

Australian Practical Superannuation

Product Disclosure Statement

1 December 2020

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Important information

This Product Disclosure Statement (PDS) is issued by Diversa Trustees Limited ABN 49 006 421 638 AFSL 235153 RSE Licence No L0000635 (referred to as we, our, us, the Trustee). It provides a summary of significant information about Australian Practical Superannuation and includes references to other important information in the Additional Information Guide and, the Insurance Guide (together, the PDS Guides) each of which forms part of this PDS. You should read the important information in this document and the PDS Guides before making a decision about Australian Practical Superannuation.

This PDS and the PDS Guides are available online via the Secure Online Portal, or you can obtain a printed copy from us free of charge on request.

Tel: 1300 862 862 **Mail:** PO Box 1282, Albury NSW 2640

The information in this PDS is general information only and does not take into account your personal financial situation or needs. You should consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances.

The Australian Practical Superannuation PDS can only be used by persons receiving it (electronically or otherwise) in Australia and applications from outside Australia will not be accepted. We may reject or accept an application without giving reasons. All third parties named in this document have consented to be named and have not withdrawn their consent at the date of publication.

Your financial adviser as Nominated Representative

To be a member of Australian Practical Superannuation, you must have a financial adviser who is registered with OneVue Wealth Services Ltd ABN 70 120 380 627 AFSL 308868 (OneVue Wealth) to use the Secure Online Portal and you must authorise your adviser to be your Nominated Representative. This authority extends to any authorised employee of your financial adviser. You may be adversely affected if you do not have a financial adviser who is registered to use the Secure Online Portal. More information on Nominated Representatives is available in



the Additional Information Guide. Unless otherwise stated, 'You' refers to you or your Nominated Representative.

Updated Information

The information in this PDS is subject to change, and may be updated by us at any time, if not materially adverse to you, online via the Secure Online Portal. You can obtain a printed copy of updated information from us free of charge on request.

Your nominated email address

You must provide your email address as part of the online application process. If you change your email address, you must notify us in writing and provide your new email address. Your email address is used to provide you with access to the Secure Online Portal to view your Australian Practical Superannuation Account.

Privacy

We request personal information from you when you apply to become a member of Australian Practical Superannuation and from time to time in order to provide Australian Practical Superannuation to you. If the requested information is not provided, we may not be able to process your application or provide Australian Practical Superannuation to you.

We are required to comply with the Privacy Act and the Australian Privacy Principles.

Information about how we collect, use and disclose your personal information is set out in our Privacy Policy. You should read this before you apply. When you apply, you will be taken to agree to the use and disclosure of your personal information in accordance with our Privacy Policy.

Our Privacy Policy is available at onesuper.com. You can obtain a copy of our Privacy Policy from us free of charge on request.

1. About Australian Practical Superannuation

Australian Practical Superannuation is a sub-plan of OneSuper ABN 43 905 581 638 RSE R100134 (formerly Smartsave 'Member's Choice' Superannuation Master Plan) (the Fund) . The Trustee of the Fund is Diversa Trustees Limited. The Sponsor and Promoter of the Fund and Australian Practical Superannuation is OneVue Wealth.

OneVue Wealth has appointed Sequoia Asset Management Pty Ltd AFSL 341506 ABN 70 135 907 550 as the Sub-Promoter of Australian Practical Superannuation.

Australian Practical Superannuation is an accumulation superannuation and pension product. It offers superannuation options, investment options and insurance options.

Superannuation options

- Accumulation Account which applies during your working life,
- Transition to Retirement Pension Account where in certain circumstances you can draw some of your preserved super while you are still working, and
- Pension Account where you can enjoy a pension income after you have reached your preservation age and have permanently retired or have met other conditions of release.

Investment Options

Australian Practical Superannuation offers a wide range of investments including pre-mixed Pooled Investments, and Super Wrap Investment Options including the Cash Hub, Managed Funds, Managed Account Model Portfolios and ASX Listed Securities, available through the

OneVue Managed Account, a registered managed investment scheme ARSN 112 517 656 (the Managed Account) and Term Deposits. Refer to section 5 and the Additional Information Guide for more information.

