

Deferred retirement benefit

What are my options?

Your Deferred retirement benefit is the employer financed portion of your QSuper Defined Benefit account.

What is my deferred retirement benefit?

When you resign, you have two options with your deferred retirement benefit. Your deferred retirement benefit can remain in QSuper until age 55 indexed with wages growth. Because the growth in your benefit is linked to wages growth, this is called the Average Wage option.

With the second option, you have more say in how your money is invested, as the growth in your benefit is linked to investment returns. Because of this it is called the Investment Linked option.

It's important to remember...

You don't have to decide straight away. Your money will remain in the Average Wage option unless you ask to move it. You can choose to take the Investment Linked option any time before age 55.

What is the Average Wage option?

As a member with a Defined Benefit account, your defined benefit grew with your length of time contributing, your contribution rate and salary growth. When you are no longer contributing to this Defined Benefit account, the way in which it grows changes.

So that your deferred retirement benefit reflects the salary you might have reached at retirement, it is indexed with average wages growth up to your 55th birthday.

What is the Investment Linked option?

The Investment Linked option allows you to transfer the present day value of your deferred retirement benefit to an Accumulation account – VIP or another super fund where your benefit will grow with investment earnings. The Investment Linked value is calculated using your current age and how long it is until you reach age 55. As a result, this value will increase as you grow older.

Why might I choose the Investment Linked option?

Any time before you turn age 55, you are able to transfer the present day value of your deferred retirement benefit to either a QSuper Accumulation account – VIP or another complying super fund. You may feel that by taking the initially lower value and having this amount grow with investment returns, you will have a larger benefit than what would have grown in the Average Wage option.



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You should be aware that if you choose this option:

- you cannot go back to the Average Wage option;
- all your money must remain in a superannuation fund until permanent retirement after your preservation age; and
- your death or disability benefit may be less than under the Average Wage option.

QSuper's deferred retirement benefit *Your options* book gives further information on these options, and what you should consider in making your decision. For a copy of this book, please call 1300 360 750, press 1 for the express option and request document 908 .

What is my preservation age?	
Year which you were born	Preservation age
Before 01/07/60	55
01/07/60 - 30/06/61	56
01/07/61 - 30/06/62	57
01/07/62 - 30/06/63	58
01/07/63 - 30/06/64	59
01/07/64 or after	60

- deducted from your investment return each year. Often the fee set each year will be lower than this figure.
- allows you to choose how your money is invested.
- has a history of excellent investment returns.
- allows you to retain your relationship with QSuper.

For a fact sheet on the QSuper Accumulation account – VIP call 1300 360 750, press 1 for the express option and ask for document 301.

However if you wish you can rollover your money to another complying superannuation fund.

Before doing this, you should consider the fees, returns and services offered by QSuper.

Why might I stay in the Average Wage option?

- This option would suit you if you want:
- a benefit which will steadily increase to age 55;
 - to be shielded from the ups and downs of investment returns; and
 - a guaranteed benefit on death or disability.

The Average Wage option may also allow you to claim part of your benefit at age 55 even if you are still working.

If I choose the Investment Linked option, where can I invest my money?

In most cases you must keep your money in a superannuation fund until you retire after your preservation age. You can invest in a QSuper Accumulation account – VIP. This account:

- is simple to join and has no entry and exit fees.
- has a low total management fee of up to 0.35%

Is there a way I can get my money earlier?

If you have taken the Investment Linked option, you may be able to apply for early access to your benefit on financial hardship or compassionate grounds if you meet certain criteria. Contact QSuper for further information.

What do I do next?

If you prefer the Average Wage option, do nothing. If you are considering the Investment Linked option contact QSuper for a copy of the deferred retirement benefit *Your options* book. This book also includes the application form you need to complete if you want to choose the Investment Linked option.

Still not sure?

The QSuper hotline is there to help you if you have any questions about this fact sheet or other superannuation issues. Our contact details are below.

QSUPER CONTACTS:

	CALL AT: David Longland Building 81 George Street BRISBANE Q 4000	MAIL: GPO Box 200 BRISBANE Q 4001	EMAIL: qsuper@qsuper.qld.gov.au
	PHONE: 1300 360 750 <i>for the cost of a local call</i>	FAX: (07) 3237 1118	INTERNET: WWW www.qsuper.qld.gov.au