

SUPER VIEWS



Protect what's precious, now for even less



Likewise, **disablement income** insurance provides a vital safety net, helping protect you from financial hardship by offering monthly benefits if you're unable to work as a result of accident or sickness[^].

VISSF is pleased to reveal the following savings on unitised disablement income insurance.

Benefit period	Weekly cost per unit	
	Now	Was
2 years	\$0.95	\$1.00
5 years	\$1.30	\$1.37
To age 65	\$2.48	\$2.61

Surprisingly affordable

Let's look at Megan as an example, aged 40 and earning \$80,000. Since disablement cover is based on 85 per cent of her salary, Megan could insure for an **annual benefit of \$68,000**. The cost for a five year benefit period would be **less than \$240 a year**.

Matthew is 40 and can apply for **\$500,000 of additional cover** for voluntary death and TPD, with just a **\$320 annual premium**. Good value,

 **TIP:**
Insuring through super gives you access to competitive group rates and means the premiums aren't coming out of your take-home pay.

Premium savings

While other super funds are increasing insurance premiums, VISSF is pleased to announce savings for its members on disablement income insurance – with no increases on premiums for death and total and permanent disablement (TPD) cover.

If you and your loved ones want greater peace of mind, knowing you're adequately covered in case something unfortunate happens to you, consider taking out additional insurance through VISSF.

Increasing your **death and TPD cover** can take the pressure off financially as it pays a lump sum if you pass away or become totally and permanently disabled.

considering Matt and his young family get the peace of mind of an extra half a million dollars' worth of insurance.

Read more about the benefits of insurance cover through VISSF – and see the numbers behind our examples in the Insurance Guide on our website.



[^] Conditions apply. Please consider the Product Disclosure Statement and Insurance Guide for details.

We are now including QR (Quick Response) codes in our printed materials – so you can access online references fast. Simply use a QR code app on your smartphone to scan the code square and it will take you directly to the web page.

Don't lose out

Don't let your hard-earned money join the \$18.1 billion pile of lost super.

Act now

If there's a chance we don't have your current contact details, please update us now, so we don't lose touch with you.



It's easy and direct using the Member Login at www.vissf.com.au

As a super provider, VISSF must transfer inactive and small lost accounts to the Tax Office if they have a balance of less than \$2,000, not \$200 as before. And note the period of inactivity for an unidentifiable member has dropped from five years to just 12 months.

As a result, funds are having to be transferred out of these accounts sooner than was previously the case. This means lost members have less time to identify and top up their super before it joins the pile at the Tax Office.

If you'd like to keep track of your super in one place and save on multiple account-keeping fees at the same time, consider transferring your other super monies into your VISSF account.

We can even conduct a free search on your behalf and find other super you may have. Download the *Search for my super* form from our website.



Investment choice could mean a brighter future

How you invest your super money could influence how bright your retirement outlook is, in terms of nest egg value.

As a VISSF member, you are encouraged to evaluate which investment option/s best suit your financial needs and goals.

If you do not make a clear choice, your super is automatically invested in our Balanced option – an authorised MySuper product. But it may be in your best interest to investigate our other investment options and make the choice yourself, as different investments perform in different ways.

Growth assets – such as shares and property – generally have higher risk with performance fluctuations in the shorter term and they historically produce higher returns over 10+ years.

Income assets – such as cash and bonds – have lower risk and tend to be more stable, but historically produce lower returns over the long term. Cash is generally seen as a safe option, but it's often important to include growth

assets in a long term super portfolio so your investment can grow in value over time, at least keeping pace with inflation.

Each of VISSF's investment options has a different weighting to growth and income assets.

Think about:

- your personal circumstances
- your investment time frame
- your attitude to risk

And try out the risk calculator on our website.



If you need help before making your choice, consider seeking financial advice through VISSF's financial planning partner, Crowe Horwath Financial Planning. See the article below.



TIP:

It's easy to change your investment choice using the Member Login at www.vissf.com.au

Consider the value of advice



If you're like many working Australians, busy with other interests, it can be hard to get your head around the diverse range of investment options available – and how best to navigate super, tax and Centrelink rules.

Some Australians just let life and their finances happen and hope for the best.

But there's real power in having a well-planned approach. That's where VISSF's financial planning partner can help – and at discounted rates for VISSF members.

Any super advice you seek from Crowe Horwath Financial Planning can be paid from your VISSF account, up to \$2,000 per year (excluding Goods and Services Tax).

Advice is also available on matters such as wealth creation and protection, direct investment and shares, tax effective saving strategies, borrowing to invest, estate planning and more.

