Retirement Guide

CareSuper

Your guide to planning for life after work.

Ready to stop focusing on work and start focusing on other parts of your life? It's never too late to put yourself in a better financial position.

This guide is for you if you've been wondering:

- How much money will I need after I stop working?
- How much will I be able to spend?
- What do I do with my assets when I stop work?
- What happens if my money runs out?
- When can I access my super?
- What tools and resources are available?
- Who can help me come up with a plan?

At CareSuper we help our members answer these questions every day. And we can help you too.

Live well after work.

FOUR STEPS TO GETTING STARTED.

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You don't have to go it alone. Financial advice and next steps.

Section 1

Paying your way.

Exploring your income needs.

It's hard to know how much you might spend on a lifestyle you haven't started living yet. So as a starting point, let's look at the Association of Superannuation Funds of Australia's (ASFA) Retirement Standard.

The Retirement Standard shows the annual budget (estimated) most of us need to pay for either a 'modest' or 'comfortable' standard of living in retirement. It's produced from an ongoing analysis of the spending patterns of large numbers of Australians.

	Modest lifestyle		Comfortable lifestyle	
	Single	Couple	Single	Couple
Total per year	$27,646	$39,848	$43,255	$61,061

Figures from ASFA as at March quarter 2019 and are based on the budgets and living standards of someone aged around 65. The figures in each case assume that the retiree(s) own their own home and relate to expenditure by the household. This can be greater than household income after income tax where there is a drawdown on capital over the period of retirement. Single calculations are based on female figures. Visit **superannuation.asn.au** for more information.

ASFA describes a 'modest' lifestyle as one that allows you to cover life's basics, like groceries, bills and transport. A 'comfortable' lifestyle lets you pursue your hobbies, take out private health insurance, buy a reasonable car and travel.

On its own, the Age Pension (which we'll talk about soon) may not be enough to pay for even a modest lifestyle, so superannuation can play a vital role in making up the difference or living more comfortably.

A SECOND CAREER AFTER WORK

These days, it's not unusual for people to retire from their 'career' and find casual work that's more aligned to their interests. Think of the office manager who takes on a part-time mowing franchise because they love gardening, or the chemist that retires and a month later picks up a gig at the local micro-brewery. We're not *stopping*, we're starting different things. And our income arrangements can help support these new goals.

The risk of outliving your savings.

We're living longer, with the number of Australians aged 85 and over increasing by over 125% in the past two decades.* This is obviously good news, but it does mean we need to plan accordingly with our money.

Outliving your savings is known as 'longevity risk'. If you do, you may be forced to rely solely on the Age Pension, which is currently a maximum of $926.20 per fortnight for a single, or $1,396.20 per fortnight combined for a couple (at March 2019).

(We offer a Guaranteed Income product, which could help to reduce longevity risk. Find out more on page 12.)

*Source: abs.gov.au, Australian Demographic Statistics, June 2018.

THE MAGICAL RETIREMENT NUMBER.

It makes sense we want someone to tell us exactly how much we'll need to save for retirement. The problem is the amount may be out of reach or simply not what's right for each of us.

The fact that there's no single number we should be aiming for is actually a good thing. It means we can base our goals on our personal situation — nobody else's.

We can ask ourselves: 'How much income do I need for my lifestyle? What's achievable for me? How could my needs change as I get older?'

To help you consider this last question, here are some of the common life stages you might move through after you stop working:

- **Active stage** — The 'doing' years, when you have a go at all the things you said you'd get around to 'some day'. May include part-time work, travel, volunteering.
- **Sedentary stage** — More about consolidation and staying closer to home, a time to choose fun things, develop old skills, explore fresh talents and grow new friendships.
- **Reflection stage** — Health and finances may limit choice. A time to accept help, reflect on precious memories and keep up with hobbies, old friends and loved ones.

Each of these stages come with different spending patterns. Your ability to realise your active stage dreams and fund your later-in-life needs will depend largely on how much super and other income sources you have when you stop working.

