Core Superannuation Service

The information in this Guide forms part of the Product Disclosure Statement (PDS) for the Core Superannuation Service Division

11 January 2019
Issued by Diversa Trustees Limited as the Trustee of the DIY Master Plan.

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**Member Guide**
This Member Guide provides additional detail on the terms and features relating to the accumulation and pension accounts available from the Division. The terms and features described in this Guide apply to each account you hold in the Division, unless specified otherwise.

Fees and Costs Disclosure Requirements

The information in this Guide forms part of the PDS dated 11 January 2019. You should read this Guide and the PDS before making a decision to invest in this product. The PDS can be obtained by contacting the Member Administrator on 1800 455 666 or may be obtained from the web site https://core.managedaccounts.com.au.

The information contained in this document is general information only, and should not be taken as advice or a recommendation to invest in the Plan. It does not take into account your particular objectives, your financial situation or needs. You should consider obtaining professional advice tailored to your personal circumstances before making an investment decision.

All parties named in the PDS and this Guide have consented to being named in the form and context in which they have been named and have not withdrawn their consent. Any statements in the PDS or this Guide that are attributable to or based on statements made by another person have been included with the consent of that person, whose consent has not been withdrawn.

The Trustee has appointed Investment Administration Services Pty Ltd (IAS) as the Investment Manager and Asset Consultant for the Division.
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Should you require any information about the services or issues covered in the PDS or this Guide, or require any clarification, you should contact the Administrator on 1800 455 666
SECTION 1

HOW SUPER WORKS
SECTION 1: HOW SUPER WORKS

CONTRIBUTIONS

This section contains a summary of the contribution rules applicable to accumulation accounts in superannuation funds. When contributing to a superannuation fund, you should also consider any taxation implications. For more information about taxation, see Section 7 of this Guide for details.

The Division is not a MySuper registered product. As such it cannot be named as an employer default fund nor accept members nominated by an employer. The Division does not have any default investment options and members must make an investment choice (for more information about investment choice, see Section 5 of this Guide for details) as a condition of being accepted as a member of the Division.

WHO CAN CONTRIBUTE?

If you are accepted as a member of the Division, contributions can be made to an accumulation account by you or your employer either regularly or by occasional lump sums. Amounts can also be transferred from other regulated superannuation or rollover funds. Contributions may be made in specie at the discretion of the Trustee, that is, by way of a transfer of an asset or investment to your Account. In specie contributions are subject to the contribution rules and tax rates applicable to contributions.

In addition, contributions may be made by you on behalf of your spouse to qualify for the spouse rebate. If you wish to make contributions for your spouse, your spouse must complete a separate membership application to open an accumulation account in the Division. Your spouse may include your husband or wife or a person recognised as a spouse under relevant government legislation. It may include a de-facto spouse of the same or opposite gender.

You cannot make further contributions to a pension account once the pension has been commenced.

CONTRIBUTION RULES

Superannuation legislation prescribes the contributions that can be accepted by the Trustee, depending on your age and (in some circumstances) your work status.

We can accept a wide range of contributions, including the following:

**Member Contributions**

If you are under age 65, we may accept member contributions from you. If you are aged 65 to 74, we may accept all member contributions provided that you have worked at least 40 hours in not more than 30 consecutive days in the financial year in which the contributions are made.

Note: We cannot accept member contributions if we do not hold your Tax File Number (TFN) or if a single contribution exceeds your ‘non-concessional contributions’ limit (described in Section 7 of this Guide).

**Employer Contributions**

Employer contributions are generally paid as required by your employer’s industrial arrangement or Superannuation Guarantee (SG) legislation. You may agree with your employer that they contribute sums in excess of these obligations including via a salary sacrifice arrangement (if your employer allows) which involves contributions being made from your before-tax salary. You should note that salary sacrifice contributions may be treated as income for various Government programs (for example, the Government co-contribution, spouse contributions rebate and personal contribution deductions).

If you are aged under age 65, we may accept any employer contributions made for you. If you are aged 65 or more, we may accept all mandated employer contributions (that is, a contribution that is compulsory because it is required by law or an employment award or other prescribed arrangement). If you are aged 65 to 74, we may accept voluntary employer contributions provided that you have worked at least 40 hours in not more than 30 consecutive days in the financial year in which the contributions are made.

Note: Limits apply to the amount of taxable contributions (including employer contributions) you can make without incurring additional tax (see Section 7 of this Guide for details).
Contributions can generally be accepted by the Trustee in the following circumstances:

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Employer Contributions</th>
<th>Member Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Superannuation Guarantee</td>
<td>Award</td>
</tr>
<tr>
<td>Under age 65</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Age 65 – 69</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Age 70 – 74</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Age 75 and over</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

If contributions are received by the Trustee in contravention of the contribution rules in superannuation legislation, they must generally be returned in the timeframe and manner stipulated by law (adjustments for investment fluctuations and reasonable costs can be made).

**Rollovers, transfers or other payments into the Division**

You can also pay superannuation benefits from another superannuation fund into the Division. Other payments may also be made, for example, disability settlement amounts, foreign sourced superannuation and the proceeds from the sale of a small business. We recommend you seek advice from your Financial Adviser regarding these contributions.

Rollovers or transfers may be paid into the Division in specie at the discretion of the Trustee, that is, by way of a transfer of an asset or investment from another superannuation fund to the relevant Member’s account in the Division.

**Government Co-Contributions**

The Government Co-contribution is a contribution made by the Federal Government to the superannuation account of eligible low and middle income earners. To qualify for the Government Co-contribution in respect of contributions you make, you must satisfy certain requirements. Among other things, you must have an ‘assessable income’, ‘reportable fringe benefits’ and ‘reportable employer superannuation contributions’ (eligible income) below a certain amount each year and make personal contributions out of your taxable income (this does not include contributions which are made by way of salary sacrifice, SG (compulsory) or spouse contributions). The Government Co-contribution is also available to self-employed persons provided certain eligibility criterion is met.

The Government Co-contribution payable is subject to a maximum amount each year and reduces as your eligible income increases. For more detailed information about the eligibility criteria, income thresholds and maximum Government Co-contribution, refer to www.ato.gov.au.

You should be aware that the Trustee may be required to pay back monies which have been attributed to persons who are or who become disentitled to those amounts.

**Low Income Superannuation Tax Offset (LISTO)**

The LISTO provides a super contribution tax payment of up to $500 (not indexed) annually for low income earners. The payment amount will be equivalent to 15% of concessional contributions (including employer contributions) made by or for individuals with an adjusted taxable income that does not exceed $37,000.

For further information including information about the eligibility criteria for the LISTO, refer to www.ato.gov.au.

**RESTRICTIONS ON WHEN YOU CAN ACCESS YOUR BENEFITS**

Superannuation is a long-term investment. The Government has placed restrictions on when you can access your superannuation as a lump sum or via an income stream. In general, Members cannot access their benefits until they have reached age 65, or have reached their Preservation Age and have permanently retired from the workforce.

Married couples separating or divorcing can divide their superannuation benefits by agreement or by court order. This extends to de-facto couples (including same-sex couples) eligible under family law legislation. You should consult a legal adviser about the splitting of superannuation benefits on marriage breakdown or breakdown of other relationships.
**Preservation**

Preservation is a legislative term that means that you must keep your superannuation benefits in a superannuation or rollover fund until your permanent retirement from the workforce after attaining your Preservation Age or you satisfy some other condition of release (see below).

Preserved benefits cannot be paid to a Member but benefits can be transferred to another fund (refer to the Portability of Benefits section below).

The Preservation Age is being gradually extended to age 60, as set out in the following table:

<table>
<thead>
<tr>
<th>Date of Birth</th>
<th>Preservation Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 01/07/1960</td>
<td>55</td>
</tr>
<tr>
<td>01/07/1960 – 30/06/1961</td>
<td>56</td>
</tr>
<tr>
<td>01/07/1961 – 30/06/1962</td>
<td>57</td>
</tr>
<tr>
<td>01/07/1962 – 30/06/1963</td>
<td>58</td>
</tr>
<tr>
<td>01/07/1963 – 30/06/1964</td>
<td>59</td>
</tr>
<tr>
<td>From 01/07/1964</td>
<td>60</td>
</tr>
</tbody>
</table>

Under current legislation, if you are an Australian citizen, New Zealand citizen or permanent resident of Australia, preserved benefits can be released if one of the following conditions is met:

- you cease employment with an employer sponsor and your account balance is less than $200
- you leave employment after age 60
- you turn age 65
- you reach your Preservation Age and take your benefit as a non-commutable income stream (often referred to as a ‘transition to retirement’ pension)
- you permanently retire from the workforce after attaining your Preservation Age
- you die
- you become permanently incapacitated
- you experience severe financial hardship, or
- on compassionate grounds acceptable to the Department of Human Services.

Temporary residents can only access preserved benefits in more limited circumstances (for example, death or permanent incapacity). Temporary residents may also have the option of taking their superannuation benefits with them when their visa has expired and they have permanently departed Australia. In some circumstances, the superannuation of temporary residents may be treated as unclaimed money and must be transferred by the Trustee to the Australian Taxation Office (ATO).

Preserved benefits can also be released upon presentation of an ATO Release Authority to the Trustee in respect of excess contribution tax (see Section 7 of this Guide for more details).

**RELEASE OF SUPERANNUATION DUE TO TERMINAL ILLNESS**

You can access your super early if you are diagnosed with a terminal medical condition. You must provide two medical practitioner certificates (including a specialist in the particular field) that you are likely to die within 24 months from the date of the certification to gain unrestricted tax-free access to your superannuation balance.

**PORTABILITY OF BENEFITS**

You can transfer your benefits to another regulated fund at any time (sometimes referred to as ‘portability’).

Requests to rollover benefits to another superannuation fund must be in writing and proof of identity requirements may apply. Additional information may be required in the case of a request to transfer benefits to a self-managed superannuation fund.
SECTION 2: INVESTING IN A PENSION

This section contains a summary of the rules and other considerations applicable to commencing a pension. It explains the types of pension products that available from the Division, subject to pension standards in Government legislation, which will prevail in the event of any inconsistency between the information in this Guide and the legislation. Further information about pension payments is contained in Section 3 of this Guide.

A superannuation pension allows you to receive some or all of your superannuation benefits as an income stream, rather than a lump sum payment. A superannuation pension is provided through a separate account in the Division (pension account).

We offer three types of superannuation pensions:

A **Standard Account Based Pension.** Standard Account Based Pensions are highly flexible. You can select the frequency of your pension payments as well as the size of the pension payments you wish to receive, above a required minimum amount.

An Account Based Pension taken out under the **Transition to Retirement** rules (Transition to Retirement Pension). These pensions are also flexible but are subject to some additional restrictions. You can select the frequency of your pension payments as well as the size of the pension payments you wish to receive provided they meet required minimum and maximum limits.

Standard Account Based Pensions and Transition to Retirement Pensions are referred to as Account Based Pensions in this Guide.

If you already have a Term Allocated Pension in another superannuation product or fund, a **Term Allocated Pension**, which provides you with the ability to choose the term you wish to receive your benefits (Note this option is only available for rollovers of existing Term Allocated Pensions into the Division.)

You can apply for a single pension or more than one pension depending on your individual needs and circumstances. You can also receive a pension while continuing a separate accumulation account providing you satisfy the minimum Cash Account balance requirements (described in section 5).

**ACCOUNT BASED PENSIONS**

An Account Based Pension is a regular income stream for your retirement. The payment amount you receive and the frequency of payment is based on your selection (subject to Government limits depending on whether a standard Account Based Pension or Transition to Retirement Pension is acquired). Members transferring funds from an accumulation account to an Account Based Pension account, may have existing investments held in their accumulation account transferred to their Account Based pension account Portfolio without triggering any capital gains tax liability.

**Minimum Investment**
The minimum initial investment to establish an Account Based Pension account per member is $50,000, subject to variation at the Trustee’s discretion.

**Eligibility to commence an Account Based Pension**
To begin a standard Account Based Pension, you must be at or over your Preservation Age and satisfy a condition of release. Refer to the Restrictions on When You Can Access your Benefit in Section 1 of this Guide for more information about the Preservation Age and conditions of release.

It is also a condition of commencing a pension that you supply your TFN.

**TRANSITION TO RETIREMENT PENSIONS**
A Transition to Retirement Pension is a non-commutable Account Based Pension which provides a regular periodic payment of income from your superannuation. Generally, you cannot receive any amount from your Transition to Retirement Pension balance as a lump sum payment.

You may start a Transition to Retirement Pension if you have reached your Preservation Age but have not yet fully retired from the workforce.

The conditions surrounding a Transition to Retirement Pension are the same as those for a standard Account Based Pension taken out upon retirement, with the exception of the following additional conditions:

- a maximum of 10% of your account balance can be taken as pension payments in any one year, regardless of age. Where you start your pension part-way through the year, the 10 per cent maximum is pro-rated according to the number of days until 30 June of the next year; and
- you are unable to make any partial or lump sum withdrawals from the pension (commutations) until you satisfy a ‘condition of release’, such as fully retiring.
- From 1 July 2017 Transition to Retirement Pensions are subject to the same tax treatment as Accumulation members.
Once you retire, or satisfy a condition of release, your pension will continue and become a standard Account Based Pension. The additional restrictions outlined above will no longer apply.

There are other limited circumstances in which a Transition to Retirement Pension may be commuted including:

- in order to transfer your pension account balance back into your accumulation account in the Division;
- to rollover your benefit into the accumulation or pension section of another complying superannuation fund or other acceptable retirement savings product; or
- on death.

If your Transition to Retirement Pension includes an unrestricted non-preserved component, it can be taken as a lump sum at any time (i.e. as a partial commutation).

**STARTING A TERM ALLOCATED PENSION – IMPORTANT INFORMATION**

**Specified Term**

A Term Allocated Pension must have a specified term. The term of the pension is the number of years that your pension will be paid. In the case of a Term Allocated Pension it is based on your life expectancy or age at the time you purchase the pension, with an ability to extend the timeframe if you nominate your spouse (which may include a de facto spouse of the same or opposite gender) as a reversionary beneficiary (and your spouse is younger than you).

You may choose the term for your Term Allocated Pension (in complete years) from the options described below:

- your life expectancy
- your life expectancy as if you were up to 5 years younger on the commencement date of the pension
- a period that is not less than your life expectancy and not more than the greater of:
  - your life expectancy as if you were up to 5 years younger; and
  - the period of years that is the difference between age 100 and your age on the commencement date of the pension
- your reversionary beneficiary’s (that is, your spouse’s) life expectancy
- your reversionary beneficiary’s (that is, your spouse’s) life expectancy as though he or she were up to five years younger. This will extend the length of the term of your pension but will obviously reduce the amount of each of your pension payments
- a period that is not less than your reversionary beneficiary’s (that is, your spouse’s) life expectancy and not more than the greater of:
  - your spouse’s life expectancy as though he or she were up to five years younger; and
  - the period of years that is the difference between age 100 and your spouse’s age on the commencement date of the pension.

Importantly, once your Term Allocated Pension has commenced, you cannot change the term of your pension.

To determine the appropriate term applicable to your circumstances and the implications of this decision, you should contact your Financial Adviser.

The calculation of the term (and annual income payments) for a Term Allocated Pension is based on life expectancy factors in a Life Expectancy table issued by the government. The Life Expectancy table is available by contacting your Financial Adviser.

