Important things to know about Choice Income

Product Disclosure Statement
We’ve built Choice Income for everyday Australians, to help your money last as long as possible when you retire. You can have peace of mind knowing your savings are being managed by an award-winning fund that has invested over $119 billion* on behalf of 2.2 million members.

* More than $119 billion in member assets as at 25 September 2017.
What’s in this guide
Choice Income allows you to make positive choices about your life even before you retire. This guide covers all you’ll need to get started.

Contents

1  The basics
   An overview of how Choice Income works for you, with pointers to more detailed explanations of each topic later in the guide.

2  Getting started
   There are two ways you can set up your account:

   Ready Made
   The easy way to turn your super into a lasting income. Get off to a flying start by letting us choose your investment and payment options (which you can easily change later if you need to).

   My Choice
   If you’d prefer, you can make your own choices. This section explains how to go about it and what you need to keep in mind.

3  Getting down to details
   A more detailed look at the way your account works. Read about your fees, the tax you pay, investment options and nominating your beneficiaries. Check out the next steps for opening and setting up your account.

4  Forms
   You can set up your account quickly and easily online. But if you’d prefer to fill in paper forms, you’ll find the right ones at the back of this guide.
The basics

Here you’ll find:

› how your account works
› the investment options you can choose from
› the fees and tax you’ll pay
Why Choice Income?

We want you to enjoy your retirement, not worry about where your money will come from. That’s why we created our low-cost retirement income product. Choice Income is a flexible income product that helps you control how long your savings last.

The benefits include:

- a regular income, even while you’re still working*
- regular payments on top of the Government Age Pension (if you receive it)
- access to your money whenever you need it†
- more savings, because the money in your account stays invested
- the chance to pay less tax‡.

Something to consider:

- it may be difficult to add money back into super once you’ve withdrawn it.

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* Government prescribed minimums and maximums and other restrictions may apply.
† Must meet conditions of release. An additional withdrawal fee may be charged.
‡ Learn more about tax on page 35.

Read more about how you can top up any eligible Government Age Pension with payments from an income account at australiansuper.com/AgePension
How Choice Income works

Super account

Use money from your super account to open a Choice Income account

Choice Income account

Any positive investment returns

Fees and taxes

Any negative investment returns

Income payments

When you can start
You can open an account when:

› you reach your preservation age and:
  - have permanently retired, or
  - want to transition to retirement (TTR) while you’re still working
› you’ve changed jobs on or after turning 60, or
› you’ve turned 65 (even if you’re still working).

You may also be able to open an account if you’re over 18 and can access an ‘unrestricted non-preserved’ component of your super or if you can access your super because you are totally and permanently disabled. Call 1300 300 273 or visit australiansuper.com/AccessSuper for more information about these situations.

Accessing your super: your preservation age

<table>
<thead>
<tr>
<th>If you were born...</th>
<th>You can access your super at...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 1 July 1960</td>
<td>55</td>
</tr>
<tr>
<td>1 July 1960 – 30 June 1961</td>
<td>56</td>
</tr>
<tr>
<td>1 July 1961 – 30 June 1962</td>
<td>57</td>
</tr>
<tr>
<td>1 July 1962 – 30 June 1963</td>
<td>58</td>
</tr>
<tr>
<td>1 July 1963 – 30 June 1964</td>
<td>59</td>
</tr>
<tr>
<td>1 July 1964 or after</td>
<td>60</td>
</tr>
</tbody>
</table>

Read more about starting your transition to retirement at australiansuper.com/ttr
How much do I need to open a Choice Income account?
A minimum balance applies when opening an account.

<table>
<thead>
<tr>
<th>If you’re...</th>
<th>Your minimum opening balance is...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Still working and using TTR</td>
<td>$25,000</td>
</tr>
<tr>
<td>Retired</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

How much can I transfer into my Choice Income account?
On 1 July 2017 the Government introduced a lifetime cap on the amount retirees can transfer from superannuation accounts to retirement income accounts (like Choice Income). The cap:
› is $1.6 million for each individual.
› includes the total amount transferred from any superannuation account to any of your retirement income accounts.
› is managed by the Australian Taxation Office, so it includes money across any superannuation fund, including defined benefit schemes.
› doesn’t apply to members with a transition to retirement strategy.

Combine your super before you open your account
Once you’ve opened a Choice Income account, you can’t add more money to it.
It may be a good idea to combine your retirement savings into an AustralianSuper super account beforehand, so you have all your money in one place. This includes super from other funds and any lost super you may have found.

Your account set-up options
There are two ways you can set up your account:

Ready Made: Take it easy and leave the decisions to us (see page 14).
› An easy way to turn your super into a lasting income.
› Pre-selected investment mix.
› Pre-selected payment options.

My Choice: Customise your account yourself (see page 15).
› Your investment options.
› How much you get paid.
› How often you get paid.

Open a Choice Income account while you’re still working
You can open a Choice Income account using transition to retirement (TTR) while you’re still working.

As the diagram shows, there are two ways you can use TTR: to Work less or Save more.

Both allow you to keep the same take-home pay by topping up your salary with money from your income account.

To set up a TTR, you’ll need to open a Choice Income account alongside your super account. The two accounts work together to reduce the overall tax you pay* and allow you to either grow your super savings or reduce your working hours.
› Your super account will receive contributions from you and your employer.
› Your income account will provide payments to either top up your take-home pay now that you’ve reduced your work hours (Work less), or replace the before-tax income you’ve salary sacrificed into your super account (Save more).

Transition to retirement

Work less OR Save more

Benefits
› Use your Choice Income payments to top up your take-home pay.
› Your super continues to grow because you’re still working.
› The chance to save on tax.

* Save more is only likely to be tax effective once you turn 60. See page 35 for more information.
**Fees and costs**

We’re serious about making your money last longer, which is why we charge low fees. We can keep them low because they’re only set to cover the costs of running the fund, not to make a profit for shareholders or pay commissions to agents or advisers.

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**Our fees are lower than the average income account**

<table>
<thead>
<tr>
<th>Account balance</th>
<th>AustralianSuper</th>
<th>Average account</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000</td>
<td>$423</td>
<td>$695</td>
</tr>
<tr>
<td>$100,000</td>
<td>$768</td>
<td>$1,269</td>
</tr>
</tbody>
</table>

Our admin fee is $1.50 per week, plus an annual asset-based fee of 0.11% (capped at $750). Other funds may charge higher fees, which can really add up.

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**Tax**

An income account can help you pay less tax on your retirement savings, leaving you with more to spend on everyday living expenses.

**Tax if you're 60 or over**

After you’ve turned 60, your retirement income payments (including any one-off payments) are generally tax-free and don’t need to be declared as assessable income when you lodge a tax return.

**Tax if you're under 60**

Before you turn 60, your account is divided into a tax-free amount and a taxable amount. These are the same tax-free and taxable amounts you had in your super account.

For full details of the tax arrangements that apply to income accounts, see page 35.

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**Beneficiaries**

Your income account is designed to turn your super into a lasting income, so some of your savings may even outlive you.

If that happens, we’ll make sure what’s left in your account goes where you want it to. We allow you to nominate the person(s) who may receive a single payment of the remaining funds, or who may get a regular income from your account, if you die.

For full details of how to nominate beneficiaries, see page 38.

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For a full rundown on all the fees that can be charged and other costs that may arise, see page 30.
Investment options

The right investment option can make a big difference to how long your savings last.

Choosing the right investment is important. It can affect how much you receive as an income and how long your savings may last.

If you’re an AustralianSuper member, you may already be familiar with the investment options available and know that you can switch at any time.

You can decide to either leave your investment choice to us or choose and manage your own investment options.

Ready Made is the easy way to turn your super into a lasting income. Your investment and payment options are pre-selected.

› 12% Cash and 88% Balanced

PreMixed options are diversified options that invest across different combinations of asset classes such as shares, property, infrastructure, fixed interest and cash.

Your PreMixed choices are:
  › High Growth
  › Balanced (default investment option)
  › Socially Aware
  › Indexed Diversified
  › Conservative Balanced
  › Stable

DIY Mix options are single asset class portfolios. You choose how much you want to invest in each or a mix that can also include one or more PreMixed options.

Your DIY Mix choices are:
  › Australian Shares
  › International Shares
  › Property
  › Diversified Fixed Interest
  › Cash

Use Member Direct to invest in a range of listed securities, including shares in the S&P/ASX 300 Index, exchange traded funds (ETFs), and term deposits.

We compare the performance of our investment options against industry and market benchmarks so you can track how your income account is performing. View our latest performance figures at australiansuper.com/RetirementPerformance
2 Getting started

When setting up your Choice Income account, you can leave all the decisions to us while you get used to being retired (Ready Made) or take control by choosing your own investment and payment options (My Choice).
We’ve created Ready Made to make setting up your account easy and help turn your super into a lasting income.

If you’re not sure about investment options and income payment arrangements, you can leave the decisions to us.

Ready Made means:
› you’re invested in 12% Cash and 88% Balanced
› you get paid every two weeks
› you receive 6% of your balance each year.

How your account balance will be invested
Ready Made uses a 12% Cash and 88% Balanced initial portfolio investment strategy.
› The Cash component is designed to help you settle into retirement and cover your income needs and any unexpected expenses for the first two years.
› The Balanced option invests in a wide range of assets, which will help your money last right through your retirement.