Predicting how long you'll live.

Do you know your life expectancy? Having some idea how long you're likely to live can help you more accurately work out how long your income needs to match it.

Check your life expectancy in the tables below, which are extracted from the Australian Bureau of Statistics.

For example, a woman currently aged 55 is expected to live to 86. If she retires at age 60, she'll need income for at least 26 years.

Female current age	Life expectancy	Male current age	Life expectancy
50–57	86	50–57	83
58–66	87	58–64	84
67–72	88	65–68	85
73–76	89	69–72	86
77–80	90	73–76	87
81–83	91	77–78	88
84–85	92	79–81	89
86–87	93	82–83	90

Source: Australian Bureau of Statistics Life Tables Australia 2015–2017. Rounded to nearest whole year.

YOUR MONEY KEEPS WORKING AFTER YOU DO

After checking the table, you'll see many of us need to pay for 20 or 30 years of life after work. While this is a long time to stretch your savings, don't forget — your superannuation balance isn't static. It'll keep being invested in order to generate additional income, even as you start to draw down your money. In fact, a big portion of your total investment earnings could come while you're retired.

Road test your future income

Once you have an idea of your estimated weekly income, why not live a week of your future life now to see how it feels spending only that much?

Section 2

Accessing your income.

‘I always aspired to be paid handsomely for doing nothing. That dream comes true on 1 December 2025.’

Ending or reducing paid work needn’t stop you getting a pay cheque. Here’s what you should know about gaining access to your super.

The government has set rules about when you can access your super, known as ‘conditions of release’.

To access your money, you’ll need to meet one of these conditions, which include:

- Turn 65. You don’t have to stop working if you don’t want to.
- Reach your preservation age (see table below) and either permanently retire or start transitioning to retirement (see page 10 for more). Your preservation age is based on the year you were born.
- Turn 60 and leave your employer. You can access preserved benefits.

Your date of birth	Age you can access your super
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
1 July 1964 or after	60

Turning your superannuation into an income stream.

Longer lives and better health give us more freedom and choice for the future — but at the same time, we're under increasing pressure to save and plan carefully, or even delay ending our careers.

To help support your unique journey, our retirement products are flexible and can even be taken out together as part of an income layering strategy (more on page 14). Here's an overview:

TRANSITION TO RETIREMENT (TTR)

With a TTR, you can withdraw money from your super account while continuing to work. You could choose to reduce your working hours and supplement your salary with your super income.

SAVE ON TAX WHILE SAVING YOUR SUPER

You can keep growing your super by contributing part of your working income. These contributions are taxed at only 15% (like contributions your employer makes for you). You can add up to $25,000 to super this way with concessional contributions.

There's a 'sweet spot' when it comes to how much you earn and whether a TTR strategy could be effective for you, so we'd encourage you to talk it through with a financial adviser.

GETTING STARTED

- You must reach your preservation age to open an account (and be under age 65)
- You'll need at least $10,000
- Minimum and maximum withdrawal limits apply
- Earnings are taxed at 15%
- Once you turn 60, payments are tax free.

To help you get started, check out our Pension Guide at **caresuper.com.au/pensionguide**.

CARESUPER PENSION

The CareSuper Pension lets you convert your super into a regular income.

YOU DECIDE WHEN YOU'RE PAID

Your payments are made straight to your bank account and you can choose to be paid twice-monthly, monthly, quarterly, half-yearly or yearly. You can change the frequency at any time and even withdraw lump sum amounts via your MemberOnline account.

Best of all, investment earnings are tax free, and so are income payments from your pension account after you turn 60.

GETTING STARTED

- You must withdraw a minimum amount each year (based on your age)
- There are limits on how much you can transfer from super to pension.

To help you get started, check out our Pension Guide at **caresuper.com.au/pensionguide**.

GUARANTEED INCOME PRODUCT

A CareSuper Guaranteed Income helps you cover life's essentials such as food, electricity and healthcare. Because the payments are locked, in the main market-linked risks, like negative returns or not keeping up with inflation, are eliminated.

