Fact sheet

Retiring with Aware Super

Just because you stop working doesn't mean your retirement savings should stop earning too. Our two retirement account options can turn your super into a regular income. So it feels just like payday.

What to expect in this guide

1. When you can access your super
2. Our Retirement Transition account explained
3. Our Retirement Income account explained
4. The limits and conditions to retirement accounts
5. How to set up an account
6. Summary of key features

1 When you can access your super

Generally speaking, you can access your super once you've turned 60 and met certain conditions.

You can withdraw your super if you're:

- 65 years or over whether you keep working or not
- Between 60 and 64 years and permanently retire
- Between 60 and 64 years and change employers or temporarily cease employment
- Between 60 and 64 years and start a transition to retirement account while continuing to work.

2 Our Retirement Transition account

Our Retirement Transition account lets you access your super while you're still working. This account can be a good option if you want to work less but still get the same amount of income to fund your lifestyle. You can choose how much you receive, within Government set minimum and maximum annual limits (see the table on next page).

To be eligible you need to be between 60 and 64 years old and continuing to work.

A Retirement Transition account allows you to choose how your money in the account is invested, and your earnings are generally taxed at 15%. Just like your super account you can nominate an eligible beneficiary, so your money goes to the right person if something happens to you. Note that you are unable to withdraw lump sums from a Retirement Transition account. At age 65 a transition to retirement account will automatically convert to a retirement income stream account.

3 Our Retirement Income account

Converting some or all of your super into steady income when you retire is straightforward with a retirement income account, also known as retirement income stream accounts.

They offer lot of choice and flexibility as well as tax benefits. A retirement income account allows you to pay yourself a regular income and make extra cash withdrawals whenever you need. You can choose how much you receive each year, and there is no maximum limit. You can also withdraw lump sums when needed.

To be eligible you need to have:

- Reached age 60 and have retired permanently, or
- Reached age 60 and have temporarily ceased employment or changed employer, or
- Reached age 65

With a retirement income account your investment returns and your income payments are tax-free.

4 The limits to how much you can have across your retirement accounts

The Government's transfer balance cap is a lifetime limit on the total amount you can invest in any type of retirement-phase product. Earnings from your investments don't add to your transfer balance cap.

For retirement-phase income stream accounts started on or after 1 July 2023, the general transfer balance cap is $1.9 million. However, it's important to note that the maximum amount you can invest will depend on the cap that applies to your circumstances. Visit **ato.gov.au** to find out what cap applies to you.

5 How to set up an account

Step 1 > Consolidate your super funds before you start

You can open an Aware Super retirement account using money from your super. Once you've set up an account, you can't add money to it later, so any funds you want to use need to be consolidated into a single super account beforehand. To learn more about how to consolidate super accounts go to **aware.com.au/consolidate**.

Step 2 > Set up your retirement income account

If you're an existing member, you can open a retirement income account by logging in to Member Online. Or you can fill out the 'Open a retirement income account' form and send it to us for processing. The form can be downloaded from **aware.com.au/pds**

If you need help with Member Online or the application form, call and speak to our super helpful member support team at **1300 650 873**

Your first decision is to consider how much you will transfer into your retirement income account, and how long you want that amount to last. Check your potential Government Age Pension eligibility with Centrelink, and consider any other income you may be receiving.

Once you've opened a retirement account and transferred money into it, you then get to decide how much you want to receive each year and how often the payments will be. You can nominate your preferred banking account, and the frequency of payments – fortnightly, monthly, quarterly, half yearly or annually. You can change your payment amount at any time provided you stay within the allowable limits (see key summary table on final page).

Step 3 > Nominate your beneficiaries

Super isn't automatically part of your estate under Australian law, so it's important to tell us who you want your account to go to when you die. With our retirement accounts you can nominate a reversionary beneficiary, who will continue to receive income payments after you've passed away. Or, you can make a binding nomination to one or more dependents, or to the executor of your estate, so that your remaining account balance then becomes part of your estate. For more information go to **aware.com.au/nominate**.

6 Summary of key features of our retirement accounts

	Retirement transition account	Retirement income account
Why should I start an account?	You're still working but would like to reduce your hours and top up your take-home pay by drawing income from your super. You want to continue to build up your retirement savings tax effectively, for example by salary sacrificing, while topping up your take home pay by drawing income from your super.	You've permanently retired, stopped work or reached age 65 years and would like regular income payments, with access to your super balance when needed.
When am I eligible?	You've reached age 60 but continue to work.	You've met an applicable condition of release. See section 3.
What's the minimum amount to open an account?	$20,000	$20,000
What's the minimum annual payment from the account?	Under 65 4% of your account balance 65–74 5% of your account balance 75–79 6% of your account balance 80–84 7% of your account balance 85–89 9% of your account balance 90–94 11% of your account balance 95+ 14% of your account balance	Under 65 4% of your account balance 65–74 5% of your account balance 75–79 6% of your account balance 80–84 7% of your account balance 85–89 9% of your account balance 90–94 11% of your account balance 95+ 14% of your account balance
What's the maximum annual payment or withdrawal?	10% of your account balance at 1 July each year	No maximum
Can I vary my payments?	Yes, subject to minimum payment and the 10% maximum limit.	Yes, subject to minimum payment
What is the payment frequency?	You can choose fortnightly, monthly, quarterly, half-yearly or yearly.	You can choose fortnightly, monthly, quarterly, half-yearly or yearly.
Can I make lump sum withdrawals from the account?	No – unless you meet a condition or release, or have an unrestricted non-preserved component.	Yes
Are payments and lump sums withdrawals taxed?	If you're over 60 years, income payments and lump sums are tax-free.	If you're over 60 years, income payments and lump sums are tax-free.
Are earnings taxed?	Yes, up to 15%	No. Earnings are tax free.
Can I add funds to my account?	No	No
Choice of investment options?	Yes, 15 options	Yes, 15 options
Can I switch investment options?	Yes	Yes
Can I choose the investment options that my payments are drawn from?	Yes	Yes
What are the death benefit options ?	You can choose to nominate your spouse to continue receiving payments after you die (reversionary beneficiary), or you can set up a binding death benefit nomination.	You can choose to nominate your spouse to continue receiving payments after you die (reversionary beneficiary), or you can set up a binding death benefit nomination.