Your income will be drawn from your Cash option first, until the balance in Cash reaches $0. Your income is then taken from your Balanced option.

How much income you receive
With Ready Made, you’ll receive 6% of your balance each year as income. As you get older, this amount will increase to meet the minimum payment limits set by the Government.

<table>
<thead>
<tr>
<th>Your age</th>
<th>Minimum % of your balance you’ll receive each year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 80</td>
<td>6%</td>
</tr>
<tr>
<td>80 to 84</td>
<td>7%</td>
</tr>
<tr>
<td>85 to 89</td>
<td>9%</td>
</tr>
<tr>
<td>90 to 94</td>
<td>11%</td>
</tr>
<tr>
<td>95 and over</td>
<td>14%</td>
</tr>
</tbody>
</table>

How often you get paid
You’ll receive your payments every two weeks, which means you can top up any Government Age Pension you may be eligible for.

Change your mind anytime
After you’ve set up your account, you can make changes at any time.

For information about the AustralianSuper Balanced and Cash investment options, see page 22 and 26.

Getting started with Ready Made

To open an account, just follow these simple steps:
1. Opening your account online is easy - go to australiansuper.com/join and fill out the online form at your own pace. You can save the application and come back to it later if you need to. Alternatively you can use the application form at the back of this PDS.
2. Complete your personal details, list your beneficiaries and select the Ready Made option on the application. This means:
   › your money will be invested in a 12% Cash and 88% Balanced portfolio
   › you’ll get paid every two weeks, and
   › each year, you’ll receive 6% of your balance or the minimum limit for your age (whichever is higher).
3. You start to receive a regular income as soon as we’ve processed your application.
My Choice allows you to choose your investment and payment options to tailor your account for your retirement goals.

Before you make your investment and payment choices
Your payment and investment choices will affect how long your retirement savings last.

When setting up your account consider:
› how much money you’ll need each year
› if you’ll receive money from a source other than your income account (like the Government Age Pension)
› how long you think you’ll need your retirement savings to last. With current life expectancies, and depending on when you retire, your retirement income may need to last you 20 years or longer.

Your investment options
You can make the same investment choices that are available to all members of AustralianSuper.
Information about Premixed, DIY Mix and Member Direct options are shown on pages 22-23, 25-26 and 28-29 respectively. Please consider your income needs, investment goals and the risk profile of each option before making your choice.

Your payment options
Selecting your payment options is more than just choosing how much you’ll receive.

You’ll need to choose how often you receive income payments and how much those payments will be. You can set the payments as a fixed amount, or the minimum or maximum percentage of your account balance.

The choices you make will have a big impact on how long your savings will last, so it’s important to think about your long-term needs. Remember, you can always make extra withdrawals if you need a bit more money to help pay for something out of the ordinary.

Some limits apply to both arrangements:
› You must be paid at least once a year, or you can choose to be paid every two weeks, once a month, once every three months or twice a year.
› You must be paid a minimum percentage of your account balance each year and a maximum of 10% if you’re under 65 and using a transition to retirement strategy (see page 37).

For a detailed explanation of your payment options, see page 37.

Getting started with My Choice

To open an account, just follow these simple steps:
1. Opening your account online is easy - go to australiansuper.com/join and fill out the online form at your own pace. You can save the application and come back to it later if you need to. Alternatively you can use the application form at the back of this PDS.
2. Complete the application with your personal details and:
› select your beneficiaries.
› choose your investment option/s.
› select how much and how often you get paid.
3. You’ll start to receive a regular income as soon as we’ve processed your application.
Member Direct

If you know a lot about investments, our Member Direct investment option allows you to take even more control of the way your retirement income is invested*.

You can implement your own strategy by selecting from:

› Shares in the S&P/ASX 300 Index – this index includes large and small capitalisation Australian companies across a range of industry sectors.

› Australian and International Exchange Traded Funds (ETFs) – an ETF is a fund that is traded on a stock exchange like shares. View the current list of ETFs available in the Member Direct option at australiansuper.com/MemberDirect

› Term deposits – choose from a range of issuers, interest rates and terms. Interest accrues daily and is paid on maturity.

* Super members using a Choice Income account with transition to retirement (TTR) can only invest with Member Direct in their super account, not in their Choice Income account.
Getting down to details

Here you can find more detailed information about:

- Investment risks, options and policies...18
- Member Direct.............................................28
- Fees and other costs....................................30
- Tax rates and arrangements..........................35
- Payments.........................................................37
- Nominating beneficiaries..............................38
- The next steps................................................39
- Financial Services Guide..............................40
**Investment risks, options and policies**

### Understanding your investment risks

All investments have risks, which can affect your retirement income in different ways. Volatility of the investment market isn’t the only risk that applies to your retirement income.

<table>
<thead>
<tr>
<th>Type of risk</th>
<th>What is it?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adequacy</td>
<td>The risk that your super savings won’t provide enough retirement income for as long as you’ll need it.</td>
</tr>
<tr>
<td>Agency</td>
<td>The risk that the third parties who manage investments and administration for AustralianSuper do not perform as expected.</td>
</tr>
<tr>
<td>Credit or counterparty</td>
<td>The risk that the issuer of a security (like a bond) doesn’t pay back the money borrowed when it’s due.</td>
</tr>
<tr>
<td>Currency</td>
<td>Movements in exchange rates can affect the value of your investments. For example, an increase in the Australian dollar compared to other currencies can reduce the returns of international share investments. A drop in the value of the Australian dollar can improve returns.</td>
</tr>
</tbody>
</table>
| Drawdown (retirement income payment amount) | When your retirement income payments are much higher than your investment returns and you start to draw large amounts of your savings to provide your income payments.  
This could have a significant impact on how long your retirement savings last. |
| Inflation                        | Inflation is the rate at which the general level of prices for goods and services rises and the value of currency falls. Inflation risk is when your investment returns don’t grow above inflation to meet your long-term income requirements. |
| Interest rate                    | Interest rate movements can affect your investment returns. While lower interest rates are usually good for the economy, they can lead to low returns for investors relying on cash-based investments for income. |
| Liquidity                        | The risk that your investment can’t be sold at the right time or when you need your money. For example, if your funds are invested in a term deposit.                                                            |
| Longevity                        | The risk that you’ll outlive your retirement savings.                                                                                                                                                        |
| Market timing                    | The risk that you buy or sell your investments at the wrong time. For example, if prices are low when you sell, you may lose savings. If you wait until prices pick up before you buy, it might take longer for the value of your savings to grow. This can be a risk when switching investment options. |
| Policy or legislative            | The risk that changes to super legislation, retirement income account rules or industry regulations will affect your investment.                                                                                |
| Sequencing                       | Sequencing risk relates to the order and timing of your investment returns. Experiencing negative returns when you’re early in retirement can significantly impact how long your retirement savings last. You may not have as much time to recover from market downturns and you won’t be getting ongoing super contributions to help offset this risk. |
| Volatility or market risk        | Market ups and downs can cause the value of your investment to rise and fall. This is something you may want to avoid if drawing income over a short-term timeframe. Volatility is sometimes measured by how often you can expect to receive a negative annual return within a particular period of time. |
Risk levels
Our investment options are split into short, medium and long-term risk levels.

› **Short-term risk** (also known as the standard risk measure) is the risk that your retirement savings will be reduced by the ups and downs, or volatility, of the investment market.

› **Medium-term risk** balances two risks. The first is that your retirement savings will be reduced by volatility and the second is that your savings will not keep up with inflation.

› **Long-term risk** is the risk that your retirement savings will not grow to meet the inflation rate.
For more information about risk levels, see Understanding your investment options on page 21.

Inflation
Inflation reduces the value of money over time. This means the money you’ve saved now will be worth less in the future.

Inflation is something you need to think about when choosing how much you’ll be paid and your investment options. Inflation can increase your daily living costs, so your income payments may need to increase from year to year.

Consumer Price Index
Consumer Price Index (CPI) is an index used to measure the price of selected goods and services regularly purchased by ordinary Australian households. This index is used to measure inflation.

Risks and your investment timeframe
When selecting your investments, it’s important to consider options that address both short and long-term income needs. This may mean choosing more than one investment option.

A shorter investment timeframe of up to five years means you should focus on protecting your savings as you’ll access them sooner. An investment option with a lower chance of negative returns may be more appropriate. Over the short term, a big risk is that market ups and downs may reduce your account balance, which will reduce the length of time you can receive an income.

A longer investment timeframe means you’ll have more time to grow your retirement savings. Investing your retirement savings in a mix of options may be a solution. Money you need to access within one to five years could be invested into lower risk options. Investing the rest of your savings into an option or options that will grow your savings above inflation so you can draw an income for longer is also very important.

How your income affects your investment timeframe
How much you withdraw as a regular income from your account can also impact your investment timeframe, which you’ll need to consider when making an investment choice. Withdrawing a higher income will reduce your savings more quickly and therefore reduce your investment timeframe, while taking a lower amount will increase it.

Investment switching
You can change how you invest your income account up to once a day (except weekends and national public holidays*). There are no fees to change your investment choice unless you invest in the Member Direct investment option.

If you make a request before 4pm AEST/AEDT weekdays, your account will be invested in your new investment choice the next business day. Your new investment choice will show in your account the following business day. Requests received on or after 4pm AEST/AEDT weekdays, or on weekends or public holidays, will take an extra business day.