**MONEY YOU CAN USE TO BEGIN YOUR PENSION**

In the case of an Account Based Pension, you can begin a pension utilising an accumulation account balance already held within the Division, or you can roll over benefits from another superannuation fund or other sources permitted by the relevant law. In the case of a Term Allocated Pension, you can only begin the pension utilising a rollover of an existing Term Allocated Pension from another superannuation product or fund.

Other amounts such as certain disablement amounts on settlement of a disability claim (outside of superannuation), proceeds from the sale of a small business and superannuation sourced from a foreign superannuation fund, can also be paid into superannuation for the purpose of commencing an Account Based Pension.

The acceptance of other amounts from these other sources may be subject to contribution rules applicable to superannuation funds and give rise to different taxation implications (depending on your personal circumstances). A summary of contribution rules is shown in Section 1 of this Guide. If you are going to receive any of these amounts or are considering payment of them into superannuation, we recommend you obtain advice from your Financial Adviser.

From 1 July 2017 Account Based Pensions are subject to a maximum balance of $1.6 million.

You cannot add additional money to your Account Based Pension once it has begun. As such, you may need to consolidate your various superannuation account balances, or other eligible amounts you receive, into a single Account Based Pension account prior to commencing receipt of pension payments. Alternatively, you may commence more than one Account Based Pension using separate superannuation entitlements.

As a result of anti-money laundering and counter terrorism financing (AML/CTF) requirements in government legislation, you may be required to provide proof of identity prior to establishing your pension (called “customer identification and verification” requirements). These requirements may also be applied by the Trustee from time to time in relation to the administration of your superannuation benefits as required or considered appropriate under the Government’s legislation. You will be notified of any requirements when applicable.
Under the AML/CTF laws the Trustee is required to provide yearly compliance reports to AUSTRAC and notify AUSTRAC of suspicious transactions. This may involve the provision of personal information about you to AUSTRAC.

**GOVERNMENT PENSIONS AND SOCIAL SECURITY BENEFITS**

Centrelink usually applies two tests for the purposes of assessing an individual’s eligibility to receive the Government’s ‘old-age pension’, being an assets test and an income test.

For the assets test, 100% of the purchase price (the amount of money you utilised to commence your pension) of an Account Based Pension will be assessable. For the income test, the assets will be assessable as a financial investment subject to deeming.

Special rules apply to Term Allocated Pensions. Usually, your investment in a Term Allocated Pension will be considered an asset for social security purposes and the income received from your pension will also be assessable, less any deductible amount, against the income test. Any previously applicable asset test exemption may not apply.

For more information about the social security implications of receiving a pension from the Division go to www.centrelink.gov.au or contact their Financial Information Service (FIS) on 13 23 00, or consult your Financial Adviser. We recommend you seek advice from your Financial Adviser about transferring an existing Term Allocated Pension into the Division because the social security implications may be significant.
SECTION 3

BENEFITS OF INVESTING WITH THE DIVISION
SECTION 3: BENEFITS OF INVESTING WITH THE DIVISION

TYPE OF BENEFITS
Subject to Government payment restrictions, the following benefits are payable from an accumulation account in the Division:

- a retirement benefit - on retiring on or after your Preservation Age while a Member of the Division (see Section 1 of this Guide for details on Preservation Age). The retirement benefit is the balance of your account at the time you retire;
- a death benefit — on death while a Member of the Division. The death benefit is your account balance plus any insurance benefit payable and will be distributed among your dependents or estate as determined by the Trustee having regard to any nomination you have made (see below for information about nominating beneficiaries);
- a permanent incapacity benefit - if you become permanently incapacitated as defined in superannuation legislation while a member of the Division. The permanent incapacity benefit is your account balance plus any insurance benefit payable.

Benefits may also be released, in cash, in other circumstances as permitted by superannuation legislation (example, financial hardship).

A Member’s benefit is calculated as the accumulated value of the Member’s account, plus any amount paid to the Trustee by the Insurer in respect of insurance benefits. The payment of all benefits is subject to the Trust Deed and, where relevant, the terms and conditions of the insurance policy. Benefits can only be paid to a Member where permitted under superannuation legislation. Acceptance of a claim by the Insurer does not automatically mean that the amount can be paid to the Member by the Trustee. Insurance benefits cease in certain circumstances including if there are insufficient monies in a Member’s account to meet insurance premiums. See Section 8 of this Guide for more information about when insurance benefits are payable.

The value (or amount) of a Member’s account balance (or benefit) is based on the following (where applicable):

- contributions received
- transfers/rollovers received
- investment returns
- insurance benefit premiums paid
- government charges or taxes paid or payable; and
- fees or costs paid or payable.

The Trustee may adjust the benefits of a Member to the extent permitted by the relevant law and Trust Deed (for example, adjustments arising from the application of the taxation laws).

PAYMENT OF BENEFITS
Benefits may be paid as a lump sum or pension, by opening a pension account in the Division (see Section 2 of this Guide for more information about commencing a pension in the Division). The payment of benefits in the form of a pension is subject to rules in superannuation legislation, which are summarised below.

Any payment in relation to any superannuation interest you have in the Division must be made on a proportionate basis from your taxable and exempt (tax-free) components. If you have both an accumulation account and pension account, the pension account is treated as a separate interest for this purpose. For more information about the taxable and exempt components, see Section 7 of this Guide.

The Trustee is required to carry out proof of identity procedures before paying a lump sum benefit to a Member in cash or commencing to pay a pension. The requirements arise under the Government’s Anti-Money Laundering and Counter-Terrorism Financing legislation. If any further information is required from you to enable a benefit to be made, you will be notified.

Lump sum benefits (including lump sum death benefits from a pension account) may be paid in specie at the discretion of the Trustee, that is, by way of a transfer of underlying assets to the relevant Member.

Lump sum death benefits (including lump sum death benefits from a pension account) may be paid to a Member’s dependent(s) and/or the estate as determined by the Trustee:

- having regard to the Member’s wishes (if the Member has made a non-binding nomination of beneficiaries), or
- in accordance with the Member’s wishes (if the Member has made a valid binding nomination).

HOW YOUR PENSION PAYMENTS ARE CALCULATED

Account Based Pensions
Each financial year, you are able to select the pension amount that you will receive for that upcoming year. The amount you receive must be equal to or above a legislated, prescribed minimum level, based upon your age (a maximum limit also applies to Transition to Retirement Pensions).
The minimum annual pension payment percentages of your pension account balance are as follows:

<table>
<thead>
<tr>
<th>Age*</th>
<th>Annual payment amount (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 65</td>
<td>4.00</td>
</tr>
<tr>
<td>65 – 74</td>
<td>5.00</td>
</tr>
<tr>
<td>75 – 79</td>
<td>6.00</td>
</tr>
<tr>
<td>80 – 84</td>
<td>7.00</td>
</tr>
<tr>
<td>85 – 89</td>
<td>9.00</td>
</tr>
<tr>
<td>90 – 94</td>
<td>11.00</td>
</tr>
<tr>
<td>95 +</td>
<td>14.00</td>
</tr>
</tbody>
</table>

*Your age at the commencement of your pension, or at each 1 July thereafter.

If your pension does not commence on 1 July, the pension percentage is applied proportionately for the number of remaining days in the financial year, in order to determine the minimum pension amount. The Administrator will calculate and advise you of your minimum pension amounts (and maximum pension amounts, where applicable) each year, from which you can elect the amount you would like to receive.

Transition to Retirement members can elect the amount of their pension amount subject to a maximum of 10% of their account balance in any one year, regardless of age. Where you start your pension part-way through the year, the 10 per cent maximum is pro-rated according to the number of days until 30 June of the next year.

Transfers to another superannuation fund do not count towards meeting the minimum pension payment requirements.

**Term Allocated Pensions**

Pension payments from a Term Allocated Pension must satisfy the following rules:

- payments are a fixed amount, which must be paid to you at least annually (but can also be paid to you monthly, quarterly or semi-annually). A rollover of monies from your account to another superannuation fund or product does not count when assessing whether the minimum pension payment requirement has been met;
- your annual payment is calculated according to a schedule of payment factors (this table is available by contacting the Member Administrator). The pension payment is calculated by dividing your account balance on 1 July each year (or on the pension commencement date) by the payment factor for the remaining term of your pension (rounded up or down in accordance with legislative requirements). You can choose an income amount between 90% and 110% of this calculated amount. From time to time, the income amount allowed by law may change. For more information about this please contact the Member Administrator.

Term Allocated Pension payments are also subject to the prescribed annual minimum amount applicable to Account Based Pensions (see above).

By the end of the term of your pension there should be no money left in your account. In order to achieve this, your annual pension payment is calculated on 1 July each year based on the balance of your investment and the remaining term.

**Source of Pension Payments**

Your pension payments will be deducted from your Investment Options and the investments rebalanced on the basis of your investment profile to ensure that there is sufficient cash to make your pension payments

**Changing the pension amount you are paid**

For Account Based Pensions, you can change the payment amount or, in the case of a pension other than a Transition to Retirement Pension, apply to take out a lump sum payment (commute) at any other time. Any variation in your regular pension payment will be presumed to be an irregular pension payment unless you otherwise elect.

You cannot select to change the amount paid to you through a Term Allocated Pension, except where permitted by relevant regulations, having regard to set limits (mentioned above). The amount paid is calculated based on your account balance and the relevant payment factor on 1 July each year.

The amount of your Term Allocated Pension payment will not change during that financial year. Investment earnings during that year will be accounted for when your Term Allocated Pension payment is recalculated at the next 1 July.

If your Financial Adviser does not ask us to alter your annual pension amount (where permissible), then your payment will be the same as for the previous financial year, unless we have to adjust your payment to remain within your income range for that year.

**Please note:** different taxation consequences may apply depending on whether your payment is a pension payment or (where permissible) a partial commutation. The Trustee may also adjust the pension payments of a Member to the extent permitted by the relevant law and Trust Deed (for example, to meet pension rules in superannuation legislation, where instructions are not received from your Financial Adviser).
**Frequency of Pension Payments**

Generally, you must receive at least one pension payment per financial year. If, however, you begin a pension after 1 June in any financial year, you can defer the beginning of your pension payments until the next financial year. You may specify the frequency at which you receive your pension payments at any time during the life of your pension to be paid monthly, quarterly, half yearly or yearly. You can change the frequency at any time.

**WITHDRAWING FROM YOUR PENSION**

As a standard Account Based Pension is purchased with unrestricted and non-preserved superannuation benefits, you can withdraw your pension in full as a lump sum (i.e. commute your pension) or you can take a portion of your account balance, underlying the pension, as a partial lump sum (i.e. a partial commutation) at any time, subject to any redemption requirements or consequences (as outlined in Section 5 of this Guide). As a Transition to Retirement Pension is usually purchased with preserved superannuation benefits, you will be unable to commute the pension (in whole or in part) until you retire or meet other circumstances prescribed in the relevant law.

You cannot make commutations (i.e. lump sum cash withdrawals) from a Term Allocation Pension (except in very limited circumstances).

For Transition to Retirement Pensions and Term Allocated Pensions, the limited circumstances in which you may be able to access your benefits other than when your pension payments are made include:

- to give effect to a payment split under family law; or
- to purchase another complying income stream; or
- upon your death, or where you have selected the reversionary option for your Term Allocated Pension, upon the death of both yourself and your reversionary pension beneficiary.

Any lump sum commutation (where permissible) must be withdrawn proportionately from the exempt and taxable components of your pension (see the Section 7 of this Guide for more information). You cannot nominate from which component a lump sum payment is withdrawn.

There is no minimum value or limit on how many partial commutations you may request. However, your pension will not operate for any guaranteed period. It will last only as long as your account balance lasts. As such, it is your responsibility to monitor your pension assets to appropriately fund your retirement.

Superannuation legislation requires that in any year in which all or any part of a pension is commuted, a pro-rata payment amount of the minimum payment for that year must be paid except in certain limited circumstances, for example, if the commutation arises due to death of the pensioner or to give effect to an entitlement of a non-Member spouse under a family law payment split.

Full or partial withdrawals from your pension may be subject to tax at lump sum rates, based upon the components of the taxable component of your pension account balance, the minimum pension income received, and your age at the date of payment. See Section 7 of this Guide for information about lump sum tax rates.

Lump sum benefits may be paid in specie at the discretion of the Trustee, that is, by way of a transfer of underlying assets to the relevant Member.

You should discuss your intention to commute with your Financial Adviser because it may have taxation and social security implications for you.

**DEATH BENEFIT NOMINATIONS**

You can choose how the Trustee pays a lump sum death benefit in the event of your death while a Member. You may nominate a dependent, a legal representative or a combination of both. You can either make a binding nomination or a non-binding nomination for an account (accumulation or pension). Alternatively, Pension members can nominate a continuation of pension payments from their pension account to a reversionary beneficiary, instead of a lump sum death benefit.

If you do not make any nomination in respect of an account, the death benefit will be paid to your estate. You will be treated as not having made a binding nomination if you have made an invalid binding nomination. An invalid binding nomination will not be treated as a non-binding nomination.

If you wish to make a nomination and have more than one account in the Division, please note that a separate nomination must be made for each account e.g. if you have an accumulation and pension account you must make a nomination for each account.

**Binding Nomination**

If you make a binding nomination, you instruct the Trustee as to whom you want your benefit to be paid in the event of your death. Provided your nomination is valid, it cannot be overridden by the Trustee. The nomination is valid for three years from the date on which it is signed. You must renew or confirm your nomination within this three-year period for it to remain valid. If any beneficiary nominated is no longer your dependent (see below) or legal personal representative at the date of death, they will not be entitled to receive a share of your benefit and their share may be paid to the remaining nominees based on their proportional entitlement to your benefit.

If the binding nomination is or becomes invalid, it will have no effect (it will not be treated as a non-binding nomination).
Non-Binding Nomination
If you make a non-binding nomination, the Trustee has the discretion to determine who should receive the death benefit. The Trustee may consider your nomination but is not bound to follow it. The Trustee has the discretion to pay to any of your dependents or to your legal personal representative(s) or a combination of both.

It is important to note that:

- a non-binding nomination will **not** override a current, valid binding nomination, and
- if you have a current binding nomination you must revoke it before a non-binding nomination can be considered.

To nominate a beneficiary on a binding or non-binding basis, please complete the Nomination of Beneficiaries Form available from www.diymaster.com.au or the Member Administrator on 1800 455 666 or Core Advisor Group on 07 – 32 600 600.

Meaning of ‘dependent’
For the purpose of nominating a beneficiary, a dependent includes a spouse, child (of any age) including child of a spouse, any person financially dependent on you at the time of your death and any person with whom you had an interdependency relationship as permitted by the Trust Deed and superannuation legislation.

In determining whether two people have an interdependency relationship, the Trustee must consider factors stipulated in the superannuation legislation. If you would like further information about this, contact the Member Administrator.

Your nomination may have tax implications for the taxation of death benefits (see the Section 7 of this Guide for details).

Reversionary Pension Nomination
Pension members can nominate their spouse or other dependent as a reversionary beneficiary to continue to receive their pension in the event of their death. The reversionary beneficiary must be a dependent at the date of your death A pension can only continue to be paid to a child (upon a Member’s death) if, at the date of death the child is:

- aged under 18;
- aged 18 – 24 and is financially dependent on the Member; or
- aged 18 or more and permanently disabled.

