



**Superannuation and Roll-overs  
and ClearView Pension Plan  
Member Outcomes Assessment  
for the year ended June 2021**

25 March 2022

We're pleased to share the annual Member Outcomes Assessment of ClearView Superannuation and Rollovers and ClearView Pension Plan (Traditional funds) against our objectives for the year to 30 June 2021. This Assessment considered whether the outcomes that the Trustee sought to provide Members were met in this period, and how they could be improved in the future.

## Determination

The Trustee has determined that the financial interests of beneficiaries are being promoted in the Traditional funds for the year to 30 June 2021, for the following reasons:

# Fund Assessment and Comparison with other super funds



## Investment strategy, returns and risk

### Investment strategy and returns

The Trustee assessed the investment returns of each investment option against the returns of comparable super funds over one and five year periods and the average returns of the options were below the average of comparable super funds. Over the year to 30 June 2021, the 12 month return objectives, based upon a specified return above the inflation rate (for example, CPI + 3%) for most investment options were met. However, relative to other comparable super funds, the majority of the returns were below the median returns of those funds.

The investment strategy focused on preserving capital and outperforming peers over time-periods in which we identified significant risks, seeking to reduce potential losses. The Trustee determined the investment strategy was appropriate for this period noting the product is closed, and a Transformation Project will be delivered by 30 June 2022. A Table showing a comparison of our investment returns with those of other multisector super funds for the year to 30 June 2021 and over a five year period, is provided in the Appendix.

### Investment Risk

Members choose from a range of investment options to match their respective risk and return profiles. The level of investment risk in the investment options was assessed and for the year to 30 June 2021, risk management was (and continues to be) the primary focus, with most investment options positioned for a market downturn.

Risk was assessed based on the Standard Risk Measure (SRM) attributed to each investment option. The options all achieved a result either equal to or below (lower than) their risk benchmark with the exception of the Conservative option. The options underperformed relative to other comparable super funds, as the focus was on delivering long-term returns. Notwithstanding managing investment risk has impacted the returns the Trustee determined this was appropriate in promoting Members' best financial interests.

Strategies implemented to preserve capital and reduce potential losses, included: an underweight allocation to growth assets that are vulnerable to market corrections; a preference for value-style managers, who target investments trading at prices below their real value; and an unhedged position to currency (exposure to exchange rate movements) for any international assets.



## Fees

The Trustee assessed the fees charged to Members against fees charged by comparable super funds and determined on average, that the total fees were in the 4th quartile (higher) of comparable funds. This product provides access to a bundle of services (including access to a financial adviser and limited financial advice) which contributed to fees being higher when compared to funds that do not provide these services. Traditional fund fees were also compared with those of other multisector funds, and on average, total fees were below the median levels of comparable funds. A Transformation Project will be delivered by 30 June 2022 to address fees and service.

### Basis for setting fees

Fees are percentage-based and specific to each investment option. There are no fixed-dollar fees applicable to a Member's account. Fees payable by Members allow for access to a bundle of services noted above. Fees have been set based upon the range of included services and are also a function of the investment options selected by each Member and the value of the Member's account. A Table showing a comparison of our fees to those of other multisector super funds is provided in the Appendix.



## Insurance

The Traditional funds no longer offer insurance however a small number of Members hold ClearView LifeSolutions insurance policies and pay the premiums from their super accounts. This is not default-cover and each member was assisted by a financial adviser to set it up. Any members with inactive accounts are contacted to ensure account balances are not inappropriately eroded by insurance premiums. The Trustee determined this to be appropriate as Members may be assisted by their adviser and can choose life insurance cover from any provider and pay for these premiums through their account.



## Member services

The Member service model is a premium and high touch service and included access to a financial adviser and limited (intra-fund) advice, quarterly printed magazines, and twice-yearly printed statements. Online services were upgraded, though paper is still popular with Members and remains the primary communication channel. The Trustee assessed the options, benefits and facilities offered by the funds and determined the Member services are appropriate for Members, taking account of the level of service provided.

Analysis undertaken by the Trustee when assessing the period to 30 June 2020 resulted in a Transformation project which is due to be delivered by 30 June 2022 to further improve Member services and promote the best financial interests of Members.



## Fund scale and operating costs

The Traditional funds are part of the ClearView Retirement Plan and its operating expenses, cash flows and inflow/outflow metrics were better than the benchmark, based on Chant West's analysis of APRA data of comparable super funds for the year ended 30 June 2021.

The Trustee has assessed the sustainability of the funds based upon the scale and operating costs of the ClearView Retirement Plan and determined that Members are not disadvantaged by the scale or operating costs of the Traditional funds which are supported by the ClearView Group. A comparison of the fund's operating expenses, cash flows and inflow/outflow metrics with those of other comparable super funds for the year to 30 June 2021, is provided in the Appendix.

**Jane Paskin**

Chair, ClearView Life Nominees

25 March 2022

# Appendix

## Investment returns

The data set out below, compares the returns of the Traditional investment options with the average multi-sector returns of a range of comparable retail Master Trust superannuation funds (before fees and tax).