Make your choice online:
› Log into your online account at australiansuper.com/login
› If you can’t make your choice online, call us on 1300 300 273 8am–8pm AEST/AEDT weekdays.

* Plus Queen’s birthday (all states, except Queensland and Western Australia).

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The short-term risk level corresponds with the Standard Risk Measure, which is used across the super industry to help members compare the risk levels of investment options. The Standard Risk Measure classifies investment options according to their expected likelihood of negative returns in a given year.
Asset classes

Asset classes are the building blocks of your investment. Some investment options invest in one asset class, while others include a mix. We invest in the following asset classes:

**Cash**
Money market securities such as bank bills and short-term bonds that are held with banks, the Australian Government and some companies.

**Credit**
Debt securities issued by companies and other entities as well as loans. Returns are mainly driven by economic growth and quality of the underlying company which issued the debt. Credit is a subset of the fixed interest asset class and in our portfolios is predominately higher yielding.

**Fixed interest (bonds)**
Loans to governments, private companies and banks that are issued as securities and pay regular interest over a set term. The principal amount borrowed is repaid when the security matures. The bonds in our fixed interest asset sector are investment grade.

**Infrastructure**
Assets that provide essential public facilities and services such as roads, airports, seaports and power supply and generation in Australia and overseas.

**Private equity**
Investment in companies that aren’t listed on a stock exchange. Can include Australian and international companies across a wide range of industries.

**Other assets**
From time to time, we may invest in other assets which represent a short or medium-term opportunity based on them being attractively priced. These include but are not limited to assets such as commodities, royalties or leases.

**Shares (stocks, securities, equities)**
Part of a company that you can buy and sell on a stock exchange. You can access large and small companies across a range of industries in Australia and overseas.

**Direct Property**
Direct holdings in residential, retail, industrial or commercial real estate.

**Listed Property**
Is a closed-end investment company that owns assets related to real estate such as buildings, land and real estate securities. They are listed on stock market exchanges and can be traded like common shares.

---

**Crediting rate**

AustralianSuper declares a daily ‘crediting rate’ (also known as an investment return) for each investment option. The crediting rate can be positive or negative depending on investment markets. Returns from your chosen investment option/s are determined daily and applied to your account either annually at 30 June, or earlier if you switch investment options or close your account. The amount allocated is the actual investment return earned during the period that your money was invested in the investment option/s, less any investment fees. Investment earnings within a transition to retirement arrangement will be subject to the same maximum 15% tax rate that applies to super accumulation funds.
Balanced
Invests in a wide range of assets. Designed to have medium to long-term growth with possible short-term fluctuations.

Investment aims
› To beat CPI by more than 4% pa over the medium to longer term.
› To beat the median balanced fund over the medium to longer term.

Minimum investment timeframe:
At least 10 years.

Risk level for the time invested
<table>
<thead>
<tr>
<th>Short-term</th>
<th>Medium-term</th>
<th>Long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Medium</td>
<td>Low to medium</td>
</tr>
</tbody>
</table>

Risk of negative return:
About 5 in every 20 years

Australian shares 25% (10–45%)
International shares 34% (10–45%)
Direct property 7% (0–30%)
Infrastructure 13% (0–30%)
Private equity 3% (0–10%)
Credit 6% (0–20%)
Fixed interest 2% (0–25%)
Cash 10% (0–15%)
Other assets 0% (0–5%)

Short-term
If you plan to invest for under 5 years
Investments may be reduced by market volatility and not have time to recover.

Medium-term
If you plan to invest for 5–20 years
Investments may be reduced by market volatility and/or your savings might not keep up with inflation.

Long-term
If you plan to invest for over 20 years
Your savings may not keep up with inflation.

Understanding your investment options

On the next few pages you’ll find more detail about each investment option. To help you understand what makes up each investment option, we’ve put together the example below.

A short summary about what the option’s invested in and what it was designed to achieve.

If you can’t keep your money invested for at least this long, this option probably isn’t for you.

How often this option is likely to go backwards in a 20-year period.

The chart shows the combination of asset classes that typically make up each option.

For further information, read our Investment Guide at australiansuper.com/investmentguide

For our PreMixed options, we work out what the different mix of asset classes will be for each option. The asset allocation ranges are the minimum and maximum amounts we can invest in each asset class. Each year we set a percentage we might invest in each asset class as a guide – this is called the strategic asset allocation. During the year we can move towards or away from this percentage based on our outlook for the economy and investment markets.
Your PreMixed investment options

Choose the mix that best suits you and leave the rest to us.
With our PreMixed options, we’ve done the diversification for you. These options are made up of more than one asset class and with different levels of risk and expected return.

**High Growth**
Invests in a wide range of assets with a focus on Australian and international shares. Designed to have strong long-term returns with possible fluctuations in the short-term.

**Investment aims**
› To beat CPI by more than 4.5% pa over the medium to longer term.
› To beat the median growth fund over the medium to longer term.

**Minimum investment timeframe:** At least 12 years.

**Risk level for the time invested**
- **Short-term:** High
- **Medium-term:** Medium
- **Long-term:** Low to medium

**Risk of negative return:** About 5 in every 20 years.

**Investment composition:**
- Australian shares 32% (20–50%)
- International shares 43.5% (20–50%)
- Direct property 5% (0–30%)
- Infrastructure 9% (0–30%)
- Private equity 3.5% (0–10%)
- Credit 4% (0–20%)
- Fixed interest 0% (0–20%)
- Cash 3% (0–10%)
- Other assets 0% (0–5%)

*This investment option may use Exchange Traded Index Futures (up to 5% of the total assets) to efficiently manage cash flows and ensure this option is invested within the targeted asset allocation. This may include economic exposure to companies that are normally excluded by the option’s investment screens.*

**Balanced**
Invests in a wide range of assets. Designed to have medium to long-term growth with possible short-term fluctuations.

This is our default option if you don’t make an investment choice when you join.

**Investment aims**
› To beat CPI by more than 4% pa over the medium to longer term.
› To beat the median balanced fund over the medium to longer term.

**Minimum investment timeframe:** At least 10 years.

**Risk level for the time invested**
- **Short-term:** High
- **Medium-term:** Medium
- **Long-term:** Low to medium

**Risk of negative return:** About 5 in every 20 years.

**Investment composition:**
- Australian shares 25% (10–45%)
- International shares 34% (10–45%)
- Direct property 7% (0–30%)
- Infrastructure 13% (0–30%)
- Private equity 3% (0–10%)
- Credit 6% (0–20%)
- Fixed interest 2% (0–25%)
- Cash 10% (0–15%)
- Other assets 0% (0–5%)

**Socially Aware**
Selects share investments using strict screening based on environmental, social and governance standards as well as investing in a wide range of other asset classes. Designed to have medium to long-term growth with possible short-term fluctuations.

**Investment aims**
› To beat CPI by more than 4% pa over the medium to longer term.
› To beat the median balanced fund over the medium to longer term.

**Minimum investment timeframe:** At least 10 years.

**Risk level for the time invested**
- **Short-term:** High
- **Medium-term:** Medium
- **Long-term:** Low to medium

**Risk of negative return:** About 5 in every 20 years.

**Investment composition:**
- Australian shares 25% (10–45%)
- International shares 34% (10–45%)
- Direct property 7% (0–30%)
- Infrastructure 13% (0–30%)
- Private equity 3% (0–10%)
- Credit 6% (0–20%)
- Fixed interest 2% (0–25%)
- Cash 10% (0–15%)
- Other assets 0% (0–5%)
Indexed Diversified
Invests in a wide range of assets using indexing strategies. Designed to have medium to long-term growth with possible short-term fluctuations.

Investment aims
› To beat CPI by 3.5% pa over the medium to longer term.

Minimum investment timeframe:
At least 10 years.

Risk level for the time invested
<table>
<thead>
<tr>
<th>Short-term</th>
<th>Medium-term</th>
<th>Long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Medium</td>
<td>Low to medium</td>
</tr>
</tbody>
</table>

Risk of negative return:
About 5 in every 20 years.

Conservative Balanced
Includes a higher allocation to fixed interest and cash than the Balanced option. Designed to have medium-term growth with a balance between capital stability and capital growth. May also have some short-term fluctuations.

Investment aims
› To beat CPI by more than 2.5% pa over the medium term.
› To beat the median conservative balanced fund over the medium term.

Minimum investment timeframe:
At least 5 years.

Risk level for the time invested
<table>
<thead>
<tr>
<th>Short-term</th>
<th>Medium-term</th>
<th>Long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Medium</td>
<td>Low to medium</td>
</tr>
</tbody>
</table>

Risk of negative return:
About 4 in every 20 years.

Stable
An emphasis on fixed interest and cash with a higher focus on stability than growth.

Investment aims
› To beat CPI by more than 1.5% pa over the medium term.
› To beat the median capital stable fund over the medium term.

Minimum investment timeframe:
At least 3 years.

Risk level for the time invested
<table>
<thead>
<tr>
<th>Short-term</th>
<th>Medium-term</th>
<th>Long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medium to high</td>
<td>Medium</td>
<td>Low to Medium</td>
</tr>
</tbody>
</table>

Risk of negative return:
About 3 in every 20 years.