When a child reaches age 25, the pension must be converted into a lump sum benefit unless the child is permanently disabled.

A pension cannot be paid to a non-dependent.

Unless otherwise required by law, pension payments will continue to be received by your nominated reversionary beneficiary after your death.

Where your reversionary beneficiary does not wish to continue to receive the benefit in the form of a pension, they can elect to receive the benefit as a lump sum.

As different taxation and social security implications may arise depending on who you nominate as a reversionary beneficiary, we recommend you consult your Financial Adviser about nominating a reversionary beneficiary. This is particularly important if you are transferring a Term Allocated Pension from another superannuation product or fund to the Division, where you have previously based the term of your Term Allocated Pension on your spouse’s life expectancy.

For Term Allocated Pensions, nomination of your spouse as a reversionary beneficiary may affect the term of your pension and amount of pension payments. Nomination of a reversionary beneficiary (or change of reversionary beneficiary) for a Term Allocated Pension should be considered having regard to social security and taxation considerations applicable to your personal circumstances.

PAYMENT OF UNCLAIMED MONIES TO THE ATO
Under Federal Government (Unclaimed Money) legislation, there are a number of circumstances in which superannuation must be paid to the Australian Taxation Office as unclaimed money including inactive benefits of an uncontactable member who has reached age 65 and certain benefits of ‘lost members’.

The following accounts of ‘lost’ members must be paid to the Australian Taxation Office as unclaimed money:

- account balances of less than $6,000 (or such other threshold determined by the Government from time to time); or
- accounts which have been inactive for a period of 12 months and there are insufficient records to ever identify the owner of the account.

A former temporary resident’s superannuation benefit must also be paid to the Australian Taxation Office as unclaimed money where it has been at least six months since they have departed Australia and their visa has lapsed AND the Australian Taxation Office issues a notice to the Fund requesting the benefit be paid to the Australian Taxation Office.

If this happens, you have a right, under the Government’s legislation, to claim your super money directly from the Australian Taxation Office (subject to the applicable tax rates).

Further information about unclaimed money can be obtained from the Australian Taxation Office website (www.ato.gov.au).
THE ROLE OF YOUR FINANCIAL ADVISER
You can only invest in the Division through a Financial Adviser (‘Adviser’). Your Adviser is integral to the operation and maintenance of any account and investments you hold in the Division. Your Adviser will help you understand your financial position; identify your goals and financial issues; and help you choose investment options that best suit you and your circumstances. You Adviser can also help you understand and implement your chosen insurance options including individual insurance. When you retire or transition to retirement, your Adviser can assist you to determine which pension and retirement strategy may suit your circumstances. Pensions, in particular, Term Allocated Pensions, are complex and should be considered in light of all your personal circumstances having regard to any tax and social security considerations applicable to you.

When you invest in the Division, you agree to appoint your Adviser as your agent for the purposes of operating your account and providing instructions in relation to your account to the Trustee (or service providers appointed by the Trustee).

You further authorise your Adviser to have access to your account details and to transact on your account. This means that the Trustee and its service providers can accept and act on such instructions given by your Adviser without requiring your signature, additional proof, instructions or further confirmation from you. The Trustee is entitled to rely on the instructions of your Adviser as if they were your instructions, unless there is reason to believe that the person providing the instructions is not your Adviser.

The Trustee will continue to act upon any instructions from your Adviser until it receives written cancellation of the appointment from you. In the event you cancel the appointment of your Adviser and do not appoint another Adviser, you may be asked to transfer your benefit to another complying superannuation fund. If you fail to comply with that request within 30 days of it being dated, the Trustee may transfer you to an Eligible Rollover Fund. You will be notified prior to your account being transferred to any Eligible Rollover Fund nominated by the Trustee.

You and your Adviser release, discharge and indemnify the Trustee and all of the Trustee’s successors and assigns from and against all losses, actions, liabilities, claims, demands and proceedings arising from your appointment of an Adviser and all acts, matters and things done or purported to be done by an Adviser even if not actually authorised by you and neither you or any person claiming through you will have any claim or right against the Trustee or any of the Trustee’s successors and assigns in relation to any act, matter or thing done or purported to be done by your Adviser or any person purporting to be your Adviser provided that the Trustee or its service providers have no reasonable reason to believe that the person purporting to be your Adviser is not your Adviser.

Providing to us through your Adviser
The transactions for which this authority applies are:

- Investment of the initial contribution or investment amount into an account;
- Switching between investment options in the Division;
- Changing a regular contribution amount;
- Starting or stopping a regular contribution amount;
- Changing a regular withdrawal amount (where withdrawal is permissible under superannuation legislation);
- Starting or stopping a regular withdrawal amount (where withdrawal is permissible under superannuation legislation);
- Updating changes in member personal details including change of address and bank accounts; and
- Arranging insurance under an individual insurance policy (subject to Trustee approval).

Refer to the application forms accompanying the PDS for further information about the terms and conditions applicable to your appointment of an Adviser.

MANAGING YOUR ACCOUNT
Any instructions for an account in the Division must usually be in writing.

Electronic instructions – Facsimile/email
For your convenience, you may use facsimile transmission (fax) or email to provide instructions for your account.

There are a number of forms to enable you to provide us with various instructions relating to your investments and membership in the Division. In some cases, these instructions must be provided using a designated form or in some other written form. Some instructions may also be accepted over the telephone. The following terms and conditions apply to the receipt of instructions.

Use of telephone, fax or other electronic communication
The Trustee and relevant service providers have procedures in place to reduce the risk of fraud, but cannot guarantee that someone trying to impersonate you will not contact us about your account in the Division and change your personal details or make a withdrawal. The Trustee may dispute liability for any losses which happen because it has acted on phone, fax or other written instructions (including email instructions) that you have not authorised but which appear to have been authorised by you. In sending any electronic instruction, you release the Trustee and the Division’s service providers from, and indemnify them against, all losses and liabilities arising as a result of processing an instruction that includes your Member Account number and a signature that is apparently your signature.
**Information received by phone, fax or other electronic means**

If the details that the Trustee or its service providers receives in a fax, over the phone or by other electronic means (including via email) do not match the details that it has previously received, then it may not proceed with the request.

The Trustee or service provider will not process a request if the instructions it receives are incomplete or appear to contain errors. This is to ensure that the transaction it performs is exactly what you were requesting.

If a dispute arises over what information the Trustee or service provider have received by fax, it will not accept a transmission report from your machine as evidence that it has received the fax. This is because, although your fax machine may have confirmed the fax was sent, the Trustee or service provider may not have received the complete fax at our end.

Apart from these terms and conditions, the Trustee and service providers may have other requirements for receiving information from you from time to time. You will be notified if this affects you or your request.

**PRIVACY**

In this section, ‘we’ means Diversa Trustees Limited ABN 49 006 421 638 (‘the Trustee’) and DIY Master Pty Ltd ABN 41 123 035 245 (‘the Member Administrator’).

**Why do we collect your personal information?**

We collect your personal information for the following reasons, to:

- Administer products and services and manage our relationship with you, including to establish and maintain member records, and provide regular statements, reports and communications;
- Provide products and services to you;
- Process transactions, applications, claims, requests and queries in relation to our products and services;
- Identify you in accordance with the Anti-Money Laundering & Counter Terrorism Financing Act and to protect against fraud;
- Let you know about other products or services that we may offer or that the Division’s promoter may offer; and
- comply with applicable laws and regulations.

If we do not collect your personal information, we may not be able to process your applications, provide you with services relating to the Division or administer your interest in the Division.

**Who do we disclose your personal information to?**

We may disclose your personal information to third parties including:

- Outsourced service providers including an administrator or promoter of the Division;
- Mail houses and printing companies;
- Specialist service providers, such as actuaries, auditors and lawyers;
- Custodians and brokers;
- Insurance providers;
- Your financial adviser, your attorney appointed under a power of attorney, or your appointed representative;
- Other consultants; and
- Government authorities as required or desirable in administering and conducting the business of the Division, including in complying with relevant regulatory or legal requirements. It is possible that this may also include a Government authority that is overseas.

Personal information will only be disclosed to third parties other than those listed above if you have consented, if you would reasonably expect us to disclose information of that kind to those third parties, if we are authorised or required to do so by law or it is necessary to assist with law enforcement.

**Are we likely to disclose your personal information to a recipient who is overseas?**

In some circumstances, your personal information may be disclosed to our service providers or other third parties in jurisdictions overseas including United Kingdom.

**Privacy Policies**

The Privacy Policies of the Trustee and the Member Administrator set out how you can access and correct information we hold about you, how you can complain about a breach of your privacy rights and how your complaint will be handled. The Trustee’s privacy policy can be found at (www.diversa.com.au/trustee). The Member Administrator’s privacy policy can be found at www.diymaster.com.au.

If you have any queries or complaints about your privacy, please contact:

- Privacy Officer, Diversa Trustees Limited, GPO Box 3001, Melbourne VIC 3001. Email: trustees@diversa.com.au
- Privacy Officer, DIY Master Pty Ltd, P O Box 7540 GCMC QLD 9726 Email privacy@diymaster.com.au
SECTION 4: RISKS OF SUPER
SECTION 4: RISKS OF SUPER

Note: refer to Section 5 for definitions which may be relevant to the descriptions of risks below.

INVESTMENT RISKS
There are many risk factors (outlined below) that can impact the performance of an investment. The major risks that you should be aware of when investing through the Division include, but are not limited to the risks outlined below. The relevance of these risks will depend on the investments selected (for example, currency risk will be a greater consideration for an investment in international shares) and your personal circumstances. You should consult your Financial Adviser for information about risks that has regard to your objectives, financial situation and needs. For example, your attitude to risk may be different depending on whether you are nearing or in retirement and have a pension account.

Also consider the product disclosure statement or other disclosure document for any investment you may be considering including product disclosures for approved Managed Funds, available from your Financial Adviser or www.diymaster.com.au.

Commodity Price
A portfolio may hold investments the price of which is significantly determined by the price of commodities. Commodity prices can fluctuate significantly over short periods of time. Falls in commodity prices may lead to loss in value of the investment.

Concentration Risk
The fewer the number of holdings in a portfolio the higher the concentration risk. With a more concentrated portfolio there is a greater risk that poor performance by one or a group of investments can significantly affect the performance of the whole portfolio.

Conversion Risk
Hybrid or other convertible securities that convert into ordinary shares may not be readily converted into an equivalent value of cash.

Counterparty Risk
Certain investments rely on counterparties such as brokers, lenders, issuers and clearing exchanges and these parties may be unable to meet their obligations.

Credit Risk
Credit risk is the risk that the issuer of a debt security is unable to satisfy its obligation under the terms attaching to the security. These obligations include payment of interest or a dividend or payment or the repayment on maturity. A decline in credit quality of the issuer of a security could result in a capital loss being incurred on those securities.

Currency Risk
Where a portfolio holds international investments priced in a foreign currency, movements in the Australian dollar against that foreign currency may negatively impact on its value. Currency risk may be managed through use of hedging techniques. You should refer to the relevant product disclosure statement applicable to an investment to determine whether this risk is managed through use of hedging techniques.

Derivative Risk
Where a specific investment derives its value from another security through the use of futures, options, swaps and other derivatives, there is a risk that the value of the derivative fails to move in line with the underlying asset and the potential illiquidity of the derivative.

Economic Risk
A downturn in the general economic conditions in Australia or globally may adversely affect the performance of an investment portfolio.

Emerging Market Risk
Emerging markets are financial markets in countries with developing economies. The financial markets in these countries are immature compared to those of the world’s major financial centres. These markets may provide potentially high returns but are subject to high risk including market, regulatory, liquidity and credit risk.

ETF Risk
An investment in an Exchange Traded Fund (ETF) may carry a default risk, also known as a credit or counterparty risk, which may emanate from a default or inability of another party to meet financial commitments e.g. if an investor buys a corporate bond ETF and a fund component files for bankruptcy the investor may incur losses because the ETF may lose value or become worthless.

Industry Risk
Industry risk is the risk that a particular industry may perform poorly. This can mean that the assets held in those industries may fall in value.

Inflation Risk
The increasing price of goods and services may exceed the rate at which your investment grows, thereby reducing the value of your investment in real terms.
Interest Rate Risk
Changes in interest rates will affect the value of interest-bearing securities and shares in some companies. Rises in interest rates may lead to loss in capital value and falls in interest rates may lead to rises in value.

Liquidity Risk
Liquidity risk arises when investments are made in securities which are traded on an infrequent basis. If an investment is exposed to less liquid securities, it may be difficult to dispose of the security at a fair price, at particular times. Other types of investments (for example, managed funds) may also become illiquid. If an investment becomes illiquid or subject to restrictions for any reason, the Trustee reserves the right to take whatever steps it considers necessary in relation to that investment including delaying the payment of benefits.

Manager Risk
Underlying investment managers may not anticipate market movements or execute investment strategies effectively. Changes in staff may also have an impact on the performance of an investment such as a Managed Fund.

Market Risk
Market risk is the risk associated with being exposed to a particular investment market, such as the Australian share market or income securities market. Current and anticipated economic conditions, political events, general movements in the Australian and international stock markets, investor sentiment, interest rates and exchange rates are all factors that may influence (positively or negatively) the value of securities and their investment returns.

Regulatory Risk
This is the risk that a government or regulator may introduce regulatory or tax changes that affect the value of securities in which the Division invests. The Division may be affected by changes in legislation or government policy in Australia or in other countries.

Specific Security Risk
An individual company’s shares and interest-bearing securities may change as a result of factors such as changes in management, market sentiment or company/industry specific events.

Implementation Risk
Trades and transactions may not always occur exactly as Divisionned because of external factors, e.g. as a result of markets being closed, illiquidity, a trade or transaction being subsequently cancelled or disputed or failures in external transaction systems or processes.

OTHER RISKS
Third Party Risk
The Division uses information and services provided by third party service providers. Procedures are in place to address risks associated with outsourcing, such as having comprehensive service agreements with the service providers. If a service provider advises of an error, it is corrected and if material, it will generally be communicated to you.

Systems and Technology Risk
The Division relies on the integrity and reliability of the portfolio trading and administration systems used to manage your account. To minimise potential risks, established systems operated by experienced system providers are used. The system providers must have back-up arrangements and Business Continuity Divisions.

In the event that the systems fail, there may be delays in processing transactions or in accessing your investment capital and investment returns may differ from those that would have been achieved.

WHAT IS YOUR INVESTMENT RISK PROFILE?
The key to managing risk is to be comfortable with the highs and lows your investments may experience over a defined period of time.

Generally, you trade off higher returns for investment security. The higher the potential return, the greater the risk of loss over the short term. Historically, growth assets such as shares and property have generated higher returns than investments in cash or bonds over the longer term. However, these assets are also more volatile, and as a result, carry more risk.

Risk means different things to different people. Even the simplest investment has inherent risk. Finding the balance between the amount of risk you are prepared to take with the return you want (your ‘risk profile’) is the challenge all investors face.

Each of the investment options available in the Division carry different investment risks depending on the nature of the underlying investments (including asset classes invested in and underlying fund managers or investments used).

A ‘risk profile’ or ‘risk level’ (including the Risk Band, Risk label and the likelihood of a negative return over a specified period) is shown for the Division’s investment options in section 5 of this Guide based on the Standard Risk Measure. The higher the Risk Band number, the higher the risk. The Risk label summarises the level of risk (e.g. Low, medium or high).