Insurance options

Australian Practical Superannuation offers Group Insurance (including default cover and voluntary cover) and Retail Insurance covering Death, Total and Permanent Disability (TPD) and Income Protection. You can pay your insurance premiums out of your superannuation. Refer to section 8 of this document and the Insurance Guide for more information.

Trustee disclosure

The Trustee is required to disclose certain information and documentation in relation to themselves and the Fund on a website. This information and documentation is available at onesuper.com and includes but is not limited to the Trust Deed, the PDS and the PDS Guides, executive remuneration disclosure, the most recent Annual Report and the names of each material outsourced service provider to the Fund.

2. How super works

Super is an important long-term way to save for your retirement and is, in part, compulsory. There are tax concessions provided by the Australian Government to help you save more money in your super. However, there are limits to how much you and your employer can contribute under the tax concessions. There are also limits and rules about when you can access your super. When you reach age 60, withdrawals from your super will generally be tax-free. Refer to section 7 of this document and the Additional Information Guide for more information on how super is taxed.

Contributing to your super

Different types of contributions can be made to your super including the super guarantee contributions made by your employer, any voluntary personal contributions you make, and if you are eligible, the Australian Government will also co-contribute to your super.

If you are working, your employer usually must make super guarantee contributions to your super. Currently, this is 9.5% of your 'ordinary time earnings'.

Contributions can also be made through salary sacrifice (by asking your employer to deduct extra money and contribute into super before tax is taken out), by making your own personal contributions (for example if you are self-employed), by contributions made by your spouse on your behalf, or by directing personal voluntary savings into your super.

Choosing your own super

Generally, you can choose which super fund your super guarantee contributions are paid into by your employer. If you do not have a choice or you do not tell your employer which super fund to pay your super guarantee contributions into, they will be directed into a super fund chosen by your employer.

Consolidating your super

You can take Australian Practical Superannuation from job to job and you can consolidate your current super account and any other existing super accounts into Australian Practical Superannuation to help you avoid having multiple super funds and fees. Before doing so, please consider any potential loss of existing insurance or other benefits you may have with your existing super fund.

Accessing your super

As super is designed to help you save for retirement, there are limits and rules about when you can access your super, usually from when you turn 65, reach your preservation age (between 55 and 60, depending on your date of birth) and have permanently retired from the workforce. There are limited circumstances when early access to your super may be available if you meet a "condition of release", for example, compassionate grounds, severe financial hardship, or permanent incapacity for work or through the First Home Super Saver Scheme, if eligible.

Pension

Once you meet certain criteria you can start a pension by opening:

- a Transition to Retirement Pension Account, when you reach your preservation age and remain in employment, or
- a Pension Account, when you retire permanently or reach age 65 or meet another condition of release.

Further details about Pension Accounts can be found in Part 2 of the Additional Information Guide. A minimum amount of \$20,000 is required to start a pension, which can be transferred from your Accumulation Account or other sources. The eligibility criteria for each Pension Account can be found in the Additional Information Guide.

You can choose your regular pension payment within the prescribed limits set by the Australian Government. Consult your adviser or go to ato.gov.au/super for more information.

You may make a lump sum withdrawal, however, a lump sum withdrawal made from a Transition to Retirement Pension Account can only be made:

- if your Account has an unrestricted non-preserved component and your lump sum withdrawal does not exceed this amount, or
- if you satisfy a "condition of release" with a "nil" cash restriction, or
- to give effect to a payment split under Family Law.

More information You should read the important information about how super works before making a decision. Go to Part 2 in the Additional Information Guide and refer to ASIC's Moneysmart website at moneysmart.gov.au. Material about how super works may change between the time you read this PDS and the day when you acquire the product.

3. Benefits of investing with Australian Practical Superannuation

Track and manage Australian Practical Superannuation online – anytime, anywhere

The Secure Online Portal provides online access to:

- check your balance,
- obtain BPAY contribution information,
- view your contributions and Account transactions,
- view and vary your pension payments,
- vary your Group Life Insurance, and
- view and download various reports.

A world of investment choice

Australian Practical Superannuation offers a wide range of Investment Options. Refer to section 5 of this document and the Additional Information Guide for more information.