Australian shares 32% (20–50%)
International shares 38% (20–50%)
Listed property 0% (0–10%)
Fixed interest 17% (0–30%)
Cash 13% (0–30%)

International shares 17.5% (5–35%)
Direct property 6% (0–25%)
Infrastructure 11% (0–25%)
Private equity 1.5% (0–5%)
Credit 7% (0–25%)
Fixed interest 20% (0–40%)
Cash 13.5% (0–30%)
Other assets 0% (0–5%)

Australian shares 10% (0–20%)
International shares 13.5% (0–20%)
Direct property 6% (0–15%)
Infrastructure 11% (0–15%)
Private equity 0% (0–3%)
Credit 7% (0–25%)
Fixed interest 27.5% (0–45%)
Cash 25% (0–50%)
Other assets 0% (0–5%)
Your DIY Mix investment options

Build your own mix of investment types by investing in our DIY Mix options and we’ll manage it for you.

**Australian Shares**
Invests in a wide range of companies listed on the Australian Securities Exchange. Designed to have strong long-term capital growth with possible short-term fluctuations in returns.

**International Shares**
Invests in a wide range of companies listed on securities exchanges around the world. Designed to have strong long-term capital growth with possible short-term fluctuations in returns.

**Property**
Invests in Australian and overseas properties, including shopping centres and office buildings. Designed to have strong medium to long-term capital growth with lower volatility than shares.

**Investment aims**
- **Australian Shares**
  - To beat the S&P/ASX 300 Accumulation Index over the medium to long term.
- **International Shares**
  - To beat the MSCI World All Countries (ex Australia) Unhedged Index over the medium to long term.
- **Property**
  - To beat CPI by more than 3% pa and the Mercer/IPD Australia Unlisted Wholesale Property Fund Index over the medium term.

**Minimum investment timeframe:**
- **Australian Shares:** At least 12 years.
- **International Shares:** At least 12 years.
- **Property:** At least 5 years.

**Risk level for the time invested**

<table>
<thead>
<tr>
<th>Short-term</th>
<th>Medium-term</th>
<th>Long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very high</td>
<td>Medium</td>
<td>Medium</td>
</tr>
</tbody>
</table>

**Risk of negative return:**
- About 6 in every 20 years.

<table>
<thead>
<tr>
<th>Short-term</th>
<th>Medium-term</th>
<th>Long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very high</td>
<td>Medium</td>
<td>Medium</td>
</tr>
</tbody>
</table>

**Risk of negative return:**
- About 6 in every 20 years.

<table>
<thead>
<tr>
<th>Short-term</th>
<th>Medium-term</th>
<th>Long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medium to high</td>
<td>Medium</td>
<td>Low to medium</td>
</tr>
</tbody>
</table>

**Risk of negative return:**
- About 4 in every 20 years.

- **Australian shares (90–100%)**
- **Cash (0–10%)**
- **International shares (90–100%)**
- **Cash (0–10%)**
- **Property (90–100%)**
- **Cash (0–10%)**
Diversified Fixed Interest
Invests in a wide range of Australian and international bonds and loans. Aims for capital stability and higher returns than cash over the short to medium term.

Investment aims
› To beat CPI by more than 0.5% pa over the short to medium term.

Minimum investment timeframe:
At least 3 years.

Risk level for the time invested

<table>
<thead>
<tr>
<th></th>
<th>Short-term</th>
<th>Medium-term</th>
<th>Long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Medium</td>
<td>Medium to high</td>
<td>Medium to high</td>
</tr>
</tbody>
</table>

Risk of negative return:
About 2 in every 20 years.

Cash
Invests in short-term money market securities and some short-term bonds. Designed to have stable returns above the official cash rate.

Investment aims
› To outperform the return of the Bloomberg Ausbond Bank Bill Index each year.
› To outperform the annual return of CPI.

Minimum investment timeframe:
At least 1 year.

Risk level for the time invested

<table>
<thead>
<tr>
<th></th>
<th>Short-term</th>
<th>Medium-term</th>
<th>Long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Very low</td>
<td>Medium to high</td>
<td>Very high</td>
</tr>
</tbody>
</table>

Risk of negative return:
Not expected.

Fixed Interest 100%
Cash 100%
Environmental, social and governance management

Our priority is to achieve superior long-term investment returns for you. We believe companies with good environmental, social and governance (ESG) management are more likely to increase their value and provide better long-term returns for our members.

Active Owner Program
We’re an active investor which means we assess and manage all investment risk factors, including ESG issues. Our approach applies to all our investment options.

Managing risks and opportunities
As part of the investment process, we identify various ESG risks and opportunities across the portfolio and then integrate and value them so we have better informed decision making and improved investment outcomes.

Engagement with companies we invest in
We regularly talk with companies we invest in and the fund managers we use to invest for us. The aim is to ensure that the companies we invest in understand who we are and what is in our members’ best interests.

Share voting
As part of making sure companies we invest in are well managed and focus on long-term value creation, we vote on matters relating to:
› S&P ASX200 companies
› any other Australian listed company that we're a large shareholder in
› 500 global companies
› all Australian companies held internally
You can view our quarterly voting history online. Read more about our Active Owner Program including ESG management at australiansuper.com/InvestmentGovernance

About Socially Aware
Socially Aware is a balanced investment option that doesn’t invest in shares of Australian or international companies that:
› directly own reserves of coal, oil, gas or uranium*
› produce tobacco, cluster munitions and land mines
› have single gender boards i.e. exclusively male or female boards (ASX200 companies only)
› have been flagged as having human rights, labour, environmental or governance controversies.
* Reserves, in this context, are coal, oil, gas or uranium that can be extracted from known fields at an economical cost. The option can still invest in companies that invest in, provide services to, or buy, process or sell products from the excluded companies.

This investment option may use Exchange Traded Index Futures (up to 5% of the total assets) to efficiently manage cash flows and ensure this option is invested within the targeted asset allocation. This may include economic exposure to companies that are normally excluded by the option’s investment screens.

You can find out more about the asset allocation and risk profile of our Socially Aware option on page 22.

About Member Direct
If you invest with Member Direct, you can tailor your selection of individual companies in the S&P/ASX 300, ETFs and term deposits to suit your investment needs. See page 28 for more about Member Direct.
Member Direct

Take a hands-on approach to the way your money is invested with Member Direct, our member directed investment option.

Who can register?
› Retirement income members with $50,000 or more in your account.
› Super members with $10,000 or more in your account.
› Super members using a Choice Income account with transition to retirement can only invest with Member Direct in their super account, not in their Choice Income account.

Features
› Access to real-time trading, extensive market information, independent research and investment tools to help you make informed investment decisions and manage your portfolio.
› Manage your investments online, in real time, through the Member Direct online platform.
› Check your income payment reserve* at any time by logging in to the Member Direct online platform.

How it works
It all starts with your transaction account, which works like an online bank account and earns a competitive rate of interest. You transfer money from your other AustralianSuper investment options into this account to invest. You can also transfer funds from your Member Direct transaction account back into your other AustralianSuper options.

* Your income payment reserve is the minimum amount you must keep in your AustralianSuper investment options, outside of Member Direct, to cover 13 months of income payments based on the government’s minimum age-based payment limits. If your balance is below this amount, you can’t transfer more money into Member Direct or invest in term deposits.
Other conditions
There are other conditions you must follow to keep your Member Direct investment option active.*
› You need at least $400 in your Member Direct transaction account at all times.
› You must keep at least $10,000, or your income payment reserve (whichever is greater) invested in one or more of our PreMixed or DIY investment options. Your income payments are deducted from your investments outside Member Direct.
› There are limits to how much you can have invested in shares, ETFs or term deposits.
› Once invested, your total income account balance needs to be $30,000 or more. When your total account balance falls below $30,000 you’ll have to exit the Member Direct investment option.

Over time, you may have to transfer money from your Member Direct transaction account to your other investments to fund your future income payments. This might mean you have to sell some of your Member Direct investments. You should consider this before committing to a long-term investment like a term deposit.

How to register for the Member Direct investment option
Once you have an account with us, just follow these simple steps to register for Member Direct:

1. Set up your online account at [australiansuper.com/login](http://australiansuper.com/login)
2. Register for Member Direct through your online account.

To invest in Member Direct, you need a valid email address and secure access to the internet. We don’t recommend using public or shared computers to access the online platform.

Before you decide
You should read the Member Direct guide and terms and conditions before making a decision. You’ll find more information at [australiansuper.com/MemberDirect](http://australiansuper.com/MemberDirect)

Member Direct isn’t for everyone so double-check it’s right for you. You’ll be managing your own investments and will need to know a lot about investing and the markets. It’s important that you’re comfortable doing this. We strongly encourage you to seek advice from a licensed financial adviser before choosing this option. They can help you develop an investment strategy to meet your personal circumstances and needs.