The Standard Risk Measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period.

The Standard Risk Measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than a member may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.
Members should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option/s.

The Standard Risk Measure is grouped into the following bands:

<table>
<thead>
<tr>
<th>Risk Band</th>
<th>Risk Label</th>
<th>Estimated number of negative annual returns over any 20-year period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Very Low</td>
<td>Less than 0.5</td>
</tr>
<tr>
<td>2</td>
<td>Low</td>
<td>0.5 to less than 1</td>
</tr>
<tr>
<td>3</td>
<td>Low to medium</td>
<td>1 to less than 2</td>
</tr>
<tr>
<td>4</td>
<td>Medium</td>
<td>2 to less than 3</td>
</tr>
<tr>
<td>5</td>
<td>Medium to high</td>
<td>3 to less than 4</td>
</tr>
<tr>
<td>6</td>
<td>High</td>
<td>4 to less than 6</td>
</tr>
<tr>
<td>7</td>
<td>Very high</td>
<td>6 or Greater</td>
</tr>
</tbody>
</table>

When making any decision about investing in the Division, including selecting or changing your investments, you should consult your Financial Adviser for advice about how these risks may affect you having regard to your personal circumstances.

Your investment is not guaranteed and the value of your investment can rise or fall. The PDS sets out other general risks when investing.
SECTION 5

HOW WE INVEST YOUR MONEY
DEFINITIONS

To help you understand some key descriptions and characteristics of the investment options available to you, it is important to understand what the various terms mean.

**CPI**
means a Consumer Price Index that measures changes in the price level of consumer goods and services purchased by households over time. The annual change in CPI is used as a measure of inflation.

**Diversified Fund**
means an investment fund that contains a wide array of securities to reduce the amount of risk in the fund. Actively maintaining diversification prevents events that affect one sector from affecting an entire portfolio making large losses less likely.

**Emerging Markets**
are financial markets in countries with developing economies. The financial markets in these countries are immature compared to those of the world’s major financial centres.

**Growth Assets**
means those assets whose prices are determined by their value as assessed by market trading, and may be based on factors such as ability to outperform inflation or capability of growth in earnings. Growth assets include Australian listed shares, International securities (hedged and unhedged), alternative assets (such as commodities, venture capital and infrastructure) and property securities.

**Hedged**
means an investment position intended to offset potential losses that may be incurred by a companion investment. It may be constructed from many types of financial instruments (e.g. insurance, futures contracts).

**Defensive Assets**
means those assets whose value is based on a steady stream of predictable income, with repayment of the capital invested after a specified period. The price of the asset is often determined by both income stream and the current level of interest rates. Income assets include term deposits, government bonds, corporate bonds, International fixed interest (hedged or unhedged) and other debt based instruments.

For an explanation of other terms used in this Guide, contact your Financial Adviser.

**INVESTMENT MANAGER**

Investment Administration Services Pty Limited (IAS) has been appointed as the Investment Manager by the Trustee to manage the Investment Options. IAS is a wholly owned subsidiary of Managed Accounts Holdings Limited, an ASX listed specialist managed account provider (ASX: MGP). IAS has a manage the manager approach to investment management and has appointed Core Advisor Group Pty Ltd (Core) as a Sub-Investment Manager to manage the investment options for the Core Advisor Group Superannuation Service Division.

**Investment Philosophy and Approach**

The Core Model Portfolios consist of five dynamically managed multi-asset portfolios that cater to the differing levels of risk tolerance of investors – effectively Conservative, Moderately Conservative, Balanced, Growth, and High Growth with pension versions of all five strategies, as detailed overleaf.

In relation to its investment philosophy and processes, Core’s investment philosophy implements a thematic approach which exhibits value characteristics complementing partial utilisation of passive strategies. For Australian equities and property securities, the manager's direct equities investment selection methodology is fundamental bottom up, with a focus on industry dynamics, competitive position, management quality, balance sheet strength and reasonable valuations. The manager will take strong thematic positions based on its economic and sectoral views and tends to focus on quality growth companies at reasonable valuations. Consistent with the high conviction approach, the Australian equities mandates are relatively concentrated with generally 15-20 holdings.

Core’s international equities and fixed interest (enhanced income) mandates comprise a combination of index-tracking ETFs (cheap beta) and alpha seeking high conviction managed funds. The selection of the latter is based on the Manager’s thematic and country views as well as risk characteristics (alternatives). Foreign exchange risk is unhedged, so as to provide clients with a direct exposure to foreign assets and a diversification outside of Australia.

The Asset Allocation tilts are based on the Manager’s macro view and outlook for the global and domestic economy and markets. Core matches the objectives, timeframe and investor comfort with the assets held when constructing portfolios whilst aiming to reduce risk through the diversification of assets across companies, fund managers, industries, sectors, countries and geographic regions.
Investment Options

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Portfolio</th>
</tr>
</thead>
</table>
| **Diversified Options** | CorePlus Portfolio  
CorePlus Pension Portfolio  
CorePlus 1 Portfolio  
CorePlus 1 Pension Portfolio  
CorePlus 2 Portfolio  
CorePlus 2 Pension Portfolio  
CorePlus 3 Portfolio  
CorePlus 3 Pension Portfolio  
CorePlus 4 Portfolio  
CorePlus 4 Pension Portfolio  
CorePlus Income Portfolio |
| **Single Asset Class** | CorePlus AE Portfolio |

INVESTMENT OPTIONS & OBJECTIVES

Further information about each of the investment options is detailed in the tables below.

COREPLUS PORTFOLIO

Portfolio Description - A diversified portfolio of securities across defensive assets, such as cash and fixed interest securities.

Investment Objective - To provide stable returns over the short to medium term from income, through exposure to a diversified portfolio of investments over the investment timeframe.

Performance Objective - To outperform the average annual rate of Australia’s Consumer Price Index (CPI) over the minimum investment timeframe.

Suggested Minimum Investment Timeframe - 3 years

Investor Suitability - Investors who:

1. Seek relatively stable, regular income from low volatility assets.
2. Are seeking stable returns over the investment timeframe with a moderate to high level of income.
3. Are prepared to invest for the minimum investment timeframe.
4. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.
5. Understand that withdrawals from this Portfolio may be delayed due to the fixed terms of maturity for some fixed interest investments and managed funds.
6. Understand that in some circumstances the underlying assets may fall in value due to changes in prevailing interest rates.
7. Understand that the portfolio may have international assets and securities exposure which may be subject to foreign currency exposure.

<table>
<thead>
<tr>
<th>Range of each asset class/indicative asset allocation</th>
<th>Asset Class</th>
<th>Asset Class Range</th>
<th>Indicative Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment</strong></td>
<td>Defensive</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Growth</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Australian Equities</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Property Securities</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>International Equities</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Fixed Interest</td>
<td>0-65%</td>
<td>46%</td>
</tr>
<tr>
<td></td>
<td>Cash</td>
<td>2-100%</td>
<td>54%</td>
</tr>
</tbody>
</table>

Authorised Investments

| Authorised Investments | Term Deposits; Bank Bills; Listed Government and Semi-Government Bonds; Exchange Traded Funds (ETFs); Listed Investment Companies (LICs); Registered Managed Investment Schemes; Listed Income Securities; Hybrid Securities; Cash and Cash Equivalents |

| Indicative number of holdings | 20 – 40 |
| **Risk Profile** | Low (Risk Band 2). |
| **Estimated number of negative annual returns over any 20-year period** | 0.5 to less than 1 |

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS PENSION PORTFOLIO

Portfolio Description - A diversified portfolio of securities across defensive assets, such as cash and fixed interest securities.

Investment Objective - To provide stable returns over the short to medium term from income, through exposure to a diversified portfolio of investments over the investment timeframe.

Performance Objective - To outperform the average annual rate of Australia’s Consumer Price Index (CPI) over the minimum investment timeframe.

Suggested Minimum Investment Timeframe - 3 years

Investor Suitability - Investors who:

1. Seek relatively stable, regular income from low volatility assets.
2. Are seeking stable returns over the investment timeframe with a moderate to high level of income.
3. Are prepared to invest for the minimum investment timeframe.
4. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.
5. Understand that withdrawals from this Portfolio may be delayed due to the fixed terms of maturity for some fixed interest investments and managed funds.
6. Understand that in some circumstances the underlying assets may fall in value due to changes in prevailing interest rates.
7. Understand that the portfolio may have international assets and securities exposure which may be subject to foreign currency exposure.

<table>
<thead>
<tr>
<th>Range of each asset class/indicative asset allocation</th>
<th>Asset Class</th>
<th>Asset Class Range</th>
<th>Indicative Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defensive</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Growth</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authorised Investments</th>
<th>Investment</th>
<th>Range</th>
<th>Indicative Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Equities</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Property Securities</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>International Equities</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Fixed Interest</td>
<td>0-65%</td>
<td>46%</td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>2-100%</td>
<td>54%</td>
<td></td>
</tr>
</tbody>
</table>

Authorised Investments

Term Deposits; Bank Bills; Listed Government and Semi-Government Bonds; Exchange Traded Funds (ETFs); Listed Investment Companies (LICs); Registered Managed Investment Schemes; Listed Income Securities; Hybrid Securities; Cash and Cash Equivalents

Indicative number of holdings

20 – 40

Risk Profile

Low (Risk Band 2).

Estimated number of negative annual returns over any 20-year period

0.5 to less than 1

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS 1 PORTFOLIO

Portfolio Description - A diversified portfolio of securities across both defensive assets, such as cash and fixed interest securities, and growth assets such as Australian equities, property and international equities. The mix of defensive and growth assets and the allocation between defensive and growth assets will vary according to market conditions.

Investment Objective - To provide stable returns over the short to medium term from income, through exposure to a diversified portfolio of investments over the investment timeframe.

Performance Objective - To outperform the average annual rate of Australia’s Consumer Price Index (CPI) plus 1% p.a. over the minimum investment timeframe.

Suggested Minimum Investment Timeframe - 4 years

Investor Suitability - Investors who:

1. Seek relatively stable, regular income from low volatility assets, but with exposure to the share market where market conditions warrant.
2. Are seeking stable returns over the investment timeframe with a moderate level of income.
3. Are prepared to invest for the minimum investment timeframe.
4. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.
5. Understand that withdrawals from this Portfolio may be delayed due to the fixed terms of maturity for some fixed interest investments and managed funds.
6. Understand that in some circumstances the underlying assets may fall in value due to changes in prevailing interest rates.
7. Understand that the portfolio may have international assets and securities exposure which may be subject to foreign currency exposure.

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<tbody>
<tr>
<td></td>
<td>Defensive</td>
<td>2-100%</td>
<td>67%</td>
</tr>
<tr>
<td></td>
<td>Growth</td>
<td>0-98%</td>
<td>33%</td>
</tr>
</tbody>
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<tr>
<td>Australian Equities</td>
<td>0-20%</td>
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</tr>
<tr>
<td>Property Securities</td>
<td>0-15%</td>
<td>6%</td>
</tr>
<tr>
<td>International Equities</td>
<td>0-25%</td>
<td>16%</td>
</tr>
<tr>
<td>Fixed Interest</td>
<td>0-65%</td>
<td>43%</td>
</tr>
<tr>
<td>Cash</td>
<td>2-100%</td>
<td>24%</td>
</tr>
</tbody>
</table>

| Authorised Investments | Term Deposits; Bank Bills; Listed Government and Semi-Government Bonds; Exchange Traded Funds (ETFs); Listed Investment Companies (LICs); Registered Managed Investment Schemes; Australian Real Estate Investment Trusts (A-REITs) and Property Related Securities; Listed Income Securities; Hybrid Securities; Australian Shares; Initial Public Offerings (IPOs); Cash and Cash Equivalents |

<table>
<thead>
<tr>
<th>Indicative number of holdings</th>
<th>20 – 40</th>
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</table>

<table>
<thead>
<tr>
<th>Risk Profile</th>
<th>Low to Medium (Risk Band 3).</th>
</tr>
</thead>
</table>

| Estimated number of negative annual returns over any 20-year period | 1 to less than 2 |

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS 1 PENSION PORTFOLIO

Portfolio Description - A diversified portfolio of securities across both defensive assets, such as cash and fixed interest securities, and growth assets such as Australian equities, property and international equities. The mix of defensive and growth assets and the allocation between defensive and growth assets will vary according to market conditions.

Investment Objective - To provide stable returns over the short to medium term from income, through exposure to a diversified portfolio of investments over the investment timeframe.

Performance Objective - To outperform the average annual rate of Australia’s Consumer Price Index (CPI) plus 1% p.a. over the minimum investment timeframe.

Suggested Minimum Investment Timeframe – 4 years

Investor Suitability - Investors who:

1. Seek relatively stable, regular income from low volatility assets, but with exposure to the share market where market conditions warrant.
2. Are seeking stable returns over the investment timeframe with a moderate level of income.
3. Are prepared to invest for the minimum investment timeframe.
4. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.
5. Understand that withdrawals from this Portfolio may be delayed due to the fixed terms of maturity for some fixed interest investments and managed funds.
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Authorised Investments

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<td>24%</td>
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Term Deposits; Bank Bills; Listed Government and Semi-Government Bonds; Exchange Traded Funds (ETFs); Listed Investment Companies (LICs); Registered Managed Investment Schemes; Australian Real Estate Investment Trusts (A-REITs) and Property Related Securities; Listed Income Securities; Hybrid Securities; Australian Shares; Initial Public Offerings (IPOs); Cash and Cash Equivalents

Indicative number of holdings

20 – 40

Risk Profile

Low to Medium (Risk Band 3).

Estimated number of negative annual returns over any 20-year period

1 to less than 2

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS 2 PORTFOLIO

Portfolio Description - A diversified portfolio of securities across both defensive assets, such as cash and fixed interest securities, and growth assets such as Australian equities, property and international equities. The mix of defensive and growth assets and the allocation between defensive and growth assets will vary according to market conditions.

Investment Objective - To provide relatively stable total returns over the short to medium term from a combination of income and capital growth, through exposure to a diversified portfolio of investments over the investment timeframe.

Performance Objective - To outperform the average annual rate of Australia’s Consumer Price Index (CPI) by at least 2% p.a. over the minimum investment timeframe.

Suggested Minimum Investment Timeframe - 4 years

Investor Suitability - Investors who:

1. Seek relatively stable, regular income from low volatility assets, but with exposure to the share market where market conditions warrant.
2. Are seeking relatively stable returns over the investment timeframe with a moderate level of income.
3. Are prepared to invest for the minimum investment timeframe.
4. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.
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<td>35%</td>
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<tr>
<td>Growth</td>
<td>0-100%</td>
<td>65%</td>
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<tr>
<td>International Equities</td>
<td>0-50%</td>
</tr>
<tr>
<td>Fixed Interest</td>
<td>0-65%</td>
</tr>
<tr>
<td>Cash</td>
<td>2-100%</td>
</tr>
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Authorised Investments

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Indicative number of holdings: 20 – 40

Risk Profile: Medium – High (Risk Band 5).

Estimated number of negative annual returns over any 20-year period: 3 to less than 4

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS 2 PENSION PORTFOLIO

Portfolio Description - A diversified portfolio of securities across both defensive assets, such as cash and fixed interest securities, and growth assets such as Australian equities, property and international equities. The mix of defensive and growth assets and the allocation between defensive and growth assets will vary according to market conditions. The Portfolio is managed based on the assumption that income and capital gains generated are not subject to tax.