Access to a range of insurance options

Australian Practical Superannuation offers Group Insurance (including default cover and voluntary cover) and Retail Insurance covering Death, TPD and Income Protection cover. You're also able to opt out of cover, opt-in to cover, transfer existing cover, or vary your cover. Limited cover, exclusions and other conditions may apply. Refer to section 8 of this document and the Insurance Guide for more information.

Your super consolidation partner

We can help you find lost super, rollover super from your existing super fund or consolidate multiple super accounts. Before doing so, we recommend that you seek financial advice to consider any potential loss of existing insurance or other benefits you may have with your existing super fund.

Payment methods that suit you

Australian Practical Superannuation accepts various contribution payment methods to make it easy for you, your spouse or your employer to contribute to your super.

Easy transition into retirement

You have an opportunity to supplement your income while you are still working through a Transition to Retirement Pension Account once you reach your preservation age.

A partner for the long haul

Australian Practical Superannuation can stay with you throughout your entire working life and into retirement. If you change jobs, just ask your new employer to contribute to your Accumulation Account in Australian Practical Superannuation.

4. Risks of super

All investments carry risk. Super funds may invest in a range of asset classes – for example, cash, fixed interest, property and shares – that have different levels of risks.

The likely investment return, and the risk of losing money is different for each investment option depending on the assets that make up the investment strategy. Generally, the highest long term returns may also carry the highest level of short-term risk.

Investments risks

It is important to understand and consider the investment risks in super before you invest:

- the value of the investment will go up and down,
- the level of returns will vary, and future returns may differ from past returns,
- returns are not guaranteed and you may lose some of your money,
- the amount of your future superannuation savings (including contributions and returns) may not be enough to provide adequately for your retirement,
- laws affecting your super and pension may change in the future, and
- the level of risk for you will vary depending on a range of factors including your age, your investment timeframes, where other parts of your wealth are invested and your risk tolerance.

Other risks

Other risks associated with investing in Australian Practical Superannuation include:

- Capital risk
- Market risk
- Legal and Regulatory risk
- Credit risk

- Inflation risk
- Settlement risk
- Interest rate risk
- Exchange rate risk
- Derivatives risk
- Fund risk
- Operational risk
- Investment management risk
- Country/Emerging markets risk
- Valuation risk
- Leverage risk
- Borrowing risk
- Liquidity risk
- Longevity risk

More information You should read the important information on the risks of investing in Australian Practical Superannuation in Part 4 of the Additional Information Guide before making a decision. The material about the risks of investing in Australian Practical Superannuation may change between the time you read this PDS and the day when you acquire the product.

5. How we invest your money

Investment Menu

Australian Practical Superannuation offers a Core Menu and a Full Menu which offer different investments and have different administration fees. Depending on the type of the investments in your portfolio you will be automatically classified as investing in the Core Menu or the Full Menu on a daily basis. The Investment Menu is available in the Secure Online Portal free of charge or on request from the Trustee or your financial adviser.

Cash Hub

The Cash Hub, available in the Core Menu and the Full Menu for both Accumulation and Pension Accounts, is an interest bearing transaction account which holds your available cash for investment in the Super Wrap Investment Options - Managed Funds, Managed Account Model Portfolios and ASX Listed Securities available through the Managed Account, and Term Deposits, as you choose. The Cash Hub is also used to receive income and distributions from your Super Wrap investments and pay fees, costs, tax and other deductions.

If you choose to invest only in Pooled Investment Options, you are not required to have a Cash Hub, but you may choose to do so. If you invest in Super Wrap Investment Options, you must maintain at least \$2,500 in your Cash Hub plus:

- three-months' pension payments if you have a Pension Account, or
- three-months' insurance premium payments if you have Group or Retail Insurance in place.

Investment Options

The investment options available in the Full Menu and Core Menu are shown in the table below. You can choose one investment option or a combination of different investment options as part of the online application process. If you do not make an investment choice, the Trustee will contact you about making a choice. If the Trustee is unable to contact you, your funds may be returned.

There are five pre-mixed Pooled Investment Options available, each with different types and levels of risk, potential returns and investment time frames.

Information on the likely investment return, the risk and the minimum suggested investment time frame, is set out below for the '50/50' Pooled Investment Option and in the Additional Information Guide for the other Pooled Investment Options.