Fees
There are fees that apply to the Member Direct investment option. Find out more at [australiansuper.com/MemberDirectFees](http://australiansuper.com/MemberDirectFees)

### Member Direct Fees

<table>
<thead>
<tr>
<th>Type of fee</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration fee</td>
<td>$395 each year</td>
<td>The administration fee is calculated daily, and deducted from your account on the first business day of each month.</td>
</tr>
<tr>
<td>Brokerage fees for shares and exchange traded funds (ETFs)</td>
<td>Transaction amount: $0 to $5,000, $5,001 to $10,000, $10,001 to $30,000, $30,001 to $50,000, $50,000+</td>
<td>Brokerage fees apply for trading shares and Exchange Traded Funds (ETFs). A flat fee applies to the first $5,000 of your trade. Scaled, cumulative brokerage rates apply to each component of your trade value above this.</td>
</tr>
<tr>
<td>Brokerage fee†</td>
<td>$15.00, 0.30%, 0.20%, 0.16%, 0.12%</td>
<td></td>
</tr>
<tr>
<td>Management fees for ETFs</td>
<td>For details of the management fees for your ETF please visit the website of the ETF issuer.</td>
<td>All fees incurred by the ETF are deducted from the returns from the underlying securities in the ETF. As such, the price which is quoted on the ASX for the ETF reflects all fees and expenses incurred in the management of the ETF.</td>
</tr>
<tr>
<td>Term deposit early redemption costs</td>
<td>See Investment Menu available at <a href="http://australiansuper.com/MemberDirect">australiansuper.com/MemberDirect</a></td>
<td>If you choose to break a term deposit early interest rate reductions will apply.</td>
</tr>
</tbody>
</table>

* Read the Member Direct terms and conditions at [australiansuper.com/MemberDirect](http://australiansuper.com/MemberDirect) for a full list of rules that apply to this investment option.
† The above rates exclude GST.
Fees and other costs

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 administration fees. 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 (moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

This section shows the fees and other costs that may be deducted from your account, the returns on your investment or from AustralianSuper assets as a whole.

Other fees such as activity fees or advice fees for personal advice may also be charged. Taxes are listed from page 35. You should read all the information about fees and other costs because it’s important to understand their impact on your investment.

<table>
<thead>
<tr>
<th>Type of fee</th>
<th>Amount</th>
<th>How and when it’s paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment fee</td>
<td>0.75% for the Balanced option.</td>
<td>Deducted from before-tax investment returns on 30 June (earlier if you close your account), before the returns are applied to your account.</td>
</tr>
<tr>
<td>Administration fee</td>
<td>Administration fee consists of an:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>› account-keeping fee: $1.50 per week, and</td>
<td></td>
</tr>
<tr>
<td></td>
<td>› asset-based fee: 0.11% pa of your account balance capped at $750 pa</td>
<td>The account-keeping fee is calculated weekly and deducted monthly from your account.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The asset-based fee is calculated and deducted monthly based on your account balance at the end of each month.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For higher account balances, the maximum asset-based fee may be deducted before the end of the financial year. Once the maximum annual fee has been deducted from your account, the asset-based fee will be $0 for the rest of the financial year.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>This Administration fee is paid into the Fund’s administration reserve and the Fund pays its administration costs from that reserve.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>In relation to TTR accounts, the Fund will claim a tax deduction for administration costs each year. The amount of the deduction is also paid into the reserve.</td>
</tr>
<tr>
<td>Buy–sell spread</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>Switching fee</td>
<td>Nil</td>
<td></td>
</tr>
</tbody>
</table>
If you don’t understand what the names of some of these fees mean, you can find definitions of them on page 34.

### Example of annual fees and costs for the default investment option

The table below gives an example of how the fees and costs in our Balanced investment option can affect your account balance over a one-year period. Use this table to compare Choice Income with other products.

#### Example: AustralianSuper Balanced investment option

<table>
<thead>
<tr>
<th>Type of fee</th>
<th>Amount</th>
<th>How and when it’s paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment fees</td>
<td>0.75%</td>
<td>For every $50,000 you have invested in the Balanced investment option, you’ll be charged $375.</td>
</tr>
<tr>
<td>PLUS administration fees</td>
<td>$78 pa ($1.50 per week) PLUS 0.11% pa of your account balance capped at $750 pa</td>
<td>AND you’ll be charged $78 in administration fees regardless of your balance, plus $55 per year.</td>
</tr>
<tr>
<td>PLUS indirect costs for the Balanced investment option</td>
<td>Nil</td>
<td>AND an indirect cost of $0 each year will be deducted from your investment.</td>
</tr>
<tr>
<td>EQUALS Cost of product</td>
<td></td>
<td>If your balance was $50,000, for that year you’ll be charged fees of $508*.</td>
</tr>
</tbody>
</table>

* Additional fees may apply. If you draw a lump sum amount from your account that is additional to your regular income payments, a withdrawal fee of $35 may apply.
Additional explanation of fees and costs

About our Investment fee

AustralianSuper’s Investment fee comprises of three components:

1. Investment management fees
2. Performance related fees
3. Transactional and operational costs

You can find the definitions of each component on page 34.

The table below shows how our overall Investment fee is broken down for each Investment option. These are the investment fees for each option for the 2016/17 year. Investment fees are calculated looking back as at 30 June each year and may change from year to year.

<table>
<thead>
<tr>
<th>Name of investment option</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment management fees</td>
<td>Performance related fees</td>
<td>Transactional and operational costs</td>
<td></td>
</tr>
<tr>
<td>High Growth</td>
<td>0.49%</td>
<td>0.17%</td>
<td>0.18%</td>
<td>0.84%</td>
</tr>
<tr>
<td>Balanced</td>
<td>0.45%</td>
<td>0.13%</td>
<td>0.17%</td>
<td>0.75%</td>
</tr>
<tr>
<td>Socially Aware</td>
<td>0.47%</td>
<td>0.07%</td>
<td>0.20%</td>
<td>0.74%</td>
</tr>
<tr>
<td>Conservative Balanced</td>
<td>0.40%</td>
<td>0.08%</td>
<td>0.18%</td>
<td>0.66%</td>
</tr>
<tr>
<td>Stable</td>
<td>0.32%</td>
<td>0.03%</td>
<td>0.12%</td>
<td>0.47%</td>
</tr>
<tr>
<td>Indexed Diversified</td>
<td>0.15%</td>
<td>0.00%</td>
<td>0.07%</td>
<td>0.22%</td>
</tr>
<tr>
<td>Australian Shares</td>
<td>0.26%</td>
<td>0.00%</td>
<td>0.10%</td>
<td>0.36%</td>
</tr>
<tr>
<td>International Shares</td>
<td>0.45%</td>
<td>0.19%</td>
<td>0.15%</td>
<td>0.79%</td>
</tr>
<tr>
<td>Property</td>
<td>0.51%</td>
<td>0.01%</td>
<td>0.27%</td>
<td>0.79%</td>
</tr>
<tr>
<td>Diversified Fixed Interest</td>
<td>0.36%</td>
<td>0.01%</td>
<td>0.12%</td>
<td>0.49%</td>
</tr>
<tr>
<td>Cash</td>
<td>0.03%</td>
<td>0.00%</td>
<td>0.02%</td>
<td>0.05%</td>
</tr>
</tbody>
</table>
**Additional costs that aren’t included in the Investment fee**

Some of our Transactional and operational costs are included in the calculation of our overall Investment fee, but there are other Transactional and operational costs which aren’t included.

The costs we don’t include are costs we can’t specifically identify. These are built into (or ‘implicit’ in) the trading prices of assets and therefore can only be estimated. These costs are known as Implicit transactional and operational costs. You can find the definition of Implicit transactional and operational costs, plus some examples of these, on page 34.

The table on this page shows the figures for both the included Transactional and operational costs and estimates of the implicit items, so you can see an indicative total figure for all Transactional and operational costs.

<table>
<thead>
<tr>
<th>Name of investment option</th>
<th>Transactional and operational costs* (included in the Investment fee)</th>
<th>Implicit transactional and operational costs (not included in Investment fees)</th>
<th>Total transactional and operational costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Growth</td>
<td>0.18%</td>
<td>0.09%</td>
<td>0.27%</td>
</tr>
<tr>
<td>Balanced</td>
<td>0.17%</td>
<td>0.07%</td>
<td>0.24%</td>
</tr>
<tr>
<td>Socially Aware</td>
<td>0.20%</td>
<td>0.08%</td>
<td>0.28%</td>
</tr>
<tr>
<td>Conservative Balanced</td>
<td>0.18%</td>
<td>0.07%</td>
<td>0.25%</td>
</tr>
<tr>
<td>Stable</td>
<td>0.12%</td>
<td>0.05%</td>
<td>0.17%</td>
</tr>
<tr>
<td>Indexed Diversified</td>
<td>0.07%</td>
<td>0.00%</td>
<td>0.07%</td>
</tr>
<tr>
<td>Australian Shares</td>
<td>0.10%</td>
<td>0.07%</td>
<td>0.17%</td>
</tr>
<tr>
<td>International Shares</td>
<td>0.15%</td>
<td>0.13%</td>
<td>0.28%</td>
</tr>
<tr>
<td>Property</td>
<td>0.27%</td>
<td>0.00%</td>
<td>0.27%</td>
</tr>
<tr>
<td>Diversified Fixed Interest</td>
<td>0.12%</td>
<td>0.07%</td>
<td>0.19%</td>
</tr>
<tr>
<td>Cash</td>
<td>0.02%</td>
<td>0.00%</td>
<td>0.02%</td>
</tr>
</tbody>
</table>

* The figures in this column are the same figures shown in Column 3 in the table on page 32.

Other costs we don’t include in the Investment fee are Borrowing costs and Property operating costs. These are shown below. You can find the definition of these costs on page 34.