Investment Objective - To provide relatively stable total returns over the short to medium term from a combination of income and capital growth, through exposure to a diversified portfolio of investments over the investment timeframe.

Performance Objective - To outperform the average annual rate of Australia’s Consumer Price Index (CPI) by at least 2% p.a. over the minimum investment timeframe.

Suggested Minimum Investment Timeframe - 4 years

Investor Suitability - Investors who:

1. Seek relatively stable, regular income from low volatility assets, but with exposure to the share market where market conditions warrant.
2. Are seeking relatively stable returns over the investment timeframe with a moderate level of income.
3. Are prepared to invest for the minimum investment timeframe.
4. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.
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<td>35%</td>
<td></td>
</tr>
<tr>
<td>Growth</td>
<td>0-100%</td>
<td>65%</td>
<td></td>
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</tbody>
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<th>Authorised Investments</th>
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<th>Indicative Allocation</th>
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<tbody>
<tr>
<td>Australian Equities</td>
<td>0-35%</td>
<td>24%</td>
</tr>
<tr>
<td>Property Securities</td>
<td>0-15%</td>
<td>6%</td>
</tr>
<tr>
<td>International Equities</td>
<td>0-50%</td>
<td>35%</td>
</tr>
<tr>
<td>Fixed Interest</td>
<td>0-65%</td>
<td>25%</td>
</tr>
<tr>
<td>Cash</td>
<td>2-100%</td>
<td>10%</td>
</tr>
</tbody>
</table>

| Authorised Investments | Term Deposits; Bank Bills; Listed Government and Semi-Government Bonds; Exchange Traded Funds (ETFs); Listed Investment Companies (LICs); Registered Managed Investment Schemes; Australian Real Estate Investment Trusts (A-REITs) and Property Related Securities; Listed Income Securities; Hybrid Securities; Australian Shares; Initial Public Offerings (IPOs); Cash and Cash Equivalents |

<table>
<thead>
<tr>
<th>Indicative number of holdings</th>
<th>20 – 40</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Risk Profile</th>
<th>Medium – High (Risk Band 5).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated number of negative annual returns over any 20-year period</td>
<td>3 to less than 4</td>
</tr>
</tbody>
</table>

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS 3 PORTFOLIO

Portfolio Description - A diversified portfolio of securities across both defensive assets such as cash and fixed interest securities and growth assets such as Australian equities, property and international equities with an emphasis on growth assets over defensive assets. The mix of defensive and growth assets and the allocation between defensive and growth assets will vary according to market conditions.

Investment Objective - To provide moderate to high total returns over the medium term from a combination of income and capital growth through exposure to a diversified portfolio of investments over the investment timeframe.

Performance Objective - To outperform the average annual rate of Australia’s Consumer Price Index (CPI) by at least 3% p.a. over the minimum investment timeframe.

Suggested Minimum Investment Timeframe - 5 years

Investor Suitability - Investors who:

1. Require a balanced portfolio through a diversified mix across the major asset classes.
2. Are seeking moderate to high growth over the investment timeframe with a moderate level of income.
3. Accept a medium to high level of volatility associated with an exposure to growth assets.
4. Are prepared to invest for the minimum investment timeframe.
5. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.
6. Understand that withdrawals from this Portfolio may be delayed due to the fixed terms of maturity for some fixed interest investments such as term deposits.
7. Understand that in some circumstances, some defensive assets may fall in value due to changes in prevailing interest rates.
8. Understand that the portfolio may have international assets and securities exposure which may be subject to foreign currency exposure.

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<tbody>
<tr>
<td>Defensive</td>
<td>2-100%</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Growth</td>
<td>0-98%</td>
<td>84%</td>
<td></td>
</tr>
</tbody>
</table>

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<thead>
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<th>Authorised Investments</th>
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<th>Range</th>
<th>Indicative Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Equities</td>
<td>0-60%</td>
<td>32%</td>
<td></td>
</tr>
<tr>
<td>Property Securities</td>
<td>0-20%</td>
<td>8.5%</td>
<td></td>
</tr>
<tr>
<td>International Equities</td>
<td>0-60%</td>
<td>43.5%</td>
<td></td>
</tr>
<tr>
<td>Fixed Interest</td>
<td>0-40%</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>2-100%</td>
<td>0%</td>
<td></td>
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Indicative number of holdings | 20 – 40
Risk Profile | High (Risk Band 6).
Estimated number of negative annual returns over any 20-year period | 4 to less than 6

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS 3 PENSION PORTFOLIO

Portfolio Description - A diversified portfolio of securities across both defensive assets such as cash and fixed interest securities and growth assets such as Australian equities, property and international equities with an emphasis on growth assets over defensive assets. The mix of defensive and growth assets and the allocation between defensive and growth assets will vary according to market conditions. The Portfolio is managed based on the assumption that income and capital gains generated are not subject to tax.

Investment Objective - To provide moderate to high total returns over the medium term from a combination of income and capital growth through exposure to a diversified portfolio of investments over the investment timeframe.

Performance Objective - To outperform the average annual rate of Australia’s Consumer Price Index (CPI) by at least 3% p.a. over the minimum investment timeframe.

Suggested Minimum Investment Timeframe - 5 years

Investor Suitability - Investors who:

1. Require a balanced portfolio through a diversified mix across the major asset classes.
2. Are seeking moderate to high growth over the investment timeframe with a moderate level of income.
3. Accept a medium to high level of volatility associated with an exposure to growth assets.
4. Are prepared to invest for the minimum investment timeframe.
5. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.
6. Understand that withdrawals from this Portfolio may be delayed due to the fixed terms of maturity for some fixed interest investments such as term deposits.
7. Understand that in some circumstances, some defensive assets may fall in value due to changes in prevailing interest rates.
8. Understand that the portfolio may have international assets and securities exposure which may be subject to foreign currency exposure.

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<td>0-60%</td>
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<tr>
<td>Fixed Interest</td>
<td>2-100%</td>
</tr>
<tr>
<td>Cash</td>
<td>0-60%</td>
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Indicative number of holdings: 20 – 40

Risk Profile: High (Risk Band 6).

Estimated number of negative annual returns over any 20-year period: 4 to less than 6

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS 4 PORTFOLIO

Portfolio Description - A diversified portfolio of securities across both defensive assets such as cash and fixed interest securities and growth assets such as Australian equities, property and international equities with the emphasis on growth assets. The mix of defensive and growth assets and the allocation between defensive and growth assets will vary according to market conditions.

Investment Objective - To provide high total returns over the investment timeframe through exposure to a diversified portfolio of investments with an emphasis on growth assets.

Performance Objective - To outperform the average annual rate of Australia’s Consumer Price Index (CPI) by at least 4% p.a. over the minimum investment timeframe.

Suggested Minimum Investment Timeframe - 6 years

Investor Suitability - Investors who:

1. Seek a relatively high level of growth on investment by investing in a diversified mix across the major asset classes.
2. Are willing to accept a high level of short to medium term capital volatility as a trade-off for long-term capital growth.
3. Are prepared to invest for the minimum investment timeframe.
4. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.
5. Understand that withdrawals from this Portfolio may be delayed due to the fixed terms of maturity for some fixed interest investments such as term deposits.
6. Understand that in some circumstances, some defensive assets may fall in value due to changes in prevailing interest rates.
7. Understand that the portfolio may have international assets and securities exposure which may be subject to foreign currency exposure.

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<tbody>
<tr>
<td>Defensive</td>
<td>0-100%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Growth</td>
<td>0-100%</td>
<td>94%</td>
<td></td>
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<tr>
<td>Australian Equities</td>
<td>0-65%</td>
<td>37%</td>
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<td>Property Securities</td>
<td>0-20%</td>
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<tr>
<td>International Equities</td>
<td>0-65%</td>
<td>48.5%</td>
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<tr>
<td>Fixed Interest</td>
<td>0-40%</td>
<td>6%</td>
</tr>
<tr>
<td>Cash</td>
<td>0-100%</td>
<td>0%</td>
</tr>
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| Authorised Investments | Term Deposits; Bank Bills; Listed Government and Semi-Government Bonds; Exchange Traded Funds (ETFs); Listed Investment Companies (LICs); Registered Managed Investment Schemes; Australian Real Estate Investment Trusts (A-REITs) and Property Related Securities; Listed Income Securities; Hybrid Securities; Australian Shares; Initial Public Offerings (IPOs); Cash and Cash Equivalents |

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<tr>
<th>Indicative number of holdings</th>
<th>20 – 40</th>
</tr>
</thead>
</table>

| Risk Profile | Very High (Risk Band 7). |

| Estimated number of negative annual returns over any 20-year period | 6 or greater |

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS 4 PENSION PORTFOLIO

Portfolio Description - A diversified portfolio of securities across both defensive assets such as cash and fixed interest securities and growth assets such as Australian equities, property and international equities with the emphasis on growth assets. The mix of defensive and growth assets and the allocation between defensive and growth assets will vary according to market conditions. The Portfolio is managed based on the assumption that income and capital gains generated are not subject to tax.

Investment Objective - To provide high total returns over the investment timeframe through exposure to a diversified portfolio of investments with an emphasis on growth assets.

Performance Objective - To outperform the average annual rate of Australia’s Consumer Price Index (CPI) by at least 4% p.a. over the minimum investment timeframe.

Suggested Minimum Investment Timeframe - 6 years

Investor Suitability - Investors who:

1. Seek a relatively high level of growth on investment by investing in a diversified mix across the major asset classes.
2. Are willing to accept a high level of short to medium term capital volatility as a trade-off for long-term capital growth.
3. Are prepared to invest for the minimum investment timeframe.
4. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.
5. Understand that withdrawals from this Portfolio may be delayed due to the fixed terms of maturity for some fixed interest investments such as term deposits.
6. Understand that in some circumstances, some defensive assets may fall in value due to changes in prevailing interest rates.
7. Understand that the portfolio may have international assets and securities exposure which may be subject to foreign currency exposure.

<table>
<thead>
<tr>
<th>Range of each asset class/indicative asset allocation</th>
<th>Asset Class</th>
<th>Asset Class Range</th>
<th>Indicative Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defensive</td>
<td>0-100%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Growth</td>
<td>0-100%</td>
<td>94%</td>
<td></td>
</tr>
<tr>
<td><strong>Authorised Investments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Equities</td>
<td>0-65%</td>
<td>37%</td>
<td></td>
</tr>
<tr>
<td>Property Securities</td>
<td>0-20%</td>
<td>8.5%</td>
<td></td>
</tr>
<tr>
<td>International Equities</td>
<td>0-65%</td>
<td>48.5%</td>
<td></td>
</tr>
<tr>
<td>Fixed Interest</td>
<td>0-40%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>0-100%</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

| Authorised Investments                                |             |                   |
| Term Deposits; Bank Bills; Listed Government and Semi-Government Bonds; Exchange Traded Funds (ETFs); Listed Investment Companies (LICs); Registered Managed Investment Schemes; Australian Real Estate Investment Trusts (A-REITs) and Property Related Securities; Listed Income Securities; Hybrid Securities; Australian Shares; Initial Public Offerings (IPOs); Cash and Cash Equivalents |

| Indicative number of holdings | 20 – 40 |
| Risk Profile                 | Very High (Risk Band 7). |
| Estimated number of negative annual returns over any 20-year period | 6 or greater |

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS INCOME PORTFOLIO

Portfolio Description - A diversified portfolio of securities exposed predominantly to defensive assets, such as Cash and Fixed Interest assets including mortgage securities. Exposure to growth assets such as Australian Equities and Property may also occur. The mix of defensive and growth assets and the allocation between defensive and growth assets will vary according to market conditions. The Portfolio is managed based on the assumption that income is prioritised over capital growth.

Investment Objective - To provide moderate levels of income and relatively stable returns over the investment timeframe through exposure to a diversified portfolio of investments with an emphasis on income assets.

Performance Objective - To outperform the RBA Cash Rate by at least 2% over the minimum investment timeframe.

Suggested Minimum Investment Timeframe - 2 years

Investor Suitability - Investors who:

1. Seek relatively stable, regular income from low volatility assets, but with exposure to the property and share market where market conditions warrant.
2. Are seeking relatively stable returns over the investment timeframe with a moderate level of income.
3. Are prepared to invest for the minimum investment timeframe of 2 years.
4. Understand the value of the investment may fluctuate or fall within the period of the suggested minimum investment timeframe.
5. Understand that capital preservation is not guaranteed.

<table>
<thead>
<tr>
<th>Range of each asset class/indicative asset allocation</th>
<th>Asset Class</th>
<th>Asset Class Range</th>
<th>Indicative Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defensive</td>
<td>2-100%</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>Growth</td>
<td>0-60%</td>
<td>40%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authorised Investments</th>
<th>Investment</th>
<th>Range</th>
<th>Indicative Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Equities</td>
<td>0-20%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Property Securities</td>
<td>0-40%</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>International Equities</td>
<td>0-10%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Alternatives</td>
<td>0-35%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Fixed Interest</td>
<td>0-98%</td>
<td>38%</td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>2-100%</td>
<td>22%</td>
<td></td>
</tr>
</tbody>
</table>

Indicative number of holdings 5 – 25

Risk Profile Medium (Risk Band 4).

Estimated number of negative annual returns over any 20-year period 2 less than 3

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.
COREPLUS AE PORTFOLIO

Portfolio Description - The portfolio is long only and provides exposure to companies listed on the Australian Securities Exchange (ASX).

The portfolio will consist of 15-25 stocks and will typically be biased to companies that have higher forecast dividends relative to other ASX listed companies.

As the portfolio consists of long only exposure to Australian equities; the capital value of the portfolio will be volatile and valuations may fall.

Investment Objective - To provide high total returns over the investment timeframe through exposure to a diversified portfolio of assets listed on the Australian Securities Exchange with an emphasis on achieving capital growth.

Performance Objective - To outperform the S&P/ASX 200 Net Total Return.

Suggested Minimum Investment Timeframe - 6 years

Investor Suitability - Investors who:

1. Seek a relatively high level of growth on investment by investing in a diversified portfolio within the Australian equity asset class.
2. Are willing to accept a high level of short to medium term capital volatility as a trade-off for long-term capital growth.
3. Are prepared to invest for the minimum investment timeframe.
4. Accept the risk of price fluctuations particularly over periods less than the minimum investment timeframe and that capital preservation is not guaranteed.

<table>
<thead>
<tr>
<th>Range of each asset class/indicaive asset allocation</th>
<th>Asset Class</th>
<th>Asset Class Range</th>
<th>Indicative Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defensive</td>
<td>2-100%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Growth</td>
<td>0-98%</td>
<td>95%</td>
<td></td>
</tr>
<tr>
<td>Investment Range</td>
<td>Indicative Allocation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Equities</td>
<td>0-98%</td>
<td>95%</td>
<td></td>
</tr>
<tr>
<td>Property Securities</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>International Equities</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Fixed Interest</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>2-100%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Authorised Investments</td>
<td>Australian Real Estate Investment Trusts (A-REITs) and Property Related Securities; Australian Shares; Initial Public Offerings (IPOs); Cash and Cash Equivalents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicative number of holdings</td>
<td>15 – 25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk Profile</td>
<td>Very High (Risk Band 7).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated number of negative annual returns over any 20 year period</td>
<td>6 or greater</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The portfolio manager’s strategy is relatively unconstrained and there may be times when the actual asset allocation will deviate significantly from the expected long-term average position.

