

# Australian Practical Superannuation

## Product Disclosure Statement

30 SEPTEMBER 2022

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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 and at [onesuper.com](https://onesuper.com), or you can obtain a printed copy from us free of charge on request. Tel: 1800 640 055

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 All third parties named in this document have consented to be named and have not withdrawn their consent at the date of publication.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

You can invest in Australian Practical Superannuation through 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. 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](https://onesuper.com). You can obtain a copy of our Privacy Policy from us free of charge on request.

#### PART 1

### About Australian Practical Superannuation

Australian Practical Superannuation is a part of YourChoice Super, a sub-plan of OneSuper ABN 43 905 581 638 RSE R100134 (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 Services Ltd ABN 70 120 380 627 AFSL 308868 (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 another condition 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 part 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 part 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](https://onesuper.com) and at [diversa.com.au](https://diversa.com.au) 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.

## PART 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 part 7 of this document and the Additional Information Guide for more information on how super is taxed.

## Contributing to your super

There are different types of contributions that can be made to your super, some of which are voluntary. Voluntary contributions you make into your super may also be eligible for Australian Government contributions. If you are working, your employer usually must make super guarantee contributions to your super. From 1 July 2022, this is 10.5% of your 'ordinary time earnings base'.

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 have not made a choice or you do not tell your employer which super fund to pay your super guarantee contributions into, they may be directed into a super fund that is not your intended fund.

## 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 when you reach your preservation age (between 55 and 60, depending on your date of birth) and have permanently retired from the workforce or when you reach age 60 and cease gainful employment (see the Additional Information Guide for more detail). There are limited circumstances when early access to your super may be available. There are specified "conditions of early release", for example- compassionate grounds, severe financial hardship, or permanent incapacity for work or through the First Home Super Saver Scheme.

## 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 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](https://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](https://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.

## PART 3

## Benefits of investing with Australian Practical Superannuation

### Track and manage Australian Practical Superannuation online – anytime, anywhere

- 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 part 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 part 8 of this document and the Insurance Guide for more information.

## Your super consolidation partner

We can help you consolidate your 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.

### PART 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.

### Investment 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       | ■ Legal and Regulatory risk     |
| ■ Market risk        | ■ Credit risk                   |
| ■ Inflation risk     | ■ Investment management risk    |
| ■ Settlement risk    | ■ Country/Emerging markets risk |
| ■ Interest rate risk | ■ Valuation risk                |
| ■ Exchange rate risk | ■ Leverage risk                 |
| ■ Derivatives risk   | ■ Borrowing risk                |
| ■ Fund risk          | ■ Liquidity risk                |
| ■ Operational 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.

### PART 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 and costs. 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.

### 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 a range of 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 High Growth 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. Please be aware that you must comply with the applicable holding limits which are set out in the Investment Menu. Please refer to Part 5 of the Additional Information Guide, “Comparing investing via your Account(s) to investing directly”. There are some fundamental differences to your cooling off rights, distributions, communications, voting rights, withdrawal rights, ability to participate in corporate actions and the financial claims scheme.

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.

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

### 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%

You can choose to have your contributions or rollovers placed into one or more of:

- the Cash Hub, or
- Pooled Investment Options.

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

<sup>1</sup> This disclosure is prescribed by law. The Fund does not negotiate fees.

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.

## PART 6

### Fees and other 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.<sup>1</sup> 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](http://www.moneysmart.gov.au)) has a superannuation fee calculator to help you check out different fee options.

This document shows the fees and other costs you may be charged.

These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

The fees and costs will depend on the Investment Options you select. For Pooled Investment Options, fees and costs can be found in Part 6 of the Additional Information Guide and for other Investment Options, fees and costs can be found 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.

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 and exit fees cannot be charged. Taxes are set out in Part 7 of this document and insurance fees and other costs relating to insurance are set out in the Insurance Guide.

You should read all the information about fees and other costs because it is important to understand their impact on your investment. Details about the fees and other costs disclosed here can be found in Part 6 of the Additional Information Guide.

All fees disclosed are GST inclusive. For the definitions for each type of fee refer to Part 6 of the Additional Information Guide.

Fees and cost summary for High Growth Investment option		
Type of fee	Amount	How and when paid
<b>Ongoing annual fees and costs <sup>1</sup></b>		
Administration fees and costs	<b>Asset based fee</b>	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.
	\$0 - \$250,000 0.35% p.a.	
	\$250,000 - \$1,000,000 0.25% p.a.	
	Over \$1,000,000 Nil	
	<b>PLUS Account keeping fee</b>	Calculated daily based on your investment profile (Core Menu or Full Menu) and deducted from your Cash Hub monthly and on exit.
	Core Menu \$150 p.a.	
	Full Menu \$250 p.a.	
	<b>PLUS Expense Recovery fee <sup>2</sup></b>	Calculated on the average daily balance and pro-rata by the number of days in the month and deducted from your Account monthly and on exit.
	<b>Balance</b>	
	<b>Fee p.a.</b>	
	\$0 - \$1,000,000 0.03% p.a.	Administration costs paid from reserves that are not otherwise charged as administration fees. These costs are not directly charged to your Account but have reduced the reserve Balance held by the Fund to cover future administration costs.
	Over - \$1,000,000 Nil	
	+ \$50 p.a.	
	<b>PLUS Reserves <sup>3</sup></b>	Nil
Investment fees and costs <sup>4 and 5</sup>	0.53%	Deducted from the assets of the underlying investments and reflected in the daily unit price.
Transaction costs <sup>6</sup>	Nil	Transaction costs are incurred when assets are bought or sold which are shown net of amounts recovered by the buy-sell spread charged and affect your investment.
<b>Member activity related fees and costs</b>		
Buy/sell spread	0.14%/0.18%	Included in the unit price of the Investment Option
Switching fee	Nil	Not applicable
Other fees and costs <sup>7</sup>	Not applicable on this Investment Option. See additional information on fees and costs in the Additional Information Guide.	