**Borrowing costs:** High Growth 0.05% | Balanced 0.07% | Socially Aware 0.07% | Conservative Balanced 0.06% | Stable 0.06% | Indexed Diversified 0.00% | Australian Shares 0.00% | International Shares 0.00% | Property 0.80% | Diversified Fixed Interest 0.00% | Cash 0.00%

**Property operating costs:** High Growth 0.05% | Balanced 0.06% | Socially Aware 0.06% | Conservative Balanced 0.05% | Stable 0.06% | Indexed Diversified 0.00% | Australian Shares 0.00% | International Shares 0.00% | Property 0.76% | Diversified Fixed Interest 0.00% | Cash 0.00%
Definitions of fees and costs
Definitions of the most common fees are included here. For more information, refer to our dictionary at australiansuper.com/dictionary

Activity fees
This is a fee you’ll incur directly for an additional requested service, such as a request to split your super contributions with your spouse.

Administration fee
This fee is charged to cover administration costs. This fee is paid into the Fund’s administration reserve and the Fund pays its administration costs from that reserve.

Advice fee
This is the fee you incur directly for receiving advice about your investment in AustralianSuper. This can include:

- initial advice on setting up your account
- once-off advice relating to your investment options, insurance cover, contributions to super and retirement income options, and
- advice and/or monitoring in relation to your Member Direct account.

An advice fee for other advice is deducted on receipt of a Paying an adviser service fee form. There is no limit to the frequency with which once-off advice fees can be deducted. However, for each new request you must submit a Paying an adviser service fee form. If you request the advice fee to be deducted from your Member Direct transaction account, you will have the option to select the fee to be paid annually, quarterly or monthly for a one year period.

Each year, a new Paying an adviser service fee form is required to be submitted for fee payments to continue to your adviser.

The adviser service fee can only be deducted from your account for services provided by a financial adviser who is registered and accredited with AustralianSuper, who has been provided with training on AustralianSuper products by the Fund.

The cost of advice on non-super matters can’t be deducted from your account.
To make an appointment with a financial adviser, call us on 1300 300 273.

Borrowing costs
AustralianSuper doesn’t borrow money but we do invest in entities that borrow money. We invest in these entities because they are conduits that allow us to access certain investments.

Borrowing costs are costs incurred on loans taken out by these entities, such as loan establishment fees and interest paid to lenders.

Buy sell spread fee
This is a fee a super fund can charge to recover any transaction costs we incur in relation to the sale and purchase of assets such as shares.

AustralianSuper doesn’t charge any Buy sell spread fees.

Exit fee
We charge this fee when you make a full or partial withdrawal of your super.

Implicit transactional and operational costs
These are costs that are incorporated within the purchase and sale price of assets and therefore can’t be specifically identified – they can only be estimated. Examples include the estimated margin charged when trading bonds through a broker and the impact that our own trading may have on the market price of an asset traded.

Indirect Cost Ratio
This is another way of calculating the cost of managing your investments.

AustralianSuper doesn’t calculate an Indirect cost ratio. Instead, the costs relating to managing your investments are included in our overall Investment fee.

Investment fee
This overall fee is charged to cover the cost to us of managing your investments. These costs include external investment management fees, performance related fees, plus transactional and operational costs.

This fee includes expenses incurred by AustralianSuper, as well as amounts deducted indirectly via underlying fund investments.

Each of the individual fees and costs that make up the overall Investment fee are calculated looking back as at 30 June each year (using the average value of all the assets in the investment option over the year to 30 June). These individual fees and costs may change from year to year.

Investment management fees
These represent the amounts deducted from your investment that relate to core investment management functions.

Examples are our internal investment management costs and investment management fees paid to third parties (excluding Performance related fees). These also include custody costs, audit and administrative costs of your investments – including those incurred through underlying funds.

Performance related fees
These are fees we pay to third parties for generating positive returns, such as outperformance above a disclosed benchmark. Generally performance related fees are calculated as a percentage of the returns generated.

Property operating costs
These are costs AustralianSuper incurs in relation to the operational activities of our real estate investments.

Examples of these are the property owner’s share of: maintenance costs and management costs of shopping centres and office buildings. Property operating costs don’t relate to the acquisition or disposal of property.

Switching fee
This is a fee a super fund can charge when a member changes investment options. AustralianSuper doesn’t charge any Switching fees.

Transitional and operational costs
These comprise a broad category of costs we incur that relate to buying or selling underlying investments.

Examples of these include brokerage and commission.
Tax rates and arrangements

The tax treatment on the investment earnings in your Choice Income account is different depending on whether you are retired or in transition to retirement. If you are fully retired* investment earnings in your Choice Income account are tax exempt.

Investment earnings within a transition to retirement arrangement are subject to the same maximum 15% tax rate that applies to super accumulation funds.

**Tax if you’re 60 or over**
If you’re 60 or over, your retirement income payments (including any one-off payments) are generally tax-free and don’t need to be declared as assessable income when you lodge a tax return.

**Tax if you’re under 60**
If you’re under 60, your account is divided into a tax-free amount and a taxable amount.

*Fully retired means you’ve met a full condition of release under super law.*

**Important tax information for those under 60**
Any tax-free portion in your super will remain tax-free in your income account. We’ll work out the tax-free portion of each payment for you.

**Your tax-free amount**
Your tax-free amount is the total of any:
- after-tax contributions
- Government co-contributions.

Other less common amounts:
- pre-July 1983 benefits calculated at 30 June 2007
- Capital Gains Tax (CGT) exempt component
- certain amounts of disability benefits received before 1 July 2007 (called the ‘post June 1994 invalidity component’).

**Your taxable amount**
The remaining money in your super account is your taxable amount.

Your taxable amount is the total of:
- your before-tax contributions, including employer Superannuation Guarantee (SG) payments and salary sacrifice amounts
- any personal contributions where you’ve claimed a tax deduction, and
- investment earnings.

If you’re under 60, the taxable amount of any retirement income or one-off payment is reported as assessable income to the Australian Taxation Office (ATO) and is taxed as required. However, this tax could be reduced as a result of receiving a tax offset.

**Tax offset**
You’ll receive a 15% tax offset on any taxable retirement income payment when:
- you’re between your preservation age and 59, and
- you’ve provided your Tax File Number.

The tax offset is also available when an income account is opened due to the death of an AustralianSuper member and there’s a taxable component to their income.

**Paying tax**
In the same way tax comes out of a working wage, tax is deducted from your payments and any additional withdrawals you may request before it’s deposited into your bank account.

We’ll work out any tax you need to pay, deduct it and pay it to the ATO. The tax taken from your payments is based on a number of factors, such as the tax-free portion of your account, whether you’ll claim the tax-free threshold of $18,200 and if you’re eligible for the 15% tax offset.

**Important tax information for everyone**

**Claiming a tax deduction**
If you’ve made personal contributions to super that you intend to claim a tax deduction for, you need to tell your super fund that you plan to claim a tax deduction before you transfer some or all of it to an income account.

Once you’ve transferred any amount to an income account, you can’t claim tax deductions for the contributions you’ve made to super. This includes a super account within AustralianSuper.

For details visit [australiansuper.com/TaxDeduction](http://australiansuper.com/TaxDeduction) or call us on 1300 300 273.
Tax rates on your taxable amount in 2017/2018

<table>
<thead>
<tr>
<th>Your age</th>
<th>Your payments</th>
<th>Lump sum withdrawals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under preservation age</td>
<td>Taxable at your marginal income tax rate, plus Medicare levy</td>
<td>Taxed at 20% plus Medicare levy</td>
</tr>
<tr>
<td>Preservation age to 59</td>
<td>Taxable at your marginal income tax rate, plus Medicare levy, less the 15% tax offset*</td>
<td>The first $200,000 is tax-free† The balance is taxed at 15% plus Medicare levy</td>
</tr>
<tr>
<td>60 and over</td>
<td>Tax-free</td>
<td>Tax-free</td>
</tr>
</tbody>
</table>

Tax on money used to open your account
Generally, you don’t have to pay tax when you transfer your super into an income account. Money from an untaxed source may be taxed on entry.

Tax on death payments
If you have money left in your income account when you die, that money is paid to your nominated beneficiaries. As this table shows, the way those payments are taxed is based on a number of factors, including how the money is paid and who receives it.

<table>
<thead>
<tr>
<th>Type of beneficiary</th>
<th>Death payment type</th>
<th>Age of deceased</th>
<th>Age of dependant</th>
<th>Tax treatment (excluding Medicare levy)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>One-off payment</td>
<td>Any age</td>
<td>Any age</td>
<td>Tax-free</td>
</tr>
<tr>
<td>Dependant</td>
<td>Income payments</td>
<td>Below 60</td>
<td>Below 60</td>
<td>Taxable component taxed at their marginal income tax rate, less 15% tax offset</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Below 60</td>
<td>60 or older</td>
<td>Tax-free</td>
</tr>
<tr>
<td></td>
<td></td>
<td>60 or older</td>
<td>Any age</td>
<td>Tax-free</td>
</tr>
<tr>
<td>Non-dependant</td>
<td>One-off payment</td>
<td>Any age</td>
<td>Any age</td>
<td>Taxable component taxed at 15%</td>
</tr>
<tr>
<td></td>
<td>Income payments</td>
<td>Any age</td>
<td>Any age</td>
<td>Not eligible for income payments</td>
</tr>
</tbody>
</table>

* This tax rate also applies to payments from an income account set up using the proceeds from a death payment.
† Applies to all money you withdraw from super, not just your account with AustralianSuper.