Cash Portfolio

When you become a member of the Division, a Cash Portfolio is automatically opened for you the minimum cash holding will be the minimum of 2% of the total value of your investment portfolio, or $1,000.

The Cash Portfolio can be used for several purposes:

1. Amounts you contribute to your account may be initially invested in the Cash Portfolio and then invested in the Investments Options you have selected.
2. The Cash Portfolio is used for processing contributions and pensions/benefit payments, cash receipts and cash payments.
3. The Cash Portfolio can also be used to hold cash that you do not wish to be invested in any of the Core Investment Options. An instruction about the amount of cash to be held should be included on your Application Form or forwarded separately in writing.
SELECTING YOUR INVESTMENT OPTIONS
Your Financial Adviser will assist you to choose the investment options for your account.

When you transfer funds from an accumulation account to a pension account, any investment instructions which applied to your accumulation account will continue to apply to the pension account until investment instructions specifically relating to the pension account are received.

The Trustee does not in any way endorse, warrant or accept responsibility for any services provided by your Financial Adviser.

Your investment returns after relevant fees, costs and taxes will reflect as far as practicable the performance of your Portfolio.

**Illiquid Investments**
Generally, we consider a managed investment to be illiquid if it cannot be converted to cash in less than 30 days. A managed investment may also be illiquid if converting it to cash within 30 days would have a significant adverse impact on the value of the investment.

You may invest in an illiquid managed investment or a managed investment may become illiquid after you invest. It may be illiquid, for example, because:
- the investment manager has imposed withdrawal restrictions on the investment, or
- the investment is subject to market liquidity constraints.

A term deposit may be considered illiquid by Trustee if the 31 day notice period is provided and your request to transfer your benefit cannot be completed within 30 days.

Ordinarily the Trustee must transfer or rollover your benefits within 30 days of receiving all prescribed relevant information (including all information that is necessary to process your request). However, if you hold an investment option(s) with terms greater than 30 days that are (or become) illiquid or suspended, it may take longer than 30 days to transfer your full benefits.

It may take 30 days or longer from the time the Trustee receives all relevant information to finalise a withdrawal request involving illiquid or suspended investments.

**Switching Investments**
You can switch investment options at any time by having your Financial Adviser issue instructions to the Member Administrator. You should consult your Financial Adviser to assist you with changing any investment options in your Account.

There will be no switching fee for switching investment options. However, transactional or operational costs may apply, associated with the purchase and/or disposal of investments or assets. For more information about fees and costs, see Section 6.

Instructions to switch between investment options received after 1:00pm Australian Eastern Standard Time will be actioned the following day.

**Valuing your Investment Portfolio**
Your investment portfolio (which forms the basis for determining your account balance) is calculated as the sum of the value of your investments together with your cash holding. The value of your investments is based on information from third parties including prices provided by fund managers and the ASX, the number of managed fund units and ASX-listed securities held, and any term deposits held (as applicable to your account). Prices are generally updated daily (however there may be times when updated prices cannot be provided) and you can check the value of your investment portfolio online at any time.

**Calculating Investment Returns**
The annual return for your account is equal to the gross income generated by the underlying assets or investments of your account (including any cash holding) less any relevant fees, costs and taxes during each financial year. For more information about the fees and costs, see Section 6 of this Guide.

Dividends, distributions and interest earnings are credited to the relevant cash holding on the day that they are received.

Any income, relevant fees, costs and taxes are used to update account balances for members who leave the Division or close an account during the financial year.

If a term deposit is terminated prior to its maturity date or ‘term’, an interest rate adjustment may apply.

The tax benefit for any un-recouped CGT losses will not be paid to members who leave the Division or close an account (including closure of an accumulation account on transfer to a pension account). Any subsequent recovery of these CGT losses will be applied to the Division expenses in the year of the recoupment.

The investment returns can be positive or negative.
Implementing and Managing Your Investment Portfolio

Once your account has been established, the funds in your account are invested in the investment option(s) you have selected using a target investment and target weighting approach.

Generally, investments are acquired within twenty business days, although considerations such as market conditions, availability and liquidity of securities and investments, upcoming new issues and economic parcel sizes may affect this timeframe. Where suitable investments are not available, your investment portfolio may be allocated to cash until suitable investments become available.

Execution of transactions for your account is the responsibility of the Sub-Investment Manager, using brokers approved by IAS for any listed securities.

In managing your investment portfolio, small uneconomic transactions will be avoided. Generally, a $300 minimum transaction value will apply for a single investment although the minimum, as determined by the Sub Investment Manager, may be higher. Purchases and sales of securities may be aggregated with those of other members. Any costs associated with the purchase and sale of securities will be apportioned between all relevant members.

The composition of your investment portfolio managed under a particular investment option is compared to target investments and target weightings for these investments for that investment option on a regular basis. The weightings of the investments for your investment portfolio will be managed on an ongoing basis with an allowance for the value of the holding to differ from target weightings. Factors such as availability of securities, your additional contributions, benefit payments and the payment of dividends and interest will affect the cash holding and the composition of your investment portfolio at any time.

The variations in the composition of your Portfolio(s) may differ to other member portfolios. This may result in variations in the performance between your investment portfolio and the portfolios of others investing under the same investment option.

Ongoing Management

By selecting an investment option, you are instructing IAS to ensure that your investment portfolio is invested in accordance with the Sub- Investment Managers’ investment recommendations. You authorise IAS and the Sub-Investment Manager to make investment decisions within the investment parameters of the particular investment option. This includes buying and selling securities and other investments and responding to corporate actions elections.

In the event that the Agreement between IAS and Core is terminated or the Agreement between the Trustee and IAS is terminated, your instructions will be sought.

Cash Holdings

Each Portfolio has a cash holding. Income received on shares and securities held in your investment portfolio will be credited to your cash holding of that investment portfolios. Generally, fees and expenses are paid from the investment portfolio to which they relate.

At the discretion of the Sub Investment Manager, the income may be used to add to existing investments, invested in a new security or investment, or held in cash.

Generally, investment portfolios must have a minimum cash holding of 2% of the total value of your investment portfolio, or $1,000, whichever is the greater. Some investment options may have higher minimum cash holdings, where this is the case, it will be disclosed in this PDS.

Should the cash holding of your investment portfolio fall below the required minimum balance, the holdings of those investment portfolios may be rebalanced. Sale of investments may result in the realisation of capital gains, which may result in transaction costs and have tax consequences.

Cash holdings in each of your investment portfolios are deposited with a bank, which may be an associate of an appointed custodian. Interest is calculated on the daily balance and paid monthly at rate determined by the Investment Administrator and as notified to your Financial Adviser from time to time. Your Financial Adviser can inform you of the rate applicable from time to time.

Corporate Actions and Voting

The Sub-Investment managers are responsible for making decisions on any corporate actions arising from investments beneficially held by you in your investment portfolio, and for direction of voting at shareholder meetings, under the terms of the agreement with IAS and may vote on corporate actions. Corporate actions include:

- participation in share buy-backs or takeover offers
- rights issues, and
- options.
The Investment Manager, Sub-Investment Manager, custodians and any specialist investment managers may receive reports, confirmations and other information relating to the investments of your investment portfolio from companies, brokers and other parties. A copy of these reports, confirmations and other information will not be provided to you.

**Allocation and Redemption of Investments**
The allocation (acquisition) and redemption of investments within the investment options will be determined by Core and may depend on unit pricing or other processing arrangements applicable to underlying investments. For example, investments in managed funds which are priced weekly may result in a delay in applications and redemptions until the next unit price is struck. For more detailed information about the unit pricing or other processing arrangements applicable to underlying investments, contact your Adviser or refer to the product disclosure document for the underlying investment available from your Financial Adviser.

Switches or withdrawal transactions will be processed after the redemption of the underlying investments and based on the realised earnings (less relevant fees, costs and taxes) as soon as possible after the date the Member Administrator receives the completed documentation.

The Trustee reserves the right to delay the payment of benefits (in respect of switches or withdrawal payments) until sufficient redemption monies are available. The Trustee will make reasonable endeavours to process payment requests within any timeframes stipulated under the law.

**Labour standards or environmental, social or ethical considerations**
The Trustee does not have regard to labour standards or environmental, social or ethical considerations when investing in, retaining or realising investments.

When making investment decisions, the managers of the underlying investment choices may take into account labour standards or environmental, social or ethical considerations. When selecting the managers, neither the Trustee nor the administrator considers whether the managers have such a policy. The product disclosure statements or documents (as applicable) of the underlying investment options will outline the philosophy adopted by the investment manager.

**Use of Financial Derivatives**
Derivatives are financial contracts such as futures, swaps and options. The Trustee does not enter into any derivative or allow any investment manager or sub investment manager to enter into contracts on its own account.

The Trustee does not allow IAS or Core to enter into derivative contracts, however, external managers may use derivative instruments and hedging procedures to protect the investment from adverse movements in the investment markets, but not for “gearing” the investment (“gearing” is a measure of borrowing against assets, or borrowing to fund investments).

**INVESTMENT DISCLAIMER**
Neither the Trustee, its service providers and/or any underlying investment managers or product issuers or any other company associated with the management or promotion of the Division guarantees the capital or performance of any investments accessible from the Division or your Portfolio.

Also, please note that:
- An account in the Division is subject to investment and other risks. This could involve delays in repayment, loss of income or capital invested, and
- the Trustee may amend the terms and conditions of the Division subject to its ability to do so under the governing rules and superannuation law.
**SECTION 6: FEES AND COSTS**

This Guide shows fees and other costs that you may be charged in relation to an account in the Division. These fees and costs may be deducted from your account balance, from the returns on your investment or from the assets as a whole. The fees deducted from an accumulation account may be less because of the impact of any tax deductions that are passed on to relevant members.

For more information about Taxation, see Section 7 of this Guide and for insurance costs see Section 8 of this Guide.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Fees and costs for investments are explained below in this Guide. All fees quoted are inclusive of GST and net of any applicable Reduced Input Tax Credits (RITC).

**Fee Table**

<table>
<thead>
<tr>
<th>Type of Fee</th>
<th>Amount</th>
<th>How and when paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Fees</td>
<td>A tiered percentage fee based on the total balance of your account as detailed below;</td>
<td>The Investment Fee (also referred to as the Portfolio Management Fee) is calculated daily on your total account balance and deducted from your account monthly in arrears.</td>
</tr>
<tr>
<td>Tier of account balance</td>
<td>First $2,500,000 0.5638%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Amount over $2,500,000 0.3588%</td>
<td></td>
</tr>
<tr>
<td>Single Asset Class Options</td>
<td>First $2,500,000 1.0763%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Amount over $2,500,000 0.8713%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The account balances of linked members are combined for the purpose of applying the tier rate with the total calculated fee allocated to each member based on their account balance.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The pension and accumulation account balances are combined for the purpose of applying the tiered rate with the total calculated fee allocated to each account based on their respective account balance.</td>
<td></td>
</tr>
</tbody>
</table>

| Administration Fees        | A tiered percentage fee based on the total balance of your account as detailed below: | The Administration Fee is calculated daily on your total account balance and deducted from your account monthly in arrears. |
| Tier of account balance    | First $500,000 0.2886%                                                  |                                                                                  |
|                             | More than $500,000 0.0836%                                             |                                                                                  |
|                             | The account balances of linked members are combined for the purpose of applying the tier rate with the total calculated fee allocated to each member based on their account balance. |                                                                                  |
|                             | The pension and accumulation account balances are combined for the purpose of applying the tiered rate with the total calculated fee allocated to each account based on their respective account balance. |                                                                                  |
|                             | PLUS Expense recovery estimated at 0.03%.                               | When an expense recovery amount arises, it is deducted from your account at the time of the recovery. |

| Buy-Sell Spreads            | Nil                                                                     | N/A                                                                               |
| Switching Fee               | Nil                                                                     | N/A                                                                               |
| Exit Fee                    | $51.25                                                                  | Deducted from member assets at time of exiting the Division.                      |
| Advice fees relating to all members investing in a particular option | Nil There are no advice fees applicable to all members in an investment option. | N/A                                                                               |
| Other Fees and Costs**      | Indirect Cost Ratio 0.156% - 0.420% See Table hereunder               | Taken into account in the underlying managed fund’s unit price (when unit prices are calculated). |

**Important:** other fees and costs may apply depending on how you invest the costs of any underlying investments (indirect costs) that form your investment portfolio, buy-sell spreads for underlying managed funds, activity fees, advice fees relating to adviser services provided to you and insurance fees. For information about other fees and costs refer to the ‘Additional Explanation of Fees and Costs’ below. Any adviser remuneration is an additional fee which may apply if an adviser is consulted.
A performance fees apply to all the CorePlus AE Portfolio. Specifically, where the performance of the Portfolio exceeds the performance of the specified Performance Objective for the Portfolio, and subject to a high watermark, the following performance fee is charged:

<table>
<thead>
<tr>
<th>Investment Option</th>
<th>Performance Fee</th>
<th>Hurdle</th>
</tr>
</thead>
<tbody>
<tr>
<td>CorePlus AE Portfolio</td>
<td>10.25% p.a.</td>
<td>Out-performance of the annual XNT Index subject to a high watermark</td>
</tr>
</tbody>
</table>

**Investment Option Indirect Cost Ratios**

<table>
<thead>
<tr>
<th>Investment Option</th>
<th>Indirect Cost Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>CorePlus Portfolio</td>
<td>0.179%</td>
</tr>
<tr>
<td>CorePlus Pension Portfolio</td>
<td>0.179%</td>
</tr>
<tr>
<td>CorePlus 1 Portfolio</td>
<td>0.196%</td>
</tr>
<tr>
<td>CorePlus 1 Pension Portfolio</td>
<td>0.196%</td>
</tr>
<tr>
<td>CorePlus 2 Portfolio</td>
<td>0.166%</td>
</tr>
<tr>
<td>CorePlus 2 Pension Portfolio</td>
<td>0.166%</td>
</tr>
<tr>
<td>CorePlus 3 Portfolio</td>
<td>0.168%</td>
</tr>
<tr>
<td>CorePlus 3 Pension Portfolio</td>
<td>0.168%</td>
</tr>
<tr>
<td>CorePlus 4 Portfolio</td>
<td>0.156%</td>
</tr>
<tr>
<td>CorePlus 4 Pension Portfolio</td>
<td>0.156%</td>
</tr>
<tr>
<td>CorePlus Income Portfolio</td>
<td>0.420%</td>
</tr>
<tr>
<td>CorePlus AE Portfolio</td>
<td>0%</td>
</tr>
</tbody>
</table>

**DEFINED FEES**

**Activity Fees**
A fee is an activity fee if:
(a) the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee:
   (i) that is engaged in at the request, or with the consent, of a member; or
   (ii) that relates to a member and is required by law; and
(b) those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an exit fee, an advice fee or an insurance fee.

**Administration Fees**
An administration fee is a fee that relates to the administration or operation of the superannuation entity and includes costs that relate to that administration or operation, other than:
(a) borrowing costs; and
(b) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and
(c) costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.

