DBD after 1 November 2021, you need to maintain continuous membership to stay in the DBD.

Q: If I switch to the DBD, what are the impacts to my external insurance cover?

When you move to the DBD, any external insurance cover* you already have as a UniSuper member for Death or Total and Permanent Disability continues. It's important to ensure you've got enough money in your in your accumulation component to cover the cost of your insurance premiums, or your cover will be cancelled.

External Income Protection cover isn't offered in the DBD, so if you're already a UniSuper member and have this cover, it will be cancelled when your DBD account commences.

Q: Do I get any insurance cover with the DBD?

If eligible, you'll receive one unit of Death and TPD external insurance cover when you join the DBD. If you receive this cover you can elect up to an additional two units without having to provide any evidence of your health to our Insurer.

DBD members also generally receive inbuilt benefits, which can be thought of as like insurance, and can be paid if you're temporarily or permanently unable to work due to injury or illness, suffer from a terminal medical condition, or die. Inbuilt benefits have a three year pre-existing condition exclusion and are provided by UniSuper, not our Insurer. As they are 'built-in' to the DBD, there is no additional charge deducted from your account for them.

Q: Can I change my default member contributions?

Yes. You can reduce your default member contributions to levels outlined in the tables on page 2. Your employer will continue to make contributions to your account.

The highest level of default member contributions are designed to maintain your DBD formula at the maximum level and provide you with a better outcome for retirement. We recommend you seek financial advice, or make an appointment with one of our super consultants to help you understand your options.

Q: If I reduce my default member contributions, can I increase them later?

As a DBD member, you won't be able to increase your level of default member contributions once you've reduced them. However, you can make extra super contributions to your accumulation component with salary sacrifice payments or voluntary member contributions.

We're here to help

Super is complex and this is a big decision. A UniSuper expert is on hand to help you understand your options.

If you'd like more information, we recommend you speak with a superannuation consultant who can talk you through the features of the DBD, including insurance. We can meet you on campus, at one of our member centres or virtually. It'll cost you nothing extra to see us—this service is included as part of your membership. Go to [unisuper.com.au/on-campus](https://www.unisuper.com.au/on-campus) to make a booking.

* Insurance cover is provided to UniSuper members by TAL Life Limited, ABN 70 050 109 450, AFSL No. 237848.

This information is of a general nature only and includes general advice. It has been prepared without taking into account your individual objectives, financial situation or needs. Before making any decision in relation to your UniSuper membership, you should consider your personal circumstances, the relevant product disclosure statement for your membership category and whether to consult a licensed financial adviser. This information is current as at November 2021 and is based on our understanding of legislation at that date. Information is subject to change. To the extent that this fact sheet contains information which is inconsistent with the UniSuper Trust Deed and Regulations (together the Trust Deed), the Trust Deed will prevail. Issued by: UniSuper Management Pty Ltd ABN 91 006 961 799, AFSL No. 235907 on behalf of UniSuper Limited the trustee of UniSuper, Level 1, 385 Bourke Street, Melbourne Vic 3000.

Fund: UniSuper, ABN 91 385 943 850
Trustee: UniSuper Limited, ABN 54 006 027 121 AFSL 492806
Date: November 2021 UNIS000F50 1121

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.

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.

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.

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)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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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.



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)

- 4.45% after tax (5.25% before tax)
- 3.00% after tax (3.55% before tax)
- 1.00% after tax (1.20% before tax)
- 4.00% after tax (4.70% before tax)
- 2.00% after tax (2.35% before tax)
- 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)

- 6.55% after tax (7.70% before tax)
- 4.55% after tax (5.35% before tax)
- 2.55% after tax (3.00% before tax)
- 5.55% after tax (6.55% before tax)
- 3.55% after tax (4.20% 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"/>
<small>DD</small>	<small>MM</small>	<small>YYYY</small>

Give to your employer:

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, 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. 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