<sup>1</sup> 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, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the Account balance. Any amount charged in excess of that cap must be refunded.

## Example of annual fees and costs for superannuation product

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
Administration fees and costs	0.35% + \$150 PLUS Expense Recovery fee 0.03% p.a. + \$50	For every <b>\$50,000</b> you have in the superannuation product you will be charged or have deducted from your investment <b>\$390</b> in administration fees and costs.
PLUS Investment fees and costs	0.53% p.a.	<b>And</b> , you will be charged or have deducted from your investment <b>\$265</b> in investment fees and costs.
PLUS Transaction costs	0.00% p.a.	<b>And</b> , you will be charged or deducted from your investment <b>\$0.00</b> in transaction costs.
<b>EQUALS</b> Cost of product	If your balance was <b>\$50,000</b> at the beginning of the year then for that year you will be charged fees of <b>\$655</b> for the superannuation	

Note: Additional fees may apply

**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

## 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](http://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.

<sup>2</sup> Expense Recovery fee is paid into a reserve and may include transfers to an Operational Risk Financial Reserve (ORFR) if required to meet regulatory requirements. Subject to 1 above, the fee of \$50 applies irrespective of your Account balance.

<sup>3</sup> Amounts in Reserves are calculated based on previous financial year (s). The actual amount will change from year to year and may be more or less than the amounts shown.

<sup>4</sup> Disclosed investment fees and costs of the underlying Investment Options are based on the expenses incurred over the previous financial year. As a result, these figures are indicative only and may change in subsequent years depending on (for example) the performance of each option, therefore may be higher or lower. These costs are deducted by the underlying investment managers.

<sup>5</sup> Investment fees and costs include an amount of 0.00% p.a. for performance fees. Information on performance fees are set out under Part 6 'additional explanation of fees and costs' of the Additional Information Guide.

<sup>6</sup> Disclosed transaction costs are an estimate based on transaction costs payable in the previous financial year. These costs may be higher or lower.

<sup>7</sup> Depending on the investment option you choose; other fees and costs may apply. Refer to the Additional Information Guide. Also refer to the Additional Information Guide for the explanation of fees and costs.

## 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 costs that apply to the particular investment, you should refer to the product disclosure statement for that investment, available in the Secure Online Portal.

## Additional explanation of fees and costs

Other fees such as advice fees you pay your financial adviser (if you have one), 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. The amount of the fees may be deducted from your Australian Practical Superannuation Account if you agree with your adviser to do so.

### PART 7

## How super is taxed

This part 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 and on certain contributions we receive for you. 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 are generally taxed at the concessional tax rate of 15%. Additional taxes may apply if your concessional contributions exceed the cap. Non-Concessional contributions such as contributions made from after-tax income, up to the non-concessional contribution cap, are not taxed. Additional taxes may apply when this cap is exceeded.

## 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 part 7 of the Additional Information Guide or go to [ato.gov.au/super](http://ato.gov.au/super).

## Tax on super investment earnings

Generally, investment earnings within your Accumulation and Transition to Retirement Pension 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.

## GST, stamp duty and taxation

The fees and costs are inclusive of any applicable stamp duty and GST. Refer to Additional Information Guide under additional Explanation of fees and costs for more information.

## 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](http://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.

### PART 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 <sup>1</sup> in a Corporate Sub Plan	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 30 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, it 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.

### Personal Division Death and TPD Insurance Cover and Premium ranges

Age next birthday <sup>2</sup>	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		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 <sup>3</sup>	Nil	Charged at the time of payment and deducted from your Account with each payment

<sup>1</sup> 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 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.

<sup>2</sup> Age Next Birthday is the age on the birthday next following the date joined Fund or next following the next Fund annual review date (1 April every year).

<sup>3</sup> Activity fee: Insurance payment administration fee only applies to Income Protection insurance payments.

## 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 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.

### The duty to take reasonable care

Where an application for insurance or an increase to the benefit amount needs to be made for a particular Member, the duty to take reasonable care not to make a misrepresentation will apply when answering any question the insurer asks. A misrepresentation is a false answer, an answer that is only partially true, or an answer which does not fairly reflect the truth.

## How to open an account

If you are eligible, you can open your Australian Practical Superannuation Account online via the Secure Online Portal. 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.

### Complaints

If you have a complaint about your Australian Practical Superannuation Account, please contact us by phone on 1800 640 055 or contact the Iress Complaints Officer at:

Phone: 03 9018 5800

Email: [aus-compliance@iress.com](mailto:aus-compliance@iress.com)

Mail: Level 16, 385 Bourke St, Melbourne, VIC 3000

We aim to resolve all complaints efficiently and fairly. If we do not resolve your complaint to your satisfaction, or the complaint is not dealt with within 45 days or other timeframe as prescribed by legislation, you may 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.org.au](http://www.afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.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 a RetireSelect Account in Part 8 of the Additional Information Guide before making a decision. Material on how to open and operate a RetireSelect Account may change between the time when you read this PDS and the day when the acquire the product.