THERE ARE TWO INCOME ACCOUNT OPTIONS

1. Guaranteed Lifetime Income: you receive regular payments for your life, or you and your partner's lifetimes.
2. Guaranteed Fixed Term Income: you receive regular payments for an investment term of between one and 40 years.

DISCOVER HOW INCOME LAYERING CAN HELP SECURE YOUR FUTURE

You can use a Guaranteed Income alone or combine it with a CareSuper Pension to layer your income from a variety of sources. Find out more on page 14.

GETTING STARTED:

- Choose between lifetime and fixed term accounts
- Minimum investment $10,000 of unrestricted, non-preserved super
- Maximum transfers-in from super and balance caps apply
- You can open an account when: you reach age 60 and leave your job or start with a new employer, or you reach age 65.

You'll need to speak to a financial adviser before opening a Guaranteed Income product. And read the PDS at **caresuper.com.au/gipds**.

Age Pension and other assistance

GOVERNMENT AGE PENSION

You can access the Age Pension if:

- You're an eligible Australian resident
- You've reached 'Age Pension age' (or are older)
- You satisfy the Centrelink income and assets test.

The Government Age Pension is paid as a regular fortnightly income to help you afford basic living expenses.

AGE ELIGIBILITY

Date of birth	Your Age Pension age	Effective date
1 July 1952 to 31 December 1953	65 years and 6 months	1 July 2017
1 January 1954 to 30 June 1955	66 years	1 July 2019
1 July 1955 to 31 December 1956	66 years and 6 months	1 July 2021
On or after 1 January 1957	67 years	1 July 2023

PAYMENT RATES

Per fortnight	Single	Couple each	Couple combined	Couple apart due to ill health
Maximum basic rate	$843.60	$635.90	$1,271.80	$843.60
Maximum Pension Supplement	$68.50	$51.60	$103.20	$68.50
Energy Supplement	$14.10	$10.60	$21.20	$14.10
Total	$926.20	$698.10	$1,396.20	$926.20

Source: Australian Department of Human Services.

OTHER GOVERNMENT ASSISTANCE

Even if you don't qualify for the Age Pension, you may still be eligible for other types of support, including a Commonwealth Seniors Health Card, Low Income Health Care Card and/or Pensioner Concession Card. These can be quite valuable, giving you access to reduced prescription medicines under the Pharmaceutical Benefits Scheme and other medical services funded by the Federal Government, along with concessions offered by state, territory and local governments.

For more information go to **humanservices.gov.au**.

Layering your retirement income

'Income layering' works on the principle that you can use a combination of products to pay for the different expenses you'll encounter during your retirement years. You can spread your superannuation across these products, each of which has its own benefits, risks and features.

For example, annuities like CareSuper's Guaranteed Income product can give you a guaranteed payment for a lifetime or fixed term and can be used to cover your essential expenses, such as household bills, groceries and car insurance.

Your discretionary or variable expenses, such as holidays, luxuries and unexpected events, can then be covered by layering a CareSuper Pension and/or the Age Pension. Since 1 July 2019 the means testing rules which determine your rate of Age Pension have changed for annuities, which could favourably affect what you receive.

One of the key benefits of mixing up your product choice is having access to money that is being invested in different ways. A Guaranteed Income eliminates the risk of your income being tied to volatile share markets. On the other hand, a CareSuper Pension provides growth opportunities exactly because of that share market link. An income layering approach gives you a greater chance of managing your expenses successfully if one income source doesn't perform as expected.

No matter your investment choices, it's important to understand the roles of risk and return and how they relate to achieving your income goals. You can find out more about this on our website at **caresuper.com.au/investments**, by visiting our FAQs, or by speaking to a financial planner.

To explore income layering in action, keep reading.

CASE STUDY

Income layering at work

So, how does income layering work in practice?

Let's look at the example of Jean Bernard and Deirdre.

