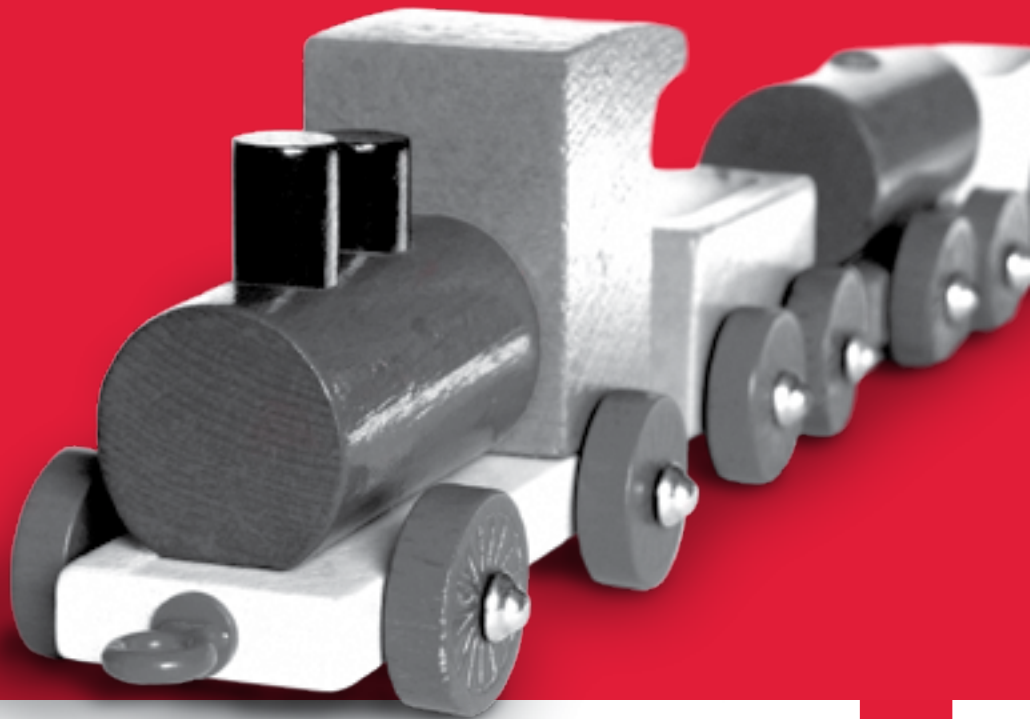


Asgard

“Super –
do you have enough?”



Super is one of the most tax-effective ways of saving for retirement. The question is – how will you make sure you have enough?





As an Office Manager, Christine is one of our many support staff working to ensure you receive the very best of service.

Planning for a secure financial future is important

Australia's population is ageing rapidly. In 1967 Australians aged 65 and above made up 11.9 per cent of the population. By 2006 the level had risen to 13.3 per cent. And here's a glimpse into the future – the Australian Bureau of Statistics forecasts that in 2047 it will be 25 per cent – in other words, about one retiree for every 2.4 Australians of working age. Kind of scary!

Not only are we an ageing population, we're also living longer. Life expectancies for both men and women have increased, and this means that we now need to plan for at least 20 years in retirement.

The problem is, there's a significant difference between what we expect from our retirement and what most of us will actually be able to afford.

For most people the Superannuation Guarantee (9% of your salary) will probably not be enough to support you comfortably in your retirement. If this sounds like you, it's not too late to start planning for a secure financial future.

What do you need to know about super?

Super is one of the most tax-effective ways of saving for your retirement. The maximum rate of tax you'll pay on your earnings in your super fund is 15% and you're not charged tax on withdrawals from super once you turn 60, whereas earnings on your normal savings outside super are taxed at your marginal tax rate, which can be anywhere up to 46.5%.

While you can shift your super between super funds, just remember contributions to super are almost always compulsorily preserved. This means that you generally can't withdraw the funds until you are over 55 (increasing to age 60 if you were born after 1 July 1964) and meet a condition of release.

What is the best way to make sure you have enough super to retire?

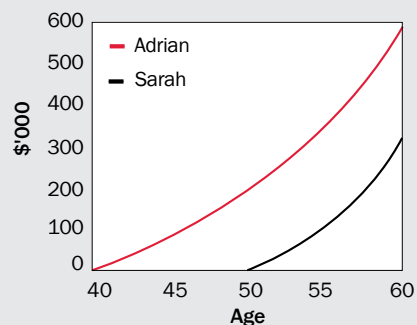
Start saving today! Even a few dollars a week can make a big difference to the sum of money available to you when you retire. Basically, the sooner you start saving, the more time your money has to grow. When you invest regularly, no matter how little you put away, you'll enjoy the effects of compounding. Compounding happens when income earned on your savings is re-invested, so you earn money on your initial capital as well as on any income you have already earned.

So it's much better to start investing small amounts today than wait until you can invest a larger amount. The best way to do this is to arrange a direct debit from your pay or bank account into the investment vehicle you have chosen. Successfully investing requires you to regularly maintain your investment plan.

Case study

Let's say Adrian and Sarah are both aged 40 and are thinking about plans for their retirement. Adrian decides to invest \$1,000 per month for the next 20 years in preparation and Sarah decides to invest \$2,000 a month, but doesn't start her saving plan until she turns 50. They both want to retire at age 60 and it's assumed that their investment will generate 8% per annum after tax.

The graph shows that even though Adrian and Sarah both invested \$240,000 in the end, Adrian's savings are larger because of an extra 10 years of compound earnings.



“When you invest regularly, no matter how little you put away, you'll enjoy the effects of compounding.”

Why choose Asgard?

- **Great service.** Asgard is one of Australia's most awarded investment platforms, currently administering more than \$38 billion for over 400,000 investors.
- **Peace of mind.** Your money is in good hands – Asgard has over 18 years' experience in investment and super administration.
- **Solid backing.** Asgard is owned by St.George*, one of Australia's largest and most respected service companies.
- **Make choices.** We have one of the largest investment menus in the industry, giving you access to over 330 of the best managed investments.
- **Have control.** Choose from a range of preset managed investment portfolios or build your own from managed investments and shares.
- **Save money.** You can save on transaction costs and paperwork by keeping your investments in one place.

* Please note an investment in Asgard Super/Pension is not a deposit or liability with St.George. St.George does not guarantee your capital or the performance of your investment.

Simple steps to success

If you're thinking about changing super funds, you should consider the following:

1. Consolidate your super

You can sometimes save on administration costs if you have your entire super in one fund. If you've got super in a number of different accounts, you'll need to consolidate them to save on administration costs.

2. Top up regularly

Making contributions to super can be a very tax-effective method of saving, although additional tax is charged if you exceed the allowable caps.

If you earn less than \$58,000 you may be eligible for a Government co-contribution which will make your contribution even more effective. Speak to your adviser for details.

3. Take up insurance via your super

In certain circumstances, you may get better rates if you take out your insurance through your super account.

4. 'Best of breed' investment options

You should be able to access a 'best-of-breed', performance-based investment menu – ensuring that you achieve a portfolio of investments suitable for your needs.

5. Stay informed and up-to-date

You should expect to be able to access your account information online and on the phone 24 hours a day, 7 days a week.

So what are you waiting for?

The sooner you start saving, the better. Contact your financial adviser to discuss your super options today!

In this flyer, 'We', 'us' and 'our' is a reference to Asgard Capital Management Ltd ABN 92 009 279 592 AFSL 240695 RSE licence L0001946 (Asgard).

Important information

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