Returns are set out below, using Chant West peer comparison return data for one and five-year periods and identify where each investment option sits relative to the average returns of similar funds. The positioning of all of our funds' returns, on average, was in the 4th quartile.

### Legend

<b>1st</b>	Above 75%	Well above average
<b>2nd</b>	50%-75%	Above average
<b>3rd</b>	25%-50%	Slightly below average
<b>4th</b>	0-25%	Well below average

### One-year investment returns to 30 June 2021 – Source: Chant West

Superannuation investment options	Quartiles	Pension investment options	Quartiles
Conservative	<b>4th</b>	Conservative	<b>4th</b>
Cautious	<b>4th</b>	Cautious	<b>4th</b>
Prudent	<b>4th</b>	Prudent	<b>4th</b>
Assertive	<b>4th</b>	Assertive	<b>4th</b>
Aggressive	<b>4th</b>	Aggressive	<b>4th</b>

### Five-year investment returns to 30 June 2021 – Source: Chant West

Pension investment options	Quartiles	Superannuation investment options	Quartiles
Conservative	<b>4th</b>	Conservative	<b>4th</b>
Cautious	<b>4th</b>	Cautious	<b>4th</b>
Prudent	<b>4th</b>	Prudent	<b>4th</b>
Assertive	<b>4th</b>	Assertive	<b>4th</b>
Aggressive	<b>4th</b>	Aggressive	<b>4th</b>

Net return comparisons are set out below, using Chant West peer comparison net return data<sup>1</sup>, based upon a super account balance of \$100,000 invested in the diversified investment options across various investment risk profiles for the year to 30 June 2021.

The return is net of fees, and depicts the overall amount received when investing in these options. For all investment options, the net returns were in the fourth quartile when measured against comparable super funds over a five-year period.

### Legend

<b>1st</b>	Above 75%	Well above average
<b>2nd</b>	50%-75%	Above average
<b>3rd</b>	25%-50%	Slightly below average
<b>4th</b>	0-25%	Well below average

Pension investment options	Quartiles	Superannuation investment options	Quartiles
Conservative	<b>4th</b>	Conservative	<b>4th</b>
Cautious	<b>4th</b>	Cautious	<b>4th</b>
Prudent	<b>4th</b>	Prudent	<b>4th</b>
Assertive	<b>4th</b>	Assertive	<b>4th</b>
Aggressive	<b>4th</b>	Aggressive	<b>4th</b>

### Fees

Investment fees against comparable funds are set out below, using Chant West peer comparison fees data<sup>2</sup>, for a super account balance of \$100,000 invested in the diversified investment options across various investment risk profiles for the year to 30 June 2021. Across all investment options, the total fees are in the fourth quartile (expensive compared to other super funds).

### Legend

<b>1st</b>	Above 75%	Well above average
<b>2nd</b>	50%-75%	Above average
<b>Median</b>	50%	On average
<b>3rd</b>	25%-50%	Slightly below average
<b>4th</b>	0-25%	Well below average

Pension investment options	Quartiles	Superannuation investment options	Quartiles
Conservative	<b>4th</b>	Conservative	<b>4th</b>
Cautious	<b>4th</b>	Cautious	<b>4th</b>
Prudent	<b>4th</b>	Prudent	<b>4th</b>
Assertive	<b>4th</b>	Assertive	<b>4th</b>
Aggressive	<b>4th</b>	Aggressive	<b>4th</b>

1 Chant West provides data about a range of super investments across retail superannuation funds, designed specifically for the Member Outcomes Assessment. The investment options have been compared to the Chant West Retail Master Trust comparison group returns to 30 June 2021, for an average balance of \$100,000.

2 Chant West provides data about a range of super investments across retail superannuation funds, designed specifically for the Member Outcomes Assessment. The investment options have been compared to the Chant West Retail Master Trust comparison group fees to 30 June 2021.

## Fund scale and operating costs

The Table below compares the ClearView Retirement Plan's operating expenses, cash flows and inflow/outflow metrics based on Chant West's analysis of APRA data (the Traditional funds form part of this). The fund was better than the benchmark for the year ended 30 June 2021.

CRP result 30 June 2021	Item	How was it calculated from APRA data?
\$187	Operating expense per Member	Total operating expense / Number of Members
1.2%	Net cash flows	(Flows in + (Rollovers in - Rollovers out) - Flows out) / Net assets
89.8%	Benefit outflow ratio	(Flows out + Rollovers out) / (Flows in + Rollovers in)
4.6%	Net rollover ratio	(Rollovers in - Rollovers out) / Net assets
-70.2%	Membership base trend	Annual change in number of Members compared to the previous year
83.7%	Active Member ratio	Active Members / Total Members
0.11%	Total operating expenses to assets ratio	Total operating expenses / assets

### Benchmark (based on APRA data)

The key performance indicators are shown as better than benchmark if they meet the following criteria:

- Operating expense: < median\*
- Net cash flows: > 0%
- Benefit outflow ratio: < 100%
- Net rollover ratio: > 0%
- Membership base trend: > 0%
- Active member ratio: > median\*
- Total operating expenses to assets ratio: < median\*

\*Refers to median of all funds excluding any employer plans

Source: Chant West, APRA

### Disclaimer

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