



ClearView **WealthSolutions**



ClearView WealthSolutions Super and Retirement Income

Member Outcomes Assessment for the year ended 30 June 2020

We're pleased to share the first annual performance assessment of WealthSolutions Super and Retirement Income (WealthSolutions) against our objectives and compared to other wrap and master trust products.* WealthSolutions met its objectives for investment risk and return, fees and sustainability. WealthSolutions is moving to a new administration platform in May 2021 which will provide members with additional service options. WealthSolutions closed to new members on 31 December 2020 to prepare for the transfer and continues to receive investments from existing members.

* See *Methodology* on page 3.

Based on this assessment, we have concluded that the financial interests of members are being promoted by ClearView Life Nominees Pty Limited (CLN) as trustee of WealthSolutions:

- The investment strategy, including investment risk and the return target, is appropriate – see section 1
- The options, benefits, facilities and fees are appropriate for members – see sections 1, 2 and 4
- The insurance strategy is appropriate and insurance costs do not inappropriately erode members' account balances – see section 3
- Members are not disadvantaged by the scale or operating costs of the fund – see section 5.

1. Investment risk and return

WealthSolutions' investment objective is to provide an extensive range of investment options so members and their advisers can choose and easily maintain a portfolio that best suits their needs. WealthSolutions met this objective by providing members with access to over 300 managed funds, cash and term deposits with various terms, and 395 ASX listed securities (as listed in the **Investment Options List**). Members and their advisers can design their own portfolios or select a model portfolio that suits their risk and return objectives.

Managing investment risk

WealthSolutions investment options cover a wide range of assets, asset classes, investment structures and geographic regions. Investment options are all researched, reviewed and, if considered appropriate, approved by ClearView's Investment Committee (CIC). The CIC is a committee of the CLN Board responsible for implementing the investment strategy approved by CLN. Portfolios are subject to regular diversification checks and concentration limits are applied to further manage investment risk.

Objective: extensive range
Status: achieved

2. Fees and net returns

WealthSolutions ongoing fees for the year to 30 June 2020 were lower than the median wrap platform based on Chant West data. Examples are shown in Appendix 1 for average super and pension balances.

Objective: 1st or 2nd quartile
Status: achieved

3. Insurance

WealthSolutions does not currently provide insurance or charge insurance premiums (and benefits are not eroded by insurance premiums). WealthSolutions is offered to members through a financial adviser, who arranges external insurance where members and their advisers determine this is appropriate. We will also be investigating whether members and their advisers would value additional insurance options within the WealthSolutions platform in future.

Objective: Insurance access
Status: Work in progress

4. Services

WealthSolutions has a comprehensive online portal where members and their advisers can transact, view balances and activity and download reports. All members join WealthSolutions with an adviser who can advise them on their retirement needs, rather than using self-service calculators and education tools. Our new administrator is a leading platform provider and additional online services will be available to members and their advisers after the transition in May 2021.

Objective: service support
Status: Work in progress

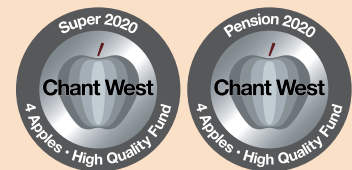
5. Sustainability

WealthSolutions is part of the ClearView Retirement Plan (CRP). Operating expenses, cash flows, growth and other sustainability metrics are top quartile based on Chant West analysis of APRA data for the CRP for the year ended 30 June 2020 (see Appendix 2). Members are therefore not disadvantaged by the scale or operating costs of the plan.

WealthSolutions was rated by Chant West as a 4 Apples - High Quality Fund in 2020.

Our strategy is to continue to retain and grow membership of the CRP by adding additional product and service features and work with other superannuation funds where appropriate.

Objective: 1st or 2nd quartile
Status: achieved



Jane Paskin

Chair, ClearView Life Nominees

25 February 2021

Methodology





WealthSolutions is a wrap platform with an extensive range of investments available. Investment risk and returns are dependent on the investments each member and their adviser select so have not been benchmarked in this assessment.

To benchmark administration fees and other product features, ClearView used the Chant West Wrap Comparator based on an average balance of \$290k for super and \$350k for pension to reflect our current membership. The Wrap Comparator compares ClearView WealthSolutions with most wrap products in the market and master trust products which offer more than 150 investment options and ability to invest in shares. The typical investment allocation used was 86% managed funds, 6% cash, 6% term deposits, and 2% ASX listed securities. To compare activity fees, 8 managed fund transactions are assumed per year.





Appendix 1 - Fees






WealthSolutions total ongoing fees for the year to 30 June 2020 were lower than the median wrap platform based on Chant West data. Results below are before transaction fees. As WealthSolutions does not charge transaction fees, WealthSolutions' relative position improves when transaction fees charged by comparable wrap platforms are taken into account.

WealthSolutions Super ongoing fees based on \$290k balance

	Platform fee	Other fees and costs	Cash account interest	Total
	\$1,580	\$0	\$0	\$1,580
				
Best quartile	\$1,121	\$0	\$2	\$1,310
Median	\$1,460	\$102	\$0	\$1,711
Worst quartile	\$1,892	\$285	\$0	\$2,132

WealthSolutions Pension ongoing fees based on \$350k balance

	Platform fee	Other fees and costs	Cash account interest	Total
	\$1,700	\$0	\$0	\$1,700
				
Best quartile	\$1,331	\$0	\$2	\$1,464
Median	\$1,689	\$88	\$0	\$1,896
Worst quartile	\$2,077	\$297	\$0	\$2,341

	Best quartile
	Second quartile
	Median
	Third quartile
	Worst quartile

Notes






- Columns are ranked separately so do not add across (funds with the lowest Platform fee may have Other fees and costs that are higher than other funds).
- Cash account interest is interest credited on the applicable account balance for a year (it is not a fee).

Source: Chant West Wrap Comparator for the year ending 30 June 2020

Appendix 2 - Sustainability

Operating expenses, cash flows, growth and other sustainability metrics were top quartile, based on Chant West analysis of APRA data for the ClearView Retirement Plan (CRP) for the year ended 30 June 2020. Products in the ClearView Retirement Plan included ClearView WealthFoundations, ClearView WealthSolutions, ClearView Super and Rollovers, ClearView Pension Plan and ClearView LifeSolutions Super (ClearView LifeSolutions Super was included until 31 October 2020).

CRP result	Item	How was it calculated from APRA data?
\$56	Operating expense per member	Total operating expense / Number of members
7.1%	Net cash flows	(Flows in + (Rollovers in - Rollovers out) - Flows out) / Net assets
62.6%	Benefit outflow ratio	(Flows out + Rollovers out) / (Flows in + Rollovers in)
11.2%	Net rollover ratio	(Rollovers in - Rollovers out) / Net assets
11%	Membership base trend	Annual change in number of members compared to the previous year
92.8%	Active member ratio	Active members / Total members
0.12%	Total operating expenses to assets ratio	Total operating expenses / assets

	Best quartile
	Second quartile
	Median
	Third quartile
	Worst quartile

Quartiles (based on APRA data)

The key performance indicators are shown as better than benchmark (green) 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

**Important information**

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