Both 66 years old, they own a home together and recently met with a financial adviser to develop a plan to support them now they're ready to stop work. Here's a snapshot of their financial position.

Assets and income	Jean Bernard	Deirdre
Super	$400,000	$200,000
Employment income (p.a.)	Nil	Nil
	Combined	
Personal assets	$10,000	
Investment property	$0	
Other assets	$15,000	
Term deposit/cash	$10,000	

An important consideration for their financial adviser is how long the couple is expected to live. Using the Australian Life Tables, here's their life expectancy, given their current ages.

	75% chance	50% chance	25% chance
Jean Bernard	16 years	22 years	27 years
Deirdre	18 years	24 years	29 years
As a couple (at least one person alive)	23 years	27 years	30 years

Deirdre's family is also known for living long lives, with both her parents reaching their 90s.

As Jean Bernard and Deirdre have a 50% chance of one of them still being alive in 27 years, it makes sense to plan for a guaranteed secure income to help fund their essential needs, as well as having growth assets and a flexible income to cover their 'nice-to-have' spending. They expect they will need $45,000 to cover essential costs and $10,000 for discretionary spending each year.

CASE STUDY

Income layering at work (continued)

If Jean Bernard and Deirdre don't use income layering and only use their account-based pensions, they have less chance of meeting their income need of $45,000 for 27 years' time and would receive $650 per fortnight in Age Pension. However, if they allocate some money to the Guaranteed Income product, they significantly increase their chance of meeting that need and increase their Age Pension to $839 per fortnight. This is partly because Centrelink treats Guaranteed Income products differently.

This increased chance is achieved by allocating funds proportionally to an account-based pension and Guaranteed Income products as such:

Assets and income

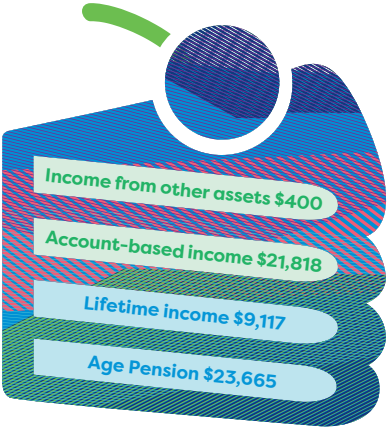
	Jean Bernard	Deirdre
Super	$258,000	$129,000
Guaranteed Income	$142,000	$71,000

The subsequent increase to their Age Pension is $189 per fortnight.

This image shows the various 'layers' of income Jean Bernard and Deirdre will draw from, and which products will cover their basic vs. discretionary spending.

Wants
- Holidays
- Meals out
- Health insurance

Needs
- Food
- Clothing
- Utilities
- Car expenses



This example is provided for illustrative purposes only. It is general information only, not financial product advice, and has been prepared without considering any specific person's objectives, financial situation or needs. The projections are based on assumptions and terms of use in the Retirement Portfolio Illustrator set out by Challenger Life Company Limited (ABN 44 072 486 938, AFSL 234670). CARE Super Pty Ltd cannot guarantee the projections are accurate or complete and takes no responsibility for errors or omissions. We strongly encourage you to seek professional advice, including taxation and social security advice, in relation to your individual financial circumstances before making any decisions.

BUDGETING IS VITAL ONCE YOU STOP WORKING

Tried and true money management is critical once you stop working, as your sources of income may be fixed — and life, as we know, never stops surprising us. Follow these simple steps for budgeting success:

- Separate your essential and discretionary costs. This will be important if income layering is an approach you think could work for you.
- Prioritise your debts. For example, pay off non-deductible debts, like personal loans or credit cards, first, then consider paying off your mortgage or adding to super.
- Compare your current spending with your expected income. If it looks like you're going to fall short, consider adding to your savings now. Learn about ways to boost your super on page 20.

Section 3

Starting to plan.

Ways to save more

If you're wondering how to save more, start by asking yourself two questions:

1. Can I increase my income?
2. Can I reduce my expenses?

Say you're able to save an extra $250 a month, what would you then do to optimise those extra savings?

