

Australian Practical Superannuation

Product Disclosure Statement

1 JULY 2024

Contents

PART 1

About Australian Practical Superannuation

1

PART 2

How super works

2

PART 3

Benefits of investing with Australian Practical Superannuation

2

PART 4

Risks of super

3

PART 5

How we invest your money

3

PART 6

Fees and other costs

4

PART 7

How super is taxed

6

PART 8

Insurance in your super

6

PART 9

How to open an account

8

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, or you can obtain a printed copy from us free of charge on request. Tel: 1300 862 862

PO Box 886, Wollongong NSW 2500

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 All third parties named in this document have consented to be named and have not withdrawn their consent at the date of publication.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. 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 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 of the Additional Information Guide for more information.

All members are required to have a Cash Hub where investment monies are held before they can be invested in other investment options. Please refer to Part 5 'How the Cash Hub works' in the Additional Information Guide.

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 and at 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 2024, this is 11.5% 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 turn 65 or when you reach age 60 and cease gainful employment or retire (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 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.

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:

- | | |
|-----------------------------------|-----------------------------|
| ■ Market risk | ■ Fixed income risk |
| ■ Timing risk | ■ Interest rate risk |
| ■ Political risk | ■ Inflation risk |
| ■ Volatility of returns risk | ■ Currency risk |
| ■ Member directed investment risk | ■ Credit risk |
| ■ Liquidity risk | ■ Derivative risk |
| ■ Sector risk | ■ Fraud and technology risk |
| ■ Concentration risk | ■ Counterparty risk |
| ■ Equity risk | ■ Legal and regulatory 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 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 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 investments and pay fees, costs, tax and other deductions.

To invest in any Investment Option 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 in the Secure Online Portal after your account has been opened.

There are a range of 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 Mercer Moderate Growth Enhanced Passive Fund Investment Option.

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.

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.

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"> ■ Cash Hub ■ Selected Managed Funds ■ Selected Managed Account Model Portfolios, available through the Managed Account ■ Term Deposits 	<ul style="list-style-type: none"> ■ 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 Mercer Moderate Growth Enhanced Passive Fund

As an example, the table below sets out information about one of the Investment Options available in Australian Practical Superannuation, the Mercer Moderate Growth Enhanced Passive Fund. Information about other Investment Options can be found in the Additional Information Guide.

Who is this investment option for?	For investors who are looking for capital growth from a diversified portfolio of shares, real assets and fixed interest.		
Investment return objective	CPI + 1.5%		
Minimum suggested time frame	7 years		
Risk Level	Medium - High		
Asset classes	Target %	Min %	Max %
Australian shares	22	5	35
International shares	28.5	15	45
Real assets	4.5	0	25
Alternatives	0	0	10
Growth fixed interest	6.5	0	15
Defensive fixed interest and cash	38.5	23	55

All contributions and rollovers are invested into the Cash Hub. 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.

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.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.

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. Investment 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.

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

Fees and cost summary

Type of fee	Amount	How and when paid	
Ongoing annual fees and costs ¹			
Administration fees and costs	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.	
	Balance		Fee p.a.
	\$0 - \$250,000		0.35% p.a.
	\$250,001 - \$1,000,000		0.25% p.a.
	Over \$1,000,000		Nil
	PLUS	Calculated daily based on your investment profile (Core Menu or Full Menu) and deducted from your Cash Hub monthly and on exit.	
	Account keeping fee		
	Core Menu		\$150 p.a.
	FullMenu		\$250 p.a.
	PLUS		
Expense Recovery fee ²	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.		
Balance		Fee p.a.	
\$0 - \$1,000,000		0.03% p.a.	
Over \$1,000,000		Nil	
+ \$50 p.a. per Account			
PLUS	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.		
Reserves ³		Nil	
Investment fees and costs ^{4 and 5}	Cash Hub	Deducted from the income earned before the interest rate is calculated on your daily Cash Hub balance and credited to your Cash Hub monthly. Refer to the relevant Product Disclosure Statements for fees and other costs that apply to each underlying Investment Option including Managed Funds, other unlisted investments, and some listed securities.	
	0.85% on the Cash Hub balance		
	All other investment options		
	Nil		
Transaction costs ⁶	Nil	There are no transaction costs paid by the Fund however transaction costs may be applicable to underlying investment options accessible via the Fund. Refer to the relevant Product Disclosure Statement for fees and other costs that apply to each accessible investment.	
Member activity related fees and costs			
Buy/sell spread ⁷	Various	We do not charge a buy-sell spread for your investment options. A buy-sell spread may apply to particular Managed Funds. Refer to the relevant Product Disclosure Statement.	

Member activity related fees and costs		
Switching fee	Nil	Not applicable
Other fees and costs ⁸	See additional information in the Additional Information Guide for a description of other fees and costs such as activity fees, advice fees for personal advice and insurance fees and costs.	

Example of annual fees and costs for superannuation product

This table gives an example of how the fees and costs for the **Mercer Moderate Growth Enhanced Passive Fund** 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 - Mercer Moderate Growth Enhanced Passive Fund		Balance of \$50,000
Administration fees and costs	0.35% + \$150 p.a. PLUS 0.03% p.a. + \$50 per Account	For every \$50,000 you have in the superannuation product you will be charged or have deducted from your investment \$190 in administration fees and costs plus \$200 regardless of your balance.
PLUS Investment fees and costs	All other investment options: 0.00% Cash Hub: 0.85%	And , you will be charged or have deducted from your investment \$21.25 in investment fees and costs.
PLUS Transaction costs	Nil	And , you will be charged or have deducted from your investment \$0.00 in transaction costs.
EQUALS Cost of product	If your balance was \$50,000 at the beginning of the year then for that year you will be charged fees of \$411.25 for the superannuation product.	

Note: Additional fees may apply

How fees and costs are charged

Fees and costs are paid directly from your Cash Hub.

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.

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, 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.

² 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.

³ 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.

⁴ The fees and other costs summary table outlines the fees and costs applicable to gaining access to the Fund and does not include taxes and costs that relate to investing in the underlying Investment Options. 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.

⁵ Performance fees may be applicable to the Managed Account Model Portfolio and other accessible investments if a particular return is achieved. The relevant Product Disclosure Statement will set out information on the performance fee (if applicable). More information on performance fees is set out under Part 6 'Additional explanation of fees and costs' of the Additional Information Guide.

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

⁷ The Fund does not charge Buy-Sell spreads. Refer to Part 6 'Additional explanation of fees and other costs' of the Additional Information Guide for further information.

⁸ Depending on the Investment Option you choose, other fees and costs may apply. Refer to Part 6 of the Additional Information Guide for further information.

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

Investment fees and costs of underlying investments

For 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 personal 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. Adviser fees may be deducted from your Australian Practical Superannuation Account in accordance with the guidelines set out in the Additional Information Guide 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.

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.

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%. Refer to Part 7 'How super is taxed' in the Additional Information Guide.

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. 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 ¹ 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 ²	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 ³	Nil	Charged at the time of payment and deducted from your Account with each payment

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 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 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).

³ 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 Praemium Complaints Officer at:

Email: complaints@praemium.com
Address: PO Box 322 Collins Street West
Melbourne 8007

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
Email:	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 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.