Medicare gives Australian residents access to healthcare and is partly funded by taxpayers who pay a Medicare Levy of 2% of their taxable income.
The Medicare Levy and any reductions are calculated from information provided in your tax return.
Payments

Choose how often you’ll be paid
You can receive your income payments:
› every two weeks
› once a month
› once every three months
› twice a year, or
› once a year.
You can check our payment calendar at australiansuper.com/PaymentCalendar
You can change your payment frequency anytime. To make sure it’s processed in time for your next scheduled payment, we need to receive your change at least five business days earlier.

Choose how much you’ll be paid
You can tell us how much income you want to receive and we’ll pay it to your bank account. You can choose:
› the minimum or maximum payment (set by the Government) or
› a specific amount.
We write to you each year to confirm how much income you want to receive for the coming year. If you don’t tell us, we’ll give you the minimum annual payment as required by law.
You can ask for additional payments any time to pay for one-off expenses.

Minimum and maximum withdrawal limits
The Government applies minimum age-based limits to payments from retirement income accounts.
The minimum income limit is the amount you must withdraw each financial year and it’s calculated as a percentage of your account balance at 1 July.
If you open your account using transition to retirement, a maximum income limit of 10% applies each financial year. You can’t make additional withdrawals once you reach the maximum limit. These restrictions will apply until you permanently retire on or after you reach your preservation age, if you change jobs once you turn 60, or when you turn 65.

<table>
<thead>
<tr>
<th>Age at 1 July 2016</th>
<th>Minimum withdrawal of your account balance each year</th>
<th>Maximum withdrawal of your account balance each year (for transition to retirement only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preservation age to 64</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>65 to 74</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>75 to 79</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>80 to 84</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>85 to 89</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>90 to 94</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>95 and over</td>
<td>14%</td>
<td></td>
</tr>
</tbody>
</table>

No maximum amount

For the first year, limits are calculated at the date of your first payment, based on how much of the financial year is left when you open your account. You can ask us to apply these limits as though your account was open for the entire financial year (which results in a higher annual limit). If you open your account in June, there’s no minimum payment for that financial year.

Specific amount
You can ask for your income to be paid as a specific amount of your account balance. You can also ask to have your retirement income payments indexed each year to keep up with inflation as measured by the Consumer Price Index (CPI) (see Inflation on page 19).
Nominating beneficiaries

Your options
You have three options when deciding what happens to your money in the event of your death:

› Reversionary nomination - You nominate a person who will receive your account balance as a regular income.

› Binding nomination - You provide formal written direction to AustralianSuper to tell us who you want your account balance paid to. If valid, your nomination is legally binding.

› Non-binding nomination - You nominate who you’d prefer your account to be paid to. This nomination is not legally binding.

Who can be nominated
You can nominate the following people as beneficiaries:

› a spouse (including de facto and same-sex)
› children of any age (including adopted and step-children)
› interdependants (someone who lives with you and shares a close personal relationship where one or both of you provide for the financial and domestic support and personal care of the other)
› other financial dependants (such as someone who relies on you financially)
› your legal personal representative (this means the executor or administrator of your estate.)

Your options in more detail

Reversionary nomination
If you nominate a reversionary beneficiary, this person will receive regular income payments from your account until the balance reaches $0.

You can nominate only one reversionary beneficiary at the time you open your account and it can’t be changed.

You can nominate any one of the people listed under the Who can be nominated section above as your reversionary beneficiary, except your legal personal representative. If you nominate a child over 18 years old, they must be:

› permanently disabled, or
› younger than 25 and financially dependent on you immediately before your death.

Binding nomination
If you make a binding nomination, we’ll pay your account to the person you’ve nominated as long as your nomination is valid and in force at the time of your death. The account balance will normally be paid as a one off payment but may be paid as an income stream to a qualifying dependant.

A binding nomination is valid if:

› it was made within three years of your death
› all the individuals nominated are alive at the time of your death (for example, if you nominated three beneficiaries and one was no longer alive at the time of your death, then the nomination would be invalid)
› all the individuals nominated are eligible.

If you make a binding nomination, it will be valid from the date we receive your form. We’ll write to remind you to make another nomination before it expires. An expired or invalid binding nomination is considered to be non-binding – this means that it guides rather than instructs the payout of your account. Make a binding nomination by completing the Binding death benefit nomination form at the back of this PDS or download a copy from australiansuper.com/forms

Non-binding nomination
When you make a non-binding nomination, you’re telling us who you’d prefer your account to be left to when you die, but your nomination isn’t legally binding. This means that although we’d take your wishes into account, in the end we would have to decide who your account would be paid to depending on your situation when you die.

The account balance will normally be paid as a one-off payment.

You can nominate non-binding beneficiaries when you open your account. You can change your beneficiaries at any time by logging into your online account.

Special conditions for children
Children aged between 18 and 25, who are financially dependent on you, may receive your account as regular income payments until they reach 25 (unless your account runs out earlier). The remaining account balance will be paid out to them when they turn 25. If your child is permanently disabled, they may continue to receive regular payments until the money runs out, regardless of their age.
The next steps

How to join
› Join online at australiansuper.com/join or
› fill out the Open a Choice Income account form at the back of this PDS.

Before you set up your account

**I have an AustralianSuper super account**
If the super you’re investing to set up your account is coming from more than one place, you may wish to combine your money into your AustralianSuper super account before you open a Choice Income account. Your funds will be invested in the investment option/s you’ve previously selected for your super account, and any earnings will be applied to your super account.

To combine, simply complete the Combine your super into AustralianSuper form at the back of this PDS. You can also download a copy at australiansuper.com/forms

**I don’t have an AustralianSuper super account**
If the super you’re investing to set up your Choice Income account is coming from more than one place, we’ll put your money in a holding account until all the funds have been received. Any interest earned will be distributed amongst all members and will be added to the crediting rates for each investment option.

You may wish to combine your money into an AustralianSuper super account before you open a Choice Income account by completing the Combine your super into AustralianSuper form at the back of this PDS. You can also download a copy at australiansuper.com/forms

Changing your mind
You can cancel your Choice Income account by the earlier of these two dates:
› 19 days from the date we receive your application form, or
› 14 days from the date we send you confirmation of your membership.

If you cancel your account and don’t have access to your entire balance in cash, we’ll transfer it to the complying super fund of your choice, or into the AustralianSuper Personal Plan if you don’t make a choice. If you do have access, we’ll pay your balance minus any tax and retirement income payments already made. You may be charged fees and be entitled to any investment earnings.

After you’ve joined
As soon as you receive your member number, you can register for an online account at australiansuper.com/login

**Online account features**
› View your account balance and transactions.
› Update your personal details.
› Review and change your investment options.
› Change your payment amount and frequency.
› Request additional one-off payments.
› View a copy of your Centrelink Schedule.
› View your beneficiaries and update any non-binding nominations.

Access your account on the go
Staying on top of your Choice Income account has never been easier. With our mobile app you can:
› view your account balance
› be notified about upcoming payments and when a payment comes out of your account
› download and view your statements
› view your account details and more.
To find out more, visit australiansuper.com/MobileApp
Financial Services Guide

Our Financial Services Guide (FSG) provides information about our services, how our representatives are remunerated, and your rights as a client, including our complaints system.

If you need more information or clarification of any matter raised in this FSG, please ask us.

If you have not already received a copy of AustralianSuper’s Product Disclosure Statement (PDS), which sets out the main services, features and benefits of AustralianSuper, you can get a copy by calling 1300 300 273 or from australia.super.com.

The PDS will generally be provided to you before you become a member of AustralianSuper.

If advice provided to you relates to the acquisition of a financial product other than an AustralianSuper product, then you should obtain and read the Product Disclosure Statement (PDS) relating to that product before making any decision to acquire it.

Things you should know before you get our advice

Who is the provider of the financial service given to me?
AustralianSuper Pty Ltd, the Trustee of AustralianSuper, is the provider, through its representatives, of the financial services set out below.

Who will be responsible for the advice given to me?
AustralianSuper Pty Ltd holds an Australian Financial Services Licence (AFSL 233788) under the Corporations Act 2001, and is liable for services provided by its representatives.

What financial services are available to me?
AustralianSuper Pty Ltd and its representatives provide either general or personal financial product advice or reports about superannuation, managed investments and basic deposit products.

These are set out in the list below:
- AustralianSuper (including AustralianSuper Choice Income)
- AUSfund
- Members Equity Bank
- Industry Fund Portfolio Service

General advice
General advice does not take into account your particular financial needs, circumstances or objectives and you should assess your own financial situation and read the PDS before making an investment decision based on the advice.

Personal advice
Personal advice is where one or more of your personal circumstances are considered when providing the advice. You will receive a Statement of Advice (SOA) when personal advice is provided. A SOA is a document that contains the advice provided to you, the basis on which the advice was given and includes information about any fees or commissions that apply and any associations that the licensee may have which may influence the advice.

AustralianSuper Pty Ltd only issues financial products in respect of AustralianSuper.