You've got choices. And things you'll want to consider, such as:

- Return on your investment
- Tax treatment
- Flexibility.

While there are lots of ways to invest your money, super was specifically designed to help us save for life after work. It's tax-friendly when you contribute, and when you receive positive investment returns it can be one of the best ways to get the most out of your savings.

CareSuper's team of expert investors are always looking for ways to boost your net returns. We use an actively managed, long-term strategy, driven by a proven investment philosophy.

Find out more at **caresuper.com.au/investments**.

PAY FOR SOMETHING IN YOUR FUTURE BY BOOSTING YOUR SUPER TODAY

You can add to your super before tax or after tax. These are known as concessional and non-concessional contributions. It's also possible to add to a spouse's super.

Type of contribution	Concessional (before tax)*	Non-concessional (after tax)
	Make contributions before you pay income tax, like salary sacrifice. Employer contributions also fall under this category. If you don't use the full cap, you may be able to 'carry forward' the unused portion. You can also split your contributions with your spouse if their fund accepts split contributions (we do).	Make contributions after you pay income tax. Includes spouse contributions, where you could receive a tax offset of $540. If eligible, low income earners also receive a co-payment from the government.
Contribution limits	**$25,000 p.a.** Taxed at 15%	**$100,000 p.a.^** **or $300,000 over three years** (if you're under 65 and contributing more than $100,000 in a financial year – known as the 'bring-forward rule')
Age limits	75	75
How to contribute	Talk to your employer to set up a salary sacrifice arrangement. Talk to us to split contributions.	To make after-tax contributions, use BPAY® in your MemberOnline account. You can choose to claim a tax deduction on these contributions (subject to certain restrictions). If you do, they'll then be treated as concessional contributions.

*Concessional contributions may have tax benefits, as the contributions tax you pay will generally be less than your marginal tax rate.

^If your total super balance (all your accounts) is $1.6 million or more, you cannot make non-concessional contributions.

MEETING THE WORK TEST

If you're aged 65 to 74, you'll generally need to meet a 'work test' to make voluntary contributions to super. This involves working 40 hours in 30 consecutive days in the financial year in which you wish to contribute. There is a one-year 'exemption' to the test in the first income year after you stop working, but this only applies if your total super balance is under $300,000 at the end of the previous financial year.

Information is current at the time of publication and is subject to change. For the latest information visit **ato.gov.au**.

Understanding spouse contributions.

Looking for ways to build your super faster? Adding to your partner's super could benefit you both financially. As a couple, you could each contribute up the contribution caps and grow your super together.

This could work in a few ways. For example:

- The higher-earning partner could boost the other's super
- If one of you has a lower balance, perhaps due to time out of work to raise a family, or working part-time, the other could help it grow.

YOU COULD RECEIVE A TAX OFFSET

If your partner earns less than $40,000 per financial year and you contribute $3000 (after tax) to their super, you could be eligible for a tax offset up to $540.

CASE STUDY

Ellen & Theo's super

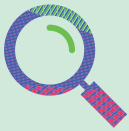
Ellen, 50, and Theo, 54, have three children. Theo earns $95,000 a year and Ellen earns $30,000. Ellen has $55,000 in super, having taken time out of the workforce to raise three children. Theo has $180,000 in super.

They can afford to put $250 a month towards savings, which comes to $3000 per year. That's the minimum contribution amount required to take advantage of the spouse tax offset.

Because Ellen earns under the lower threshold of $37,000, Theo is entitled to the full $540 tax offset. Theo will need to make a spouse contribution of $3000 and make the claim as part of his annual tax return. This contribution will count towards Ellen's non-concessional contribution cap.

By taking these few simple steps, Ellen and Theo grow their combined super and earn a tax offset.

ASIC's MoneySmart Super Contributions Optimiser can help you understand which type of contribution might give your super the biggest boost, and which is most tax-effective for you.