Warning: You must consider the likely investment return, the risk and your investment time frame when choosing which option to invest in. Please consult your financial adviser when choosing your Investment Options.

The full list of investments available in the Core Menu and Full Menu can be found in the Investment Menu available in the Secure Online Portal free of charge or on request from the Trustee or your financial adviser.

Core Menu	Full Menu
<ul style="list-style-type: none"> Pooled Investment Options Cash Hub Selected Managed Funds (FUND.eXchange) Selected Managed Account Model Portfolios, available through the Managed Account Term Deposits 	<ul style="list-style-type: none"> Pooled Investment Options Cash Hub Full range of Managed Funds Full range of Managed Account Model Portfolios, available through the Managed Account ASX Listed Securities, available through the Managed Account Term Deposits

The High Growth Pooled Investment Option

As an example, the table below sets out information about one of the Pooled Investment Options available in Australian Practical Superannuation, the 'High Growth' Pooled Investment Option. Information about other investment options can be found in the Additional Information Guide.

Who is this investment option for?	Members who seek exposure to mainly growth assets and can tolerate a high level of risk over seven years. This option invests mainly in growth assets across most asset classes.	
Investment return objective	CPI + 3.5%	
Minimum suggested time frame	7 years	
Standard risk measure band	6	
Standard Risk Measure label	High	
Asset classes	Strategic asset allocation	Asset allocation range
Defensive assets	15.00%	
Cash	5.00%	0.00% - 10.00%
Australian fixed income	4.50%	0.00% - 20.00%
Global fixed income	5.50%	0.00% - 25.00%
Growth assets	85.00%	
Australian equities	38.00%	25.00% - 50.00%
International equities	44.00%	30.00% - 50.00%

Global listed property & infrastructure	3.00%	0.00% - 15.00%
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You can choose to have your contributions or rollovers placed into one or more of:

- the Cash Hub, or
- Pooled Investment Options.

Your financial adviser can also place investment orders or switch between Investment Options via the Secure Online Portal.

We may change the investment options offered. We will notify you in advance if we do this and information about all changes will be included in the Additional Information Guide and in the Investment Menu available via the Secure Online Portal.

More information You should read the important information on how we invest your money in Part 5 of the Additional Information Guide before making a decision. The material relating to how we invest your money may change between the time you read this PDS and the day when you acquire the product.

6. Fees and costs

Consumer advisory warning:

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees.¹ Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a superannuation fee calculator to help you check out different fee options.

Fees and costs table

This document shows the fees and costs that you may be charged for the 'High Growth' Pooled Investment Option. Most assets of Australian Practical Superannuation are invested in this option. These fees and costs may be deducted directly from your money, from your returns on your investment or from the assets of Australian Practical Superannuation as a whole.

You should use this table to compare this superannuation product with other superannuation products. Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry fees and exit fees cannot be charged.

Taxes, insurance fees and other costs relating to insurance are set out in the Insurance Guide.

¹ This disclosure is prescribed by law. The Fund does not negotiate fees.

You should read all the information about fees and other costs because it is important to understand their impact on your investment. All fees disclosed in this PDS are GST inclusive. The fees and costs will depend on the investment options you select. For each other Pooled Investment Option, fees and costs are available in Part 5 of the Additional Information Guide and for Super Wrap Investment Options, in the relevant disclosure document for the particular investment, available in the Secure Online Portal free of charge or on request from the Trustee or your financial adviser.