**Advice Fees**
A fee is an advice fee if:
(a) the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by:
   (i) a trustee of the entity; or
   (ii) another person acting as an employee of, or under an arrangement with, the trustee of the entity; and
(b) those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an insurance fee.

**Buy-Sell Spreads**
A buy-sell spread is a fee to recover transaction costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.

**Exit Fees**
An exit fee is a fee to recover the costs of disposing of all or part of members’ interests in the superannuation entity.

**Indirect Cost Ratio**
The indirect cost ratio (ICR) for a MySuper product or an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for the MySuper product or investment option, to the total average net assets of the superannuation entity attributed to the MySuper product or investment option.
Note: A fee deducted from a member’s account or paid out of the superannuation entity is not an indirect cost.
**Investment Fees**

An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes:

(a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and

(b) costs that relate to the investment of assets of the entity, other than:

   (i) borrowing costs; and

   (ii) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and

   (iii) costs that are not otherwise charged as an administration fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.

**Switching Fees**

A switching fee for a superannuation products other than a MySuper product, is a fee to recover the costs of switching all or part of a member’s interest in the superannuation entity from one investment option or product in the entity to another.

**ADDITIONAL EXPLANATION OF FEES AND COSTS**

**Investment Fees also referred to as Portfolio Management Fees**

The portfolio management fee (in total) will appear on your cash transaction report as a Portfolio Management Fee.

The Portfolio Management Fee is calculated on the daily average investment portfolio balance invested in each Investment Option and deducted from your account monthly in arrears.

This fee will only be deducted where you have agreed (consented) to the amount of the fee and its deduction from your cash account. If you do not consent you cannot invest via these managed portfolios.

**Administration Fees**

The administration fee (in total) will appear on your cash transaction report as an Administration Fee.

The account balances of partners and other immediate family members can be combined for the purpose of applying the tier rate with the total calculated fee allocated to each member based on their account balance.

The pension and accumulation account balances are combined for the purpose of applying the tiered rate with the total calculated fee allocated to each account based on their respective account balance.

You can nominate immediate partners and family members with whom you can link your combined accounts to gain a discount. If eligible, the combined balance of the linked accounts is used to calculate the tiered fee with the total fee allocated to each account based on their respective account balance. If you have more than one account (e.g. a pension and accumulation account) you can also link these accounts for the purpose of fee calculation. We reserve the right to reject a request and may cancel the linking of investors at any time ("linked member pricing").

The Administration Fee is calculated on the daily average account balance and deducted from your account monthly in arrears.

The Administration Fees also include an estimated amount of 0.07% in respect of cost recovery for certain expenses. Government Charges and Statutory Levies, including the APRA annual levy, raised by any government or authority on the assets of the Division, will be included in the expense recovery. If the fees and costs shown in this Guide are insufficient to meet the actual expenses in relation to the Division, any shortfall may be included in the expense recovery pursuant to the Trustee’s right to be indemnified from Division assets for expenses or liabilities.

A fee is an **insurance fee** if:

(a) the fee relates directly to either or both of the following:

   (i) insurance premiums paid by the trustee, or the trustees, of a superannuation entity in relation to a member or members of the entity;

   (ii) costs incurred by the trustee, or the trustees, of a superannuation entity in relation to the provision of insurance for a member or members of the entity; and

(b) the fee does not relate to any part of a premium paid or cost incurred in relation to a life policy or a contract of insurance that relates to a benefit to the member that is based on the performance of an investment rather than the realisation of a risk; and

(c) the premiums and costs to which the fee relates are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an advice fee.
Buy-Sell Spreads
A buy-sell spread may apply and taken into account in the unit price of the underlying managed fund at the time of the buy or sell.

Performance Fees
The CorePlus AE Portfolio is subject to a performance fee when investment returns generated by your investment portfolio exceed a specific benchmark or certain specified criteria. The amount of the performance fees that may apply in future is not known as this depends on the actual performance achieved by the investments and the methodology used to calculate performance fees.

Certain managed funds (including hedge funds) will charge performance based fees when investment returns generated by the fund exceed a specific benchmark or certain specified criteria. The amount of the performance fees that may apply in future is not known as this depends on the actual performance achieved by the investments and the methodology used to calculate performance fees.

Adviser fees
The following adviser fees may be paid by the Trustee on your direction:

<table>
<thead>
<tr>
<th>Type of adviser fees</th>
<th>Amount</th>
<th>How and when paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishment Fee</td>
<td>You may agree with your adviser to pay an initial contribution fee, an ongoing contribution fee or a combination of the two. The fee may be a fixed dollar amount or a percentage of your contributions or account assets subject to the total not exceeding 4.4% of your account assets. For Pension members it may be a fixed dollar amount or a percentage of the amount you invest in the Pension (initial investment amount) or account assets.</td>
<td>Contribution fees are deducted from your cash holding of your investment portfolio when the contribution is received and paid to your adviser at the end of that month. For the purposes of the contribution fee the contribution includes cash contributions, in species transfers, as well as amounts rolled into the Fund or amounts transferred from an accumulation account to a pension account. The fee is payable to your adviser monthly in arrears and will appear on your cash transaction report as a Financial Adviser Contribution Fee.</td>
</tr>
<tr>
<td>Ongoing Adviser Fee</td>
<td>You may agree with your adviser to pay an ongoing fee to be paid for ongoing financial services provided to you in relation to the Division. The fee may be a fixed dollar amount or a percentage of your total account subject to the total fee not exceeding 2.2% per annum of your account assets.</td>
<td>The ongoing advice fee is calculated on your daily average account balance and deducted from your cash holding of your investment portfolio monthly in arrears. The fee is payable to your adviser monthly in arrears and will appear on your cash transaction report as a Financial Adviser Service Fee.</td>
</tr>
<tr>
<td>Adviser Brokerage</td>
<td>For listed securities. Where permitted by law brokerage can be charged by your adviser when your investment portfolio is invested into ASX listed securities. The amount payable is as agreed between you and your adviser. Transaction fees. Transaction fees can be charged by your advisers when your investment portfolio is invested into ASX listed securities or other assets.</td>
<td>Brokerage is added to the purchase cost and deducted from the sales proceeds of the investment at the time of settlement.</td>
</tr>
</tbody>
</table>
The following transaction fees/charges may apply in the management of your investment portfolio and may be charged by the investment manager in transacting the investments.

<table>
<thead>
<tr>
<th>Activity type</th>
<th>Transaction method</th>
<th>Fee amount</th>
<th>How and when paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transacting in Managed Funds</td>
<td>Direct buy-sell trades</td>
<td>$5.50 per trade</td>
<td>Transaction fees are added to the purchase cost and deducted from the sales proceeds of the investment at the time of settlement.</td>
</tr>
<tr>
<td></td>
<td>In specie transfers</td>
<td>$33.00 per transfer for each in specie transfers out of the Division. $11.00 per transfer for each in specie investment transferred into the Division.</td>
<td></td>
</tr>
<tr>
<td>Transacting in Listed Securities</td>
<td>Direct buy-sell trades</td>
<td>Brokerage of up to 0.525% of trade value plus $5.50 per trade. Note: Small trades may attract a minimum brokerage of up to $110.00</td>
<td>Transaction fees are added to the purchase cost and deducted from the sales proceeds of the investment at the time of settlement.</td>
</tr>
<tr>
<td></td>
<td>In specie transfers</td>
<td>$33.00 per transfer for each in specie transfers out of the Division. $11.00 per transfer for each in specie investment transferred into the Division.</td>
<td></td>
</tr>
<tr>
<td>Transacting in Fixed Interest Securities</td>
<td>Direct buy trades</td>
<td>$5.50 per trade There is no fee on maturity.</td>
<td>Transaction fees are added to the purchase cost of the investment at the time of settlement.</td>
</tr>
<tr>
<td></td>
<td>In specie transfers</td>
<td>$33.00 per transfer for each in specie transfers out of the Division. $11.00 per transfer for each in specie investment transferred into the Division.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
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<th>Activity type</th>
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<th>Fee amount</th>
<th>How and when paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dishonour Fee</td>
<td>N/A</td>
<td>A fee of $55.00 may be charged for any dishonoured payment.</td>
<td>Any fee relating to dishonoured payments will be deducted from your cash holding of your investment portfolio at or around the time the dishonour occurs.</td>
</tr>
<tr>
<td>Family Law Fees</td>
<td>Form 6 request</td>
<td>$110.00 per request</td>
<td>Payable by the person requesting the Form 6 at the time of the request. Deducted from your cash holding of your investment portfolio at the time of the request.</td>
</tr>
<tr>
<td></td>
<td>Payment flag</td>
<td>$55.00 per flag</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Account splitting</td>
<td>$55.00 per split</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Procedural Fairness</td>
<td>Assessed at each request and based on complexity of the matter.</td>
<td></td>
</tr>
</tbody>
</table>

An insurance administration fee applies of 5.5% of premium subject to a maximum of $275.00 payable to the Member Administrator. The fee applies on set up and renewal of policies. The fee is deducted from your cash holding of your investment portfolio at the time of payment of the insurance premium.

Each of the fee definitions set out in this section may be found at www.diymaster.com.au.
CHANGES TO FEES OR COSTS
The Trustee may, without prior written notice to members, increase any dollar based fees (family law related fees and transaction costs) each year on 1 July by the annual increase (if any, and measured as at the end of the month of February in the previous financial year) in average weekly ordinary time earnings for full-time adult persons (AWOTE) Private Sector as published by the Australian Statistician. If the movement in AWOTE is negative, the charge from the previous year shall remain unchanged.

Notification of any increases in fees or costs shown in this Guide (other than government charges) will generally be provided to you at least 30 days in advance (where required under the law).

Any estimated fees may vary from time to time (depending on actual expenses incurred).

Please note that the Trustee reserves the right to change the amount of fees without member consent.

TAX
The above fees and costs are inclusive of GST less any Reduced Input Tax Credit (RITC) where applicable.

Any tax deductions available to the Division in respect of insurance premiums, fees and costs deducted directly from accounts are credited to accumulation accounts, where relevant. Pension accounts do not receive the benefit of any tax deduction, because they are not subject to tax. The benefit of any tax deductions relating to indirect fees and costs are credited to the provision held for expense recoveries and are used to offset expenses. The above fees and costs do not include the impact of tax deductions on accumulation accounts.

For more information about other taxes applicable to superannuation, see Section 7 of this Guide.

OPERATIONAL RISK RESERVE (ORR)
The Trustee is required to maintain an Operational Risk Reserve (ORR) to specifically cover potential losses arising from operational risks that may affect the Funds’ business operations. An operational risk is the risk of a loss resulting from inadequate or failed internal processes, people and systems, or from external events. The ORR may be drawn upon to assist in compensating members or the Fund in the event of an operational risk occurring.

The ORR will be maintained in line with the Plan’s ORR Plan, however if there are insufficient funds to maintain the ORR, additional funds may be allocated from the expense reserve or from additional one-off fee deductions from member’s accounts or via trustee capital.
SECTION 7

HOW SUPER IS TAXED
SECTION 7: HOW SUPER IS TAXED

This taxation summary does not have regard to your personal circumstances. We recommend you seek appropriately qualified advice about how these rules impact you. Further information, including information about Government changes that may occur from time to time, is available from www.ato.gov.au.

TAX UPON ROLLOVERS/TRANSFERS INTO THE PLAN
Generally, amounts transferred from within the superannuation system are not subject to tax unless the amount contains an untaxed element. For example, amounts transferred from certain public-sector schemes may contain an untaxed element. The income tax liability on any untaxed element will be recognised on joining the Plan and deducted from your account when payable to the Australian Taxation Office.

For the tax treatment of other amounts transferred into the Plan (e.g. proceeds from the sale of a small business, permanent disability settlement amounts), we recommend you consult your Financial Adviser.

TAX ON INVESTMENT INCOME
The investment income of complying superannuation funds is taxed at a maximum rate of 15% p.a., which is lower than the marginal tax rate of most individuals. This rate can be reduced by a fund through available tax deductions, capital gains tax related offsets and other tax offsets such as franked dividends. The investment income on the assets supporting an account-based pension are tax-free.

Income in a Transition to Retirement pension that is not in retirement phase is taxable at a maximum rate of 15%.

TAX ON CONTRIBUTIONS
There are two types of contributions that can be made to the Plan:
• Non-concessional contributions. This includes personal after-tax contributions and are not taxed in your super fund; and
• Concessional contributions. This includes employer contributions, including salary sacrifice contributions, and any personal contributions for which a tax deduction is claimed. These contributions are subject to 15% contribution tax.

There are limits that apply to non-concessional and concessional contributions. Concessional contributions are generally taxed at a maximum rate of 15%. A higher rate of tax may apply if contributions in excess of the contribution limits are made, the Trustee does not hold your TFN or the concessional contributions are made in respect of an individual whose ‘income’ for this purpose exceeds $250,000. Income for this purpose includes taxable income and concessional superannuation contributions up to the concessional contributions limit. If your income is above $250,000, the additional tax (15% in addition to the rate of 15% that ordinarily applies to a fund) will be levied on you personally by the ATO but can be sourced from a superannuation fund (i.e. similarly to tax on excess concessional contributions).

CONTRIBUTION LIMITS

Concessional Contributions
• Subject to any rebate of contributions tax for low income earners and higher contributions tax for high income earners, the concessional tax rate of 15% ordinarily applies to concessional contributions (for example, employer contributions, deductible Member contributions) up to the concessional contributions limit applicable to a person for a financial year.
• The concessional contributions limit for 2017/2018 is $25,000 subject to indexation in line with Average Weekly Ordinary Time Earnings. The 2018/19 contributions limit is yet to be announced - this information can be sourced at www.ato.gov.au
• From 1 July 2018, individuals with superannuation balances of less than $500,000 will be able to access their unused concessional contribution cap space to make additional concessional (before-tax) contributions. Individuals will be able to access their unused concessional contribution cap space on a rolling basis for a period of 5 years. Amounts carried forward that have not been used after 5 years will expire. Only unused amounts accrued from 1 July 2018 can be carried forward. Individuals will be able to use their accrued unused concessional contribution cap space to make catch-up concessional contributions from 1 July 2019.
• Contributions in excess of the applicable limit will ordinarily incur additional tax at the member’s marginal tax rate (less a 15% tax offset) plus a charge payable personally by the individual Member. The Member may choose to release up to 85% of their excess concessional contributions which would be paid by us to the ATO after receiving a release authority. The contributions (if retained in the fund) will also count towards the amount of a Member’s non-concessional contributions. Refer to the ATO’s website or speak to your Adviser or your taxation adviser if you have excess concessional contributions, to determine what options are available to you.

The concessional contribution limits apply across all superannuation funds to which concessional contributions are made for an individual.
Non-Concessional Contributions

- From 1 July 2017 the annual non-concessional (post-tax) contributions cap is $100,000 and individuals with a balance of more than $1.6 million are no longer eligible to make non-concessional contributions. Individuals under age 65 will be eligible to bring forward 3 years of non-concessional contributions.
- This cap will be indexed so it is always four times the cap on concessional contributions.
- Contributions in excess of these limits will incur tax at the rate of 47% payable directly by the individual (this amount must be released from a superannuation fund upon presentation of a release authority issued by the ATO).
- Government Co-contributions, personal contributions made from certain proceeds from the disposal of qualifying small business assets (subject to a lifetime limit which varies from year to year) and personal contributions from proceeds from certain payments for personal injury resulting in permanent disablement (made within 90 days of receiving the payment) are not counted towards the non-concessional contributions limit. Spouse contributions count towards the receiving spouse’s non-concessional contributions limit.