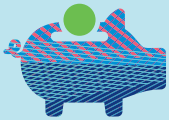
Go to **moneysmart.gov.au**

Then log in to your CareSuper MemberOnline account to use the Retirement Income Calculator and see how adjusting your situation could affect your projected super balance and income.

Go to **caresuper.com.au/login**

THREE WAYS TO BOOST YOUR SUPER WITHOUT CONTRIBUTING MORE

If you're unable to contribute extra to super right now, here are some tips that won't cost you a cent.



1 COMBINE YOUR SUPER ACCOUNTS

If you have more than one super account, you're paying more than one set of fees. By combining your super into a single account, it has more growing power, and it's easier to manage. Of course, before you do this you'll want to check if you'll be charged exit or other fees when you leave your other fund(s). And consider the impact on any insurance (such as loss of insurance), or other benefits you may have there.

Search for your other super by logging in to your MemberOnline account or going to **caresuper.com.au/supermatch**. If you find any, we can help you combine it into your CareSuper account in just a few minutes.

2 REVIEW YOUR INSURANCE NEEDS

Check that any insurance you have through super is right for your needs. Reducing insurance can save you premiums that come out of your super, but don't do this just for the sake of saving money. If your insurance is just what you need, then it's protecting you in its own way. For help reviewing your insurance, call us on **1300 360 149**.

3 CHECK YOUR INVESTMENT CHOICE

Is your super invested in options that are aligned to your goals and timeframes? It's a good idea to check in on your investments to ensure you're comfortable with the expected level of risk and return for your investment choice. For advice, call us or log in to MemberOnline.

Log in to MemberOnline to check your super, investments and insurance at any time at **caresuper.com.au/login**.

Laying the groundwork for big life decisions

Even if they're not immediate concerns, incorporating downsizing plans, aged care and estate planning into your retirement preparation is a smart move. This not only puts you in control of future major life decisions, it also reduces the risk that this burden will fall to your loved ones instead.

DOWNSIZING — CRACKING OPEN ANOTHER NEST EGG

From a purely financial sense, downsizing from a family home to a smaller place could be a way to release valuable equity for your future income needs. A key consideration is the impact on cash flow. There are significant costs involved with downsizing, such as preparing the property for sale and real estate selling costs. Of course, there are lifestyle reasons too. You may want a complete change of scenery, or simply a smaller home in an area where you already have connections.

AGED CARE

It's estimated that by 2057 there will be 8.8 million people aged 65 and over in Australia — that's 22% of the population.* Government reforms have introduced in-home care packages delivered on a consumer-directed care basis to meet the growing trend of many of us wanting to stay in our own homes.

Essentially, it's about choice. We may not know what's going to suit us best in the future, or how we'll age as individuals, but if we can plan our finances now for either at-home or residential care, we're planning for our ability to choose our own future.

*Australian Bureau of Statistics (ABS) 2014.

ESTATE PLANNING

Without an estate plan, it can be a messy process to work out where your assets were supposed to go — and a distressing task for your loved ones. Best to get it out of the way early, then adjust your plan going forward as needed. Not sure where to start? Our financial planning team can help. Go to page 25 for more information.

Section 4

Making it happen.

Find the best version of you with financial advice.

There's no one-size-fits-all approach to financial planning — especially retirement planning — so we offer members a range of choices so you can access the type of advice you need, when you need it. Let's take a look.

GENERAL ADVICE OVER THE PHONE

If you want to understand your super and your product choices in more detail, or talk through some typical super decisions, like contributing extra, give us a call. This type of advice is fact-based and won't be customised to your circumstances, so expect to hear us say things like, 'Members in your age group often find that...' and 'Here are the pros and cons of that contribution method...' This advice is simply part of your membership — you won't pay extra.

LIMITED ADVICE OVER THE PHONE AND ONLINE*

This is a more tailored look at your CareSuper account. Over the phone, we can talk to you about investments, insurance, retirement spending and ways to contribute more to super. We'll ask you a range of questions to help you understand the topic and help you with any decision-making.