Type of fee ¹	Amount	How and when paid														
Investment fee ²	Nil	Not applicable														
Administration fee	<table border="1"> <thead> <tr> <th colspan="2">Asset based fee</th> </tr> </thead> <tbody> <tr> <td>\$0 - \$250,000</td> <td>0.35% p.a.</td> </tr> <tr> <td>\$250,000 - \$1,000,000</td> <td>0.25% p.a.</td> </tr> <tr> <td>Over \$1,000,000</td> <td>Nil</td> </tr> </tbody> </table> <p>PLUS</p> <table border="1"> <thead> <tr> <th colspan="2">Account keeping fee</th> </tr> </thead> <tbody> <tr> <td>Core Menu</td> <td>\$150 p.a.</td> </tr> <tr> <td>Full Menu</td> <td>\$250 p.a.</td> </tr> </tbody> </table> <p>PLUS</p> <p>Expense Recovery fee³ 0.03% p.a. + \$50 p.a.</p>	Asset based fee		\$0 - \$250,000	0.35% p.a.	\$250,000 - \$1,000,000	0.25% p.a.	Over \$1,000,000	Nil	Account keeping fee		Core Menu	\$150 p.a.	Full Menu	\$250 p.a.	Asset based fee - calculated on the average daily balance and deducted from your account monthly and on exit, pro-rata by number of days in the month. Family Members may link their Accounts to aggregate their average daily balances – see Additional Information Guide for more information.
Asset based fee																
\$0 - \$250,000	0.35% p.a.															
\$250,000 - \$1,000,000	0.25% p.a.															
Over \$1,000,000	Nil															
Account keeping fee																
Core Menu	\$150 p.a.															
Full Menu	\$250 p.a.															
Buy-sell spread	0.15%/0.24%	Included in the unit price of the investment option														
Switching fee	Nil	Not applicable														
Advice fee relating to all members investing in a particular MySuper product or investment option	Nil	Not applicable														
Other fees and costs ⁴	Nil	Not applicable on this investment option. See additional information in the Additional Information Guide.														

¹ If your Account balance for a product offered by the superannuation entity is less than \$6,000 at the end of the entity's income year, the total combined amount of the administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

² Underlying fees may be charged by the Fund Manager, investment manager or the product provider.

Indirect cost ratio	0.53% p.a.	Deducted from the assets of the underlying investments and reflected in the daily unit price.
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Example of annual fees and costs

This table gives an example of how the fees and costs for the 'High Growth' Pooled Investment Option can affect your super investment over a one-year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE - Pooled Investment Option: High Growth		Balance of \$50,000
Investment fees	0.00% p.a.	For every \$50,000 you have in the superannuation product you will be charged \$0 each year.
PLUS Administration fees	0.35% p.a.+ \$150 PLUS 0.03% p.a.+ \$50	And , you will be charged \$390 in administration fees each year.
PLUS Indirect costs for the superannuation product	0.53% p.a.	And , indirect costs of \$265 each year will be deducted from your investment.
EQUALS Cost of product	If your balance was \$50,000, then for that year you will be charged fees of \$655 for the superannuation product.	

How fees and costs are charged

Fees and costs can be paid directly from your Cash Hub or deducted from your investment returns.

Fee calculator

ASIC's website moneysmart.gov.au has a super calculator you can use to calculate the effect of fees and costs on your account balance.

Changes to fees and costs

The Trustee may introduce new fees or change existing fees at any time. We will notify you at least 30 days in advance before we introduce new fees, if the changes are materially adverse to you, or if we increase existing fees, other than buy-sell spreads and indirect costs. These changes are available in the Secure Online Portal and you should check for the most up to date information before making any decisions.

Fees and costs of underlying investments

For Super Wrap investments in Managed Funds, in the Managed Account Model Portfolios and ASX Listed Securities available in the Managed Account, underlying fees may be charged by the Fund Manager, portfolio investment manager or the product provider, as applicable. These fees and costs are in addition to the fees and costs you pay in Australian Practical Superannuation. For details of the fees and cost that apply to the particular investment, you should refer to the product disclosure statement for that investment, available in the Secure Online Portal.

³ Expense recovery fee is paid into a reserve and may include transfers to Operational Risk Finance Reserve (ORFR) from member accounts if required to meet regulatory requirements. Subject to 1 above, the fee of \$50 applies irrespective of your Account balance.

⁴ Depending on the investment option you choose, other fees and costs may apply. Refer to the Additional Information Guide. Also refer to the Additional explanation of fees and costs.

Additional explanation of fees and costs

Other fees such as advice fees you pay your financial adviser, activity fees (such as family law fees), insurance premiums and if applicable other insurance costs for Retail Insurance cover may be charged, depending on the nature of the advice, activity or insurance you choose. Refer to Part 6 of the Additional Information Guide.