Note: Special rules apply to other amounts that may be paid into a superannuation fund. For example, a lifetime limit of $1.48 million (for the 2018/2019 year but subject to indexation in future years) is applicable to the proceeds from the disposal of qualifying small business assets. For the tax treatment of other amounts transferred into the Division, we recommend you consult your Financial Adviser.

CONTRIBUTIONS – TAX DEDUCTIONS AND OFFSETS

In certain circumstances, you or your employer may be able to claim a tax deduction or offset on contributions that are made. The following is an outline of these circumstances:
- From 1 July 2017, most people under age 75 can claim can claim a tax deduction for personal contributions (including those aged 65 to 74 who meet the work test).
- (Employer contributions (including salary sacrifice contributions) for a Member are generally tax deductible provided criteria in tax legislation is met, however the limit on concessional contributions will affect the amount of tax payable on such contributions. For more information, go to www.ato.gov.au.
- if you contribute on behalf of a low income or non-working spouse, you may be able to claim an 18% tax rebate for contributions up to $3,000. The $3,000 contribution limit reduces by $1 for each $1 that your spouse’s assessable annual income (plus reportable fringe benefits and reportable employer superannuation contributions) exceeds $37,000. There is no offset available where your spouse’s assessable income (plus reportable fringe benefits and reportable employer superannuation contributions) exceeds $40,000. For more information go to www.ato.gov.au.

TAX ON LUMP SUM PAYMENTS TO A MEMBER

Lump sum benefits paid from superannuation funds to a member (referred to as ordinary lump sum superannuation benefit) are taxed at concessional rates (different tax treatment applies to lump sum death benefits). How the tax is calculated depends on the components of the benefit and your age. It should be noted that taxation of benefit payments may be deferred by rolling the benefit into a complying superannuation fund, approved deposit fund or pension.

There will be no tax payable on most superannuation benefits if paid from a taxed source to a Member aged 60 or more (whether paid as a lump sum or pension). Different rules apply to untaxed sources (for example, certain untaxed sources commonly paid by public sector funds for the Commonwealth, State and Territory Departments and insured benefits, where the premium has been claimed as a tax deduction, would not be paid from a taxed source and may incur a higher rate of tax). How the tax is calculated depends on the components of the benefit and your age. It should be noted that taxation of benefit payments may be deferred by rolling the benefit into a complying superannuation fund, approved deposit fund or pension.

Tax is payable on superannuation benefits paid to Members aged under 60, based on the following components:
- **Tax-Free Component**
  This is made up of non-concessional contributions made from 1 July 2007 and other amounts transferred into the Plan which contain a tax-free component. No tax is payable on the tax-free component.
- **Taxable Component**
  This is made up of the total superannuation benefit, less any tax-free component. The taxable component will be taxed at 20% (plus applicable levies) if paid to a person under their Preservation Age or 15% (plus applicable levies) on any amount over a specified threshold which varies from year to year ($205,000 in the 2018/2019 financial year) if paid to a person from Preservation Age to age 59 (amounts under the threshold will be tax free). The threshold applicable from year to year can be found at www.ato.gov.au. Higher tax may apply if a Member’s TFN is not held.

Special arrangements apply to benefits paid in the event of a terminal illness condition. These benefits are tax free provided criteria in tax legislation are met. Special arrangements also apply to lump sum death benefits (see below).

TAX ON PENSION PAYMENTS TO A MEMBER

As for lump sum benefits, your pension is divided into two components, a taxable component and a tax-free component.

Each pension payment you receive from a pension interest in a superannuation fund will be proportionately split between the taxable and tax-free component of your benefit, based upon this proportion at the time you acquired the pension.

The taxation of pension payments will depend upon your age at the time you receive the pension payment.
When you are age 60 or over
If you are age 60 or over, no tax is payable in relation to the pension payments you receive. In addition, you do not need to include your pension income in your tax return, as your pension does not count towards your assessable income for tax purposes.

When you are under age 60
No tax is payable on the tax-free component, regardless of your age. If you have reached your Preservation Age or over (and are less than 60), the taxable component within each pension payment will be taxed at your marginal rate, plus the applicable levies, however, it will be subject to a 15% tax rebate at the time you lodge your tax return. The tax rebate is also available if you are permanently disabled (regardless of age).

If you are aged less than your relevant Preservation Age, the taxable component of each pension payment will be taxed at your marginal tax rate, plus the applicable levies. In this instance, however, no tax rebate is usually available.

The full amount of the pension payments received should be included in your tax return.

TAX ON DEATH BENEFITS
Death benefits are generally paid to the deceased Member’s dependents. For taxation purposes, a dependent is defined to include a person who:
• Is the spouse of the deceased (including a qualifying de facto spouse of the same or opposite gender),
• Is a child under the age of 18 years of the deceased or their spouse,
• Has an ‘interdependency relationship’ with the deceased, or
• Is any other person who is financially dependent on the deceased at the date of death.

A lump sum benefit paid in the event of death to a dependent is tax-free. Lump sum payments to non-dependents will generally be taxed at up to 15% (plus applicable levies). However, payments made to non-dependents of Defence Force personnel, Australian Protective Service officers and federal or state or territory police killed in the line of duty will also be tax free.

Where a death benefit is received by the legal personal representative of a deceased estate, tax is determined according to who is intended to benefit from the estate.

If a dependent receives a death benefit as a pension, the tax paid depends upon the age of the deceased and the recipient as follows:
• where the deceased was age 60 or over at the time of death, the pension payments will be received by the dependent tax free. The pension payments do not need to be included in the recipient's tax return.
• where the deceased was under age 60 at the time of death, the pension payments will be taxed depending on the recipient's age. Once the recipient turns 60, the payments will become tax free. Under the age of 60, the pension payments will need to be included in the recipient's tax return and will be taxed at their marginal tax rate (less a 15% tax offset).

If a reversionary beneficiary decides to cease their income stream after the later of:
• 6 months of the death of a Member; or
• 3 months after the grant of probate of the deceased Member’s estate;
the resulting lump sum will be taxed as an ordinary lump sum superannuation benefit (rather than as a death benefit lump sum).

Note: If a death benefit consists of an untaxed element, an additional amount of tax will apply.

From 1 July 2017, Anti Detriment payments will no longer be allowed.

DEPARTING AUSTRALIA SUPERANNUATION PAYMENTS
If you enter Australia on a temporary visa you are entitled to receive your superannuation benefit once you leave Australia permanently. This type of payment is known as a Departing Australia Superannuation Payment (DASP).

• Full information regarding DASP procedures and current taxation rates can be found at www.ato.gov.au
INCOME PROTECTION BENEFITS
Income protection insurance benefits are paid as taxable income and, like salary and wages, attract pay-as-you-go tax at your marginal tax rate. The tax is deducted and remitted to the ATO before the benefit is paid. Higher tax applies if the Plan does not hold your TFN.

First Home Super Saver Scheme
From 1 July 2017, individuals can make voluntary contributions into superannuation of up to $15,000 per year with a cap of $30,000 for the purpose of saving for the purchase of a first home.

If concessional, the contributions will be taxed at 15%. The contributions together with deemed earnings can be withdrawn for use as a deposit after 1 July 2018.

Contributions under this scheme are subject to the concessional and non-concessional contribution caps.

The withdrawal of concessional contributions and associated deemed earnings will be taxed at marginal tax rates less a 30% tax offset.

Home Downsizing
From 1 July 2018 people aged 65 and older will be able to make a non-concessional contribution of up to $300,000 to superannuation after selling their principal place of residence providing it has been owned for more than 10 years. This is in addition to any other contributions they are eligible to make and regardless of their superannuation balance.

Both members of a couple will be eligible so that a couple will be able to contribute up to $600,000.

INDIVIDUAL TAX FILE NUMBER (TFN) NOTIFICATION
Under the Superannuation Industry (Supervision) Act 1993 (SIS), the Trustee is authorised to collect your TFN, which will only be used for lawful purposes.

These purposes may change in the future as a result of legislative change. The Trustee may disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request the Trustee in writing that your TFN not be disclosed to any other superannuation provider.

It is not an offence not to quote your TFN. However, giving your TFN to the Trustee will have the following advantages (which may not otherwise apply):

• The Trustee will be able to accept all types of contributions to an accumulation account
• The tax on contributions to your accumulation account will not increase
• Other than the tax that may ordinarily apply, no additional tax will be deducted when you start drawing down your superannuation benefits, and
• It will make it much easier to trace different superannuation accounts in your name so that you receive all your superannuation benefits when you retire.

Note: Under Government legislation the Trustee is not permitted to accept member voluntary contributions if it does not hold the Member’s TFN. The Trustee can accept concessional contributions, but they may be subject to a higher rate of tax. The Trustee has decided that provision of your TFN is a condition of membership of this Division. We cannot compel you to provide your TFN, however without it you cannot join the Plan.
SECTION 8 | INSURANCE IN YOUR SUPER
SECTION 8: INSURANCE IN YOUR SUPER

The Division includes the availability of insurance cover for Death, Total and Permanent Disablement (TPD) and/or Income Protection insurance benefits for members with an accumulation account. Insurance cover is only available via an individual insurance policy (owned by the Trustee, subject to Trustee approval). Insurance cover is only available on application to the relevant insurance company.

A condition of approval is that the retail insurer must enter into an agreement with the Trustee to enable it to meet its obligations. The policy definitions must meet the SIS regulated conditions of release and the Insurers must comply with the Trustee’s service standards for delivery of insurance products.

Payment of any insured benefits obtained via this Division is subject to the relevant policies, the Division’s Trust Deed and superannuation legislation.

INSURANCE THROUGH RETAIL INSURERS

New individual insurance policy owned by the Trustee

You may apply for an external policy with a retail insurer, the ownership of which will be taken up by the Trustee so that the premiums can be paid through your accumulation account. You should contact the Administrator to confirm if your preferred insurer’s policy has been approved by the Trustee or refer to the Approved List available from www.diymaster.com.au or on request by phoning 1800 455 666. Each insurance product has a product disclosure statement available from your Adviser, free of charge.

To obtain insurance cover under an individual insurance policy, you must complete the Individual Insurance Policy selection form. Insurance cover under an individual insurance policy will commence only after the relevant insurer has accepted your application (which will be facilitated by your Adviser), the Trustee has accepted the policy in its name and insurance premiums are paid. A copy of the policy will be provided to you by your Adviser.

A service fee of 5.5% of the insurance premium (capped at $275.00 including any GST net of reduced input tax credits) is payable to the Member Administrator in relation to the process for establishing the policy; and annually for as long as the policy is maintained for a member. This fee is deducted from your Cash Account once the policy is established and annually thereafter. Your Adviser may receive a fee from the insurer in respect of the issue of the individual insurance policy, which will vary depending on the policy. Your Adviser will provide you with information about this.

The Trustee must be satisfied that you have received and/or know where to obtain the product disclosure statement for an approved insurance product. However, bear in mind that there are differences between acquiring insurance under an individual insurance policy via the Division, and acquiring insurance under an individual insurance policy directly. These differences include:

- For insurance cover obtained via the Division, the Trustee of the Division is the owner of the individual insurance policy. For insurance cover under an individual insurance policy issued directly to you, you are the owner of the policy.
- Insurance cover obtained via the Division is subject to rules in superannuation legislation that govern the type of insurance benefits that can be provided via a superannuation fund. These rules do not apply to individual insurance policies issued directly to you. The product disclosure statements for individual insurance policies available to you via the Division may contain further information about insurance features that cannot form part of a policy issued through the Division, otherwise speak to your Adviser for more information about this.
- Insurance cover obtained via the Division is paid for from your accumulation account in the Division. You cannot pay for the insurance cover directly. Hence why it is important to ensure your account in the Division always has sufficient money to meet the cost of your insurance cover.
- Insurance premiums associated with death and TPD insurance cover obtained via the Division may be eligible for tax deductions that are not accessible when you take out insurance cover under an individual insurance policy. The Division, not you, can claim tax deductions for insurance premiums. To the extent that a member’s insurance costs are tax deductible, the benefits of any tax deduction will be passed onto the member.
- When you apply for insurance cover under an individual insurance policy directly, a ‘cooling off period’ applies during which you can change your mind about acquiring the relevant policy. A ‘cooling off period’ does not apply when you obtain cover via the Division under an individual insurance policy.
- If you have a complaint relating to your insurance cover under an individual insurance policy obtained via the Division, it is dealt with through the Division’s complaint handling system (not the insurer’s complaints handling mechanism).

For more information about the differences, speak to your Adviser.
PAYMENT OF BENEFITS BY THE TRUSTEE
In the event that a Death or TPD benefit becomes payable, the amount of your insured benefit is payable in addition to any other accrued entitlements you have in the Division. The Insurer pays the insured benefit to the Trustee. The insured benefit will be paid to you by the Trustee if you satisfy a condition of release (see Section 1 of this Guide for details).

When deciding on the payment of the Death benefits, the Trustee will or may take into consideration any nomination of beneficiaries made in writing by you. For more information about nominating a beneficiary and payment of benefits on death, see Section 3 of this Guide.

In relation to a TPD benefit, if the Trustee is of the opinion that you are incapable of managing your financial affairs, the benefit may be paid to your legal personal representative.

INSURANCE PREMIUM DETAILS
The Administrator deducts insurance premiums annually in advance from your accumulation account for payment to the Insurer.

IMPORTANT NOTES ABOUT INSURANCE
If a claim for benefits is admitted by the Trustee, the benefit payment will be made in accordance with the Trust Deed and relevant superannuation laws.

The Trustee, despite being the owner of the Policy, does not guarantee the payment of an insured benefit or the performance of the Insurer.
SECTION 9
OPENING AN ACCOUNT
SECTION 9: OPENING AN ACCOUNT

COOLING-OFF PERIOD
If you apply to open an account in the Division (accumulation or pension) by completing the relevant application form accompanying the PDS, you have 14 days (from the earlier of the date that we confirm the transaction by which you acquire an account, and 5 days after the account is issued to you) to ensure that the product meets your needs. This is known as the cooling off period. If a request is made to the Administrator within this time, you may cancel your account.

You cannot exercise your cooling off rights if you have exercised any other rights or powers you have in respect of your new account in the Division.

If you decide to cancel your account, any refunds are subject to preservation rules and payment standards (including commutation restrictions applicable to Term Allocated Pensions) in relevant legislation.

The amount transferred will be adjusted for any increases or decreases in the value of the investments you may have selected as well as any tax payable on any increase or any reasonable administration and taxation expenses. The transferred benefit will retain the same preservation status.

COMPLAINTS RESOLUTION
The Trustee has an established procedure for dealing with inquiries and complaints. Under these arrangements, you may enquire or complain about the operation or management of the Division as it relates to you and have your enquiry or complaint dealt within 90 days of receipt. Written complaints should be addressed to the Complaints Officer at PO Box 7540 GCMC QLD 9726.

If an issue has not been resolved to your satisfaction, you can lodge a complaint to the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial service complaint resolution that is free to consumers. AFCA’s contract details are:

Online: www.afca.org.au
Email: info@afca.org.au
Phone: 1800 931 678
Mail: Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001