Online advice is provided through your MemberOnline account on the same topics (minus insurance). You'll answer questions online and receive a recommendation for what you should do.

This type of advice is covered by your membership, so there's no extra cost.

COMPREHENSIVE ADVICE^

We'll explore your whole financial situation, including assets outside super, your debts, your goals and more. If you have a partner (even if they're with a different super fund) or other family to consider, we'll think about the whole household when creating a financial plan. This advice is delivered face-to-face in our offices, or via Skype. If you're looking for retirement advice, we'd suggest starting here.

Keep in mind, comprehensive advice is an additional cost, not covered by your membership. As you'd expect, any fees will be disclosed upfront and you'll only be charged for agreed-upon services.

COMPLEX ADVICE#

A comprehensive adviser from CareSuper will refer you on to this third-party service if your needs are more complex. This includes estate planning, aged care, SMSFs and direct equities. Just like comprehensive advice, there are fees for this advice, which you can expect to have explained to you upfront.

IF YOU ALREADY HAVE AN ADVISER YOU TRUST, WE'LL HELP THEM HELP YOU.

What's important to us is that you receive quality advice. We'll provide non-CareSuper planners with a variety of tools and recourses to assist you, as long as you've approved them as a listed adviser. If they want to know more, have them call us or visit **caresuper.com.au/fpresources**.

*Financial advice obtained over the phone, or through MemberOnline, is provided by Mercer Financial Advice (Australia) Pty Ltd (MFAAPL) ABN 76 153 168 293, Australian Financial Services Licence #411766.

^CARE Super Pty Ltd (Trustee) ABN 91 006 670 060 AFSL 235226 has engaged IFS to facilitate the provision of financial advice to members of Care Super. Advice is provided by one of our financial planners who is an Authorised Representative or Representative of IFS as specified in their Financial Services Guide. Fees may apply. Further information about the cost of advice is set out in the relevant Financial Services Guide, a copy of which is available for download at **caresuper.com.au** or by calling **1300 360 149**. IFS is responsible for any advice given to you by its Authorised Representatives and Representatives.

#Complex personal financial advice is provided by Australian Unity Personal Financial Services Limited (ABN 26 098 725 145, AFSL 234459). Australian Unity will discuss any applicable fees directly with you prior to them being charged. CareSuper receives no financial incentives or commissions regarding this referral service.

CASE STUDY

Kali makes the most of her savings and goals

Kali is 61, earns $85,000 p.a. and is divorced. She has a passion for wildlife and volunteers at sanctuaries. She owns her own home but feels it's too big for her now.

With $280,000 in super and $50,000 in a short-term deposit, Kali decides to meet with a financial adviser through CareSuper to discuss how to set up her finances so she can achieve her goal of leaving work at age 65.

After reviewing her financial situation, Kali's financial planner recommends a three-step approach to winding down from work:

Start a CareSuper Transition to Retirement Pension but keep working full-time for the next four years and boost her super through salary sacrifice.

Investigate options to sell her home and downsize into a smaller apartment with shared facilities. This would free up some profit from the sale, which could boost her super and fund her passion for volunteering.

At age 65, set up an income layering strategy with a CareSuper Guaranteed Income account and a CareSuper Pension, which is invested to give her super a chance to work hard over the next 22 years (Kali's life expectancy).

This example is provided for illustration purposes only. It is general information and not financial product advice and has been prepared without taking into account any person's objectives, financial situation or needs. We strongly encourage you to seek professional advice and taxation and social security advice in relation to your individual financial circumstances before making any decisions.

HERE'S WHAT TO DO NEXT

Ready to get started? For more information, financial tools and advice, go to our website and your MemberOnline account. And make sure you read our **Pension Guide PDS** and **Guaranteed Income PDS** at **caresuper.com.au/pds**, which contains full product details and forms to transfer your super.

To discuss your choices or open an account over the phone, call us on **1300 360 149** and we'll help you take the next step.

CareSuper

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caresuper.com.au/getintouch

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