Warning: You may agree to pay additional fees to your financial adviser. Details of the fees you agree to pay should be set out in the Statement of Advice or Fee Disclosure Statement your adviser gives you. If permitted by law, certain advice fees may be deducted from your Australian Practical Superannuation Account if you agree with your adviser to do so.

More information - You should read the important information about fees and other costs in Part 6 of the Additional Information Guide before making a decision. The material about fees and other costs may change between the time when you read this PDS and the day you acquire the product.

7. How super is taxed

This section provides a summary of the significant tax information relating to superannuation. It is based on the laws that apply at the date this PDS is issued and changes in the law or its interpretation may affect the tax consequences of investing in Australian Practical Superannuation. For professional advice tailored to your personal circumstances you should consult a tax adviser.

Super is taxed at three stages, contributions, earnings and withdrawals and the tax is paid directly to the Australian Taxation Office (ATO).

TFN Information

Warning: While it is not compulsory, don't forget to provide your tax file number (TFN) so you can benefit from the lower tax rates applied to superannuation contributions. Without your TFN, a higher tax rate will also be applied when it's time to access your super. Without your TFN personal contributions cannot be accepted by super funds.

Tax on contributions

Concessional contributions such as superannuation guarantee (SG) contributions and salary sacrifice, up to the concessional contribution cap are generally taxed at the concessional rate. Non-Concessional contributions such as contributions made from after-tax income, up to the non-concessional contribution cap, are not taxed.

What happens if you exceed the contribution caps?

Warning: There are significant tax implications if you exceed the caps during a financial year. For more information on contributions, contribution caps and applicable taxes, please refer to section 7 of the Additional Information Guide or go to ato.gov.au/super.

Tax on super investment earnings

Generally, investment earnings within your Accumulation and Transition to Retirement Accounts will be taxed at a maximum of 15%. Tax is deducted from investment income before unit prices or earning rates are determined depending on your investments.

Tax on withdrawals

Withdrawal benefits may be taxed if you are aged less than 60. The tax will be deducted from your withdrawal benefit. If you are aged 60 or over, no tax will apply to your withdrawal benefit, unless you are a temporary resident.

Tax on death benefits

Lump sum death benefits paid to dependants for tax purposes are fully tax free.

The tax treatment for lump sum benefits paid to non-dependants for tax purposes is different. No tax is payable in respect of any tax-free component while any taxable component will be taxed at rates between 15% to 30%, plus any applicable levies.

More Information - You should read the important information about how super is taxed before making a decision. Refer to Part 7 of the Additional Information Guide or ato.gov.au/super. The material relating to taxation of your super may change between the time you read this PDS and the day when you acquire the product.

8. Insurance in your super

Types of cover

Subject to meeting the eligibility criteria, you can access insurance cover through Australian Practical Superannuation to help protect your family's financial security against the unexpected. Both Group Life insurance (default cover and voluntary cover) and Retail Insurance cover are available in Australian Practical Superannuation.

Retail Insurance terms are specific to the retail insurer's product disclosure statement. Speak to your financial adviser to obtain a copy of an insurer's product disclosure statement or to apply for Retail Insurance cover.

Options available for Retail Insurance cover:

- Death insurance provides a lump sum benefit in the event of death, or if you are diagnosed with a Terminal Illness. TPD Insurance provides a lump sum benefit if you suffer a TPD, and
- Income Protection pays a set percentage of your monthly income for a pre-defined length of time in the event that you suffer total disability as a result of illness or injury.

Group Insurance cover options are:

- Death insurance provides a lump sum benefit in the event of death, or if you are diagnosed with a Terminal Illness, and
- TPD Insurance provides a lump sum benefit if you suffer a Total and Permanent Disablement.

Your insurance cover will not commence until your first contribution or rollover has been received, an insurance premium is paid out of your Accumulation Account, and confirmation of the insurance cover has been provided.

Default insurance cover is limited for the first twenty-four months of your membership. Any pre-existing illness or injuries are not covered during this time. Refer to the Australian Practical Superannuation Insurance Guide for further information on new events cover.

Types of Group Life Insurance

Australian Practical Superannuation offers two types of default Group Insurance cover – personal and employee, and voluntary cover, which is subject to underwriting.

The type of default insurance cover available to you is determined by your employment status.