Your first meeting is at no cost or obligation. Find out more by calling VISSF on 03 9258 6750.

The world of investments

March quarter 2014

A quarter of the way through 2014 already! VISSF's partner Russell Investments provide some insights as to how markets have fared recently...

Global shares

Global sharemarkets weakened in the March quarter, returning -2.4 per cent[^]. Factors dampening performance included an uncertain outlook for emerging markets, Chinese growth concerns and rising tensions between Russia and the West following Russia's intervention in Ukraine. On an annual basis, they returned 34.7 per cent[^].

Australian shares

The Australian sharemarket made good gains during the March quarter, closing 2 per cent higher*. The market benefited from positive corporate earnings results, better than expected domestic growth figures and higher commodity prices.

Bonds

Global and Australian bonds were stronger over the quarter, closing 2.7 per cent and 1.5 per cent higher respectively#.

> Looking ahead, Russell Investments expect returns for sharemarkets and other risk assets to be more modest than in 2013, but with continuing high volatility.



*Note: All before tax and investment management costs. [^] Unhedged Australian dollar terms, as measured by MSCI World ex Australia Net Accumulation Index in AUD * As measured by the S&P/ASX 300 Accumulation Index # As measured by the Barclays Global Aggregate Bond Index (hedged to AUD) & Australian as per the UBS Warburg All Maturities Composite Bond Index*

MySuper & the dashboard

You may have heard that VISSF's Balanced option, with low fees and simple features, is now an authorised MySuper product.

While this doesn't directly affect members, it means employers can confidently make contributions to VISSF as a default for employees who

have not chosen a fund – knowing that VISSF's Balanced option, as an authorised MySuper product, meets Government rules.

The product dashboard, required under the Government's reporting rules, is viewable via



Here for you

As a dedicated industry super fund, VISSF earnings go directly to members. We don't pay shareholders – or pay commissions to financial advisers.

As your super fund, VISSF is committed to personal service. So when you call, you'll speak with a real person, not an automated answering system.

Call us any time on 03 9258 6750. We're happy to meet with you and your colleagues at your school and at your convenience.





You asked...

Q. I've heard that contribution caps are increasing. Is this true?

A. Concessional contributions include but are not limited to employer contributions such as the Super Guarantee, salary sacrifice and personal contributions claimed as an eligible tax deduction. The Government places caps on the annual value of these contributions for each person, before charging additional tax.

From 1 July 2013, for people aged 60 and over, it increased to \$35,000 and from 1 July 2014, this cap will also apply to those aged 50 and over.

For people under 50, the 2014/15 financial year cap will be \$30,000 (previously \$25,000).

Q. Can I personally deposit extra amounts into my super at random times, or does it have to be regular?

A. While regularly investing even small amounts has great value, random deposits are welcome to help build your future wealth. Every bit counts. The easiest way to make a personal contribution is via BPAY®. Use the BPAY® number you were given when you joined the Fund or ask us for it by calling 03 9258 6750.

If you have a super-related question for future editions, please email it to super@vissf.com.au

Moved from the UK?

VISSF is now a QROPS certified fund – a Qualifying Recognised Overseas Pension Scheme – which means it's registered to receive transfers from UK pension funds on a tax effective basis.

So if you're a VISSF member with money in a UK pension fund and are considering moving it to Australia, please call VISSF on 03 9258 6750.



The value of a longer term perspective

Super is a long term asset, so performance figures of 12 months or less are not always useful when evaluating an investment's ability to achieve your financial goals. Especially since returns can fluctuate quite a bit over shorter periods.

That's why it's so important to have a long term perspective, keeping in mind that most people are invested

in the superannuation system for **decades**. Even after retirement, many people preserve their nest egg in super and draw on it as an account based pension, often for more than 15 years.

VISSF investments consistently perform as well as, if not better, than larger funds. Take a look at our long term crediting rates to member accounts below.

VISSF 10 year compound average %[#]

	Superannuation assets	Account based pension assets
All Growth	7.1	6.3 [^]
Balanced	6.9	7.6
Conservative	6.2	7.2
Cash	3.9	3.9 [*]
Defined Benefit	7.1	n/a
Inflation CPI	2.8	2.7

[^] Nine year compound average as this option commenced Aug 2004. ^{*} Six year compound average as this option commenced Feb 2003. No member was invested in the Cash option from July 2004 to September 2007.

[#] To end of January 2014 for super & end of June 2013 for pensions.

Remember, past returns are not necessarily indicative of future performance.

The Victorian Independent Schools Superannuation Fund



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