Your employment status:	You are eligible to apply for:
You are an employee of a Participating Employer ¹	Corporate Division cover
All others	Personal Division cover

Default cover when you join as a Personal Division member

Provided you choose to accept insurance cover when you join Australian Practical Superannuation and you have received confirmation the insurance cover has been provided, you will receive default Death and TPD insurance cover without any medical underwriting, with cover commencing on the date the first contribution or rollover is received into your Account. You may choose to reduce or cancel this cover at any time. The value of the default insurance cover sum insured and cost of default cover will depend on your age, your occupation and your gender. As you age, the amount of insurance cover provided to you and the cost of insurance changes. Please refer to the Insurance Guide for information on eligibility, and commencement of cover. The table on this page explains the level of cover and costs for default Group Insurance cover.

Warning:

Cooling off period: If you choose to accept default insurance cover when you join Australian Practical Superannuation, the premiums will be deducted from your Account monthly in arrears. You have 28 days from acceptance of the application to opt-out of default cover before insurance premiums are deducted from your Australian Practical Superannuation Account. This is known as the cooling off period. After this period no insurance premium refund will be available.

Loss of cover: We cannot continue to provide insurance cover to accounts which have not received a contribution or rollover for sixteen months or longer, unless you make an election to maintain cover notwithstanding inactivity. We'll let you know if you're at risk of losing cover, and what your options are.

Voluntary Group Insurance cover

Voluntary Group Life insurance cover is additional to default insurance cover is available as a fixed amount of cover. The maximum amounts of insurance cover available are:

- Death – Unlimited,
- TPD – \$3 million (inclusive of default insurance cover) per Insured Person, and
- Terminal Illness – \$3 million (inclusive of Default Insurance Cover) per Insured Person.

Cost of Default Insurance cover

There are costs associated with insurance cover. These costs, (insurance premiums, including any stamp duty applicable are covered in detail in the Insurance Guide), which are deducted from your Account monthly in arrears, are calculated on the amount and type of cover, your age, gender, occupation and assessment by the Insurer (for any voluntary cover). Please refer to the Australian Practical Superannuation Insurance Guide for more information.

¹ Participating Employer means an employer in a Corporate Sub-Plan of the Corporate Division with a minimum of 25 Insured Persons who makes or agrees to make superannuation guarantee contribution payments in respect of them to the Trustee, and also includes an employer who was instructed by an Eligible

Personal Division Death and TPD Insurance Cover and Premium ranges

Age next birthday	Sum insured	Default annual insurance Premium range	
		Minimum	Maximum
16-25	\$100,000	\$22.00	\$60.00
26-30	\$150,000	\$25.50	\$76.50
31-40	\$250,000	\$57.50	\$127.50
41-50	\$200,000	\$148.00	\$184.00
51-60	\$150,000	\$334.50	\$427.50
61	\$100,000	\$583.00	\$832.00
62	\$90,000	\$575.10	\$825.30
63	\$80,000	\$565.60	\$806.40
64	\$70,000	\$551.60	\$772.10
65	\$60,000	\$526.20	\$727.20
66	\$50,000	\$402.50	\$551.50
67	\$40,000	\$356.00	\$483.20
68	\$30,000	\$296.10	\$397.20
69	\$20,000	\$217.60	\$289.20
70	\$10,000	\$119.70	\$157.70

Group and Retail Insurance administration costs

If you decide to take up Group or Retail Insurance cover, Australian Practical Superannuation will charge you an activity fee: Retail insurance establishment fee of \$75, and \$75 per annum to cover the expenses for administering Group and/or Retail insurance through Australian Practical Superannuation. These fees are in addition to your insurance premium.

Type of fee	Amount	How and when paid
Activity fee: Insurance administration fee (Group and Retail Insurance policies)	\$75 per annum	1/12 of the annual fee charged at the end of each month and deducted from your Account
Activity fee: Insurance establishment fee (Retail Policies only)	\$75	Charged at the end of the month and deducted from your Account on commencement of your cover.
Activity fee: Insurance payment administration fee ²	Nil	Charged at the time of payment and deducted from your Account with each payment

Transferring cover from another insurer

You may be able to transfer your current Death, and TPD group insurance cover from another insurer to Australian Practical Superannuation. Provided you meet eligibility conditions, cover

Person to direct superannuation guarantee contributions to the Personal Division of the Fund under Choice of Fund legislation. Refer to the Insurance Guide Terms and Conditions sections for further details.

² Activity fee: Insurance payment administration fee only applies to Income Protection insurance payments.

will be converted to the same type and level of cover and the relevant policy premium rates under the Australian Practical Superannuation Group Life Insurance policy will be applied. The maximum value which can be transferred is \$1 million death and TPD insurance cover, and your total insurance cover must not exceed the maximum cover limit under the insurance policy. Refer to the Insurance Guide for further details on transferring cover from another Insurer.

Increasing, reducing or cancelling Group Life Insurance cover

You can increase, reduce or cancel your Group Life Insurance cover at any time (subject to acceptance by the insurer and any limitations, exclusions and other conditions which may apply) by logging on to Secure Online Portal, selecting Insurance and submitting or printing and completing the appropriate form. You will be notified by the Fund of the acceptance of your insurance cover. Note, if you wish to increase your cover this will need to be underwritten and accepted by the Fund's insurer.

Making a claim

If you make an insurance claim, the Trustee and the insurer will determine whether you are entitled to be paid based on the terms of the policy, the Fund's rules and the law.

Warning

Information about:

- eligibility for, or the cancellation of, the insurance cover,
- details of definitions, conditions and exclusions applicable to the insurance cover,
- the level and type of voluntary insurance cover available,
- the actual cost of the voluntary insurance cover in dollars, or the range of costs that would be payable depending on your circumstances,
- any other significant matter in relation to insurance cover (including the transfer of existing insurance) that may affect your entitlement to insurance cover, and
- other important additional information

is contained in the Insurance Guide. You should read this important information before making a decision. The material on insurance cover may change between the time when you read this PDS and the day you acquire the product.

9. How to open an Account

If you are eligible, you can open your Australian Practical Superannuation Account online via the Secure Online Portal through your adviser. You should have your tax file number ready to open your Account

Cooling-off period

If you change your mind after opening an Account, you must write to us to cancel your application within your 14-day cooling-off period. Your cooling-off period starts at the earlier of:

- 5 days after your application is accepted, or
- the date the Fund confirms your membership in writing.

On cancellation, we will refund any contributions you have made to your Account (if you are entitled to access your super) or transfer any contributions you have made to a nominated complying super fund. The refund may be decreased or increased to allow for market movements of your investments during that time. We may also deduct any reasonable

transaction and administrative costs, tax or duty incurred. Fees you have agreed to pay your financial adviser may also be deducted.

Note: if you do not nominate a suitable fund within 28 days, your contributions will be transferred to the Fund's Eligible Rollover Fund (ERF). An ERF receives and invests the entitlements of super fund members in certain circumstances. The ERF currently selected by the Trustee is:

Super Money Eligible Rollover Fund (SMERF)

PO Box 1282

Albury NSW 2640

Phone: 1300 850 538

The Trustee of Australian Practical Superannuation is the trustee of SMERF.

Complaints

If you have a complaint about your Australian Practical Superannuation Account, please contact us by phone on 1300 862 862 or write to:

Complaints Officer

Australian Practical Superannuation

PO Box 1282

Albury NSW 2640

We will acknowledge your complaint in writing within 7 days and you will be advised of the steps we will take to resolve it. We will endeavour to resolve your complaint within 45 days, however complicated complaints may take longer (up to 90 days) to respond to you.

If we do not respond within 90 days or if you are not satisfied with the outcome of your complaint, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA is an external dispute resolution scheme to deal with complaints from consumers in the financial system.

To find out if the AFCA can handle your complaint and determine the type of information you would need to provide, contact the AFCA:

Telephone: 1800 931 678

Website: www.afca.gov.au

Email: info@afca.gov.au

Write: Australian Financial Complaints Authority

GPO Box 3, Melbourne VIC 3001

More information You should read the important information on how to open and operate an Australian Practical Superannuation Account in Part 8 of the Additional Information Guide before making a decision. Material on how to open and operate an Australian Practical Superannuation Account may change between the time when you read this PDS and the day when you acquire the product.