How will I pay for the service?
The cost of providing this financial product advice is included in the fees charged for membership of AustralianSuper. AustralianSuper does not charge any additional fees or obtain any commissions for the advice that they provide.

What commission/fee does my representative receive?
The representatives are employees of AustralianSuper and are paid a salary. They do not receive commissions, fees or bonuses for the services that they provide to you.

Do any relationships or associations exist which might influence AustralianSuper providing me with financial services?
AustralianSuper Pty Ltd in its capacity as the trustee of AustralianSuper, is a shareholder or part-owner of Industry Super Holdings Pty Ltd. Industry Super Holdings Pty Ltd has the following subsidiaries with which the Fund transacts:
- Industry Fund Services Ltd
- Industry Funds Investments Ltd
- Industry Funds Management Pty Ltd
- Members Equity Bank Pty Ltd
AustralianSuper invests in these third parties for the benefit of the AustralianSuper Fund and does not receive any commissions from these organisations as a result of members using their products or services.

When you get our advice
Will you give me advice that is tailored to my investment needs and financial circumstances?
Where general advice is provided, it does not take into account your particular financial needs, circumstances or objectives. Where personal advice is provided you will receive a SOA. The advice does consider one or more of your particular financial needs, circumstances or objectives.

If you have a complaint
AustralianSuper is committed to handling any complaints promptly and fairly. Any complaints will be managed in strictest confidence. If you have a complaint about the advice provided:
1. You can raise the issue with an AustralianSuper representative, or
2. If you would prefer not to discuss the complaint with your representative, or your concern is not satisfactorily resolved, please direct your complaint to:
   The Complaints Officer
   AustralianSuper
   Level 26, 50 Lonsdale Street,
   MELBOURNE VIC 3000.
   Tel: (03) 8648 3900 Fax: (03) 8648 3999
   The Complaints Officer will ensure that your complaint is investigated as appropriate. You will be provided with a written response.
3. AustralianSuper is a member of independent external dispute resolution bodies, as set out below. You may have the right to take your complaint to one of these bodies if you are not satisfied that your complaint has been handled satisfactorily.

For advice given by AustralianSuper representatives
If you do not receive a response to your complaint within 90 days or are not satisfied with the response provided after going through AustralianSuper’s internal complaints process, you may be eligible to take your complaint to the Superannuation Complaints Tribunal (SCT), Locked Mail Bag 3060, Melbourne VIC 3001 Tel: 1300 884 114.

The SCT is an independent body set up to assist members and their beneficiaries to resolve certain superannuation complaints. This is a free service to you.

If your complaint is outside the jurisdiction of the SCT, you may have the right to take your complaint to the Financial Ombudsman Service (FOS), GPO Box 3, Melbourne VIC 3001 Tel: 1300 780 808. This is a free service to you.

You may be eligible to take your complaint to FOS if you do not receive a response to your complaint within 45 days or are not satisfied with the response provided after going through AustralianSuper’s internal complaints process.

Privacy
The privacy and security of your personal information is important to AustralianSuper. Your information will be collected and handled in accordance with our privacy policy, which is in line with the requirements of Privacy legislation.

Please refer to the AustralianSuper Privacy Policy and Collection Statement at australiansuper.com/privacy

Trustee liability insurance
AustralianSuper Pty Ltd holds Professional Indemnity insurance which complies with the requirements of section 912B of the Corporations Act 2001(Cth). This insurance provides cover for claims arising from the conduct of current employees and employees who no longer work for AustralianSuper Pty Ltd but who did at the time of the relevant conduct.

Privacy collection statement
AustralianSuper Pty Ltd (ABN 94 006 457 987) of 26/50 Lonsdale Street, Melbourne, Victoria, collects your personal information (PI) to run your super account (including insurance), improve our products and services and keep you informed. If we can’t collect your PI we may not be able to do these tasks. PI is collected from you but sometimes from third parties like your employer. We will only share your PI where necessary to perform our activities with our administrator, service providers, as required by law or court/tribunal order, or with your permission. Your PI may be accessed overseas by some of our service providers. A list of countries can be found at the URLs below.

Our Privacy Policy details how to access and change your PI, as well as the privacy complaints process. For complete details on the above go to australiansuper.com/CollectionStatement and australiansuper.com/privacy or call us on 1300 300 273.
4 Forms

Here you’ll find:

 › Forms guide
 › Open a Choice Income account form
 › Combine your super into AustralianSuper form
 › Binding death benefit nomination form
 › Tax file number declaration form
To open a Choice Income account
Use the Open a Choice Income account form supplied here, or join online at australiansuper.com/join

You’ll need
Electronic verification
› Your Medicare, current driver’s licence or Australian passport details (any two).
OR
Certified documents
› A certified copy of your current driver’s licence AND Australian passport.
OR ONE of the above forms of photo ID PLUS
› A certified copy of a current bill or current bank statement.
› Your current AustralianSuper super account details and other fund details you want to combine into your account.
› It’s a good idea to understand what Centrelink’s deeming rule changes (as at 1 January 2015) might mean for you before combining accounts. Find out more at humanservices.gov.au

Hints and tips
› If using certified ID documents, each page must be certified as a true copy by someone authorised to certify documents. For information about certifying documents go to australiansuper.com/RetirementIDHelp
› You can nominate a reversionary beneficiary on this form.

To combine my super into AustralianSuper before I open a Choice Income account
Use the Combine your super into AustralianSuper form supplied here or find the form online at australiansuper.com/combine

You’ll need
› Your Tax File Number (TFN)
OR
› A certified copy of your current driver’s licence or Australian passport.

Hints and tips
› You can only combine super accounts before you open a Choice Income account.
› You can combine as many super accounts as you want. But you need to complete a separate form and provide separate proof of identity documents (if you don’t want to give us your TFN) for each account you want to combine.

Visit australiansuper.com/forms or call us for more copies of this form.
› You only need to complete this form if you want to transfer super from other super funds into AustralianSuper to open a Choice Income account.
› Help on providing proof of your identity is on the form. This proof is separate to what you need to open your account.

To nominate beneficiaries in the event of death
Use the Binding death benefit nomination form supplied here or online at australiansuper.com/binding

Hints and tips
› You can only list certain individuals as beneficiaries (see page 38). If you nominate others, your nomination won’t be binding.
› To make a non-binding or a reversionary nomination, please complete step 10 of the Open a Choice Income account form.
› You must sign and date the form in front of two witnesses (not nominated on the form).
   The witnesses must also sign and date the form at the same time as you.

To choose tax options and provide my Tax File Number
Use the Tax file number declaration form supplied at the back of this guide.

You’ll need
› Your Tax File Number.
   If you’re below age 60 you MUST complete the Tax file number declaration form attached at the end of the PDS. Without this form being completed your income account cannot be set up and activated.

Hints and tips
› You don’t need to complete this form if you’re 60 or older.
› Completing this form will tell us exactly how much tax to deduct from your income and one-off payments.
Open a Choice Income account

After reading the Choice Income Product Disclosure Statement (PDS), please complete in pen using CAPITAL letters. Print ✗ to mark boxes. This form must be completed in full. Read the Privacy Collection Statement at australiansuper.com/CollectionStatement to see how AustralianSuper uses your personal information.

You can also complete this online at australiansuper.com/join

1. Your personal and contact details

Last name

First name/s

Street address

Suburb/Town

Postal address (if different to street address)

Suburb/Town

Home telephone

Other telephone (eg business)

Mobile

Email

Mr □ Mrs □ Ms □ Miss □ Dr □

Male □ Female □

Date of birth

Please don’t contact me about products and services that are not related to my AustralianSuper membership.

2. Have you finalised your tax deductions?

Have you finalised any tax deductions you intend to claim for your personal super contributions?

Not applicable (go to step 3) □ Yes (go to step 3) □ No (go to step 3)

You must finalise the tax deduction with your super fund before you transfer your super to your Choice Income account.

3. Do you qualify?

a) Have you reached your preservation age and want to start transition to retirement?

Yes (go to step 3b) □ No (go to step 3c)

b) Why are you using transition to retirement?

Save more super (go to step 4) □ Reduce my working hours (go to step 4)

If none of the above options apply to you, you're unlikely to be able to open an account – call 1300 300 273 for help.

3c) Are you eligible to open a Choice Income account? Choose ✗ the option that applies to you.

I'm 65 or older (go to step 4) □ I've permanently retired from work and reached my preservation age (go to step 4) □ I've changed jobs on or after turning 60 (go to step 4)

4. Are you opening your account with super from AustralianSuper?

Do you want to transfer super from your AustralianSuper account to open a Choice Income account?

Yes (go to step 4a) □ No (go to step 5)

a) What's your existing AustralianSuper member number?

b) Do you want to transfer your entire balance?

Yes* (go to step 5) □ No (go to either step 4c or 4d)

* This will close your existing AustralianSuper account. Any insurance cover you have with this account will cease.

c) How much money do you want to leave in your AustralianSuper super account?†

$5,000 □ $10,000 □ Other amount: $

OR

d) Do you want to transfer a nominated amount to your Choice Income account?†

$ □

† You need to leave at least $5,000 in your account or $10,000 if you have insurance cover.

Please note: The balance transferred to your Choice Income account will be adjusted for fees, costs and returns (which may be positive or negative) and to ensure your super account is left with a balance of at least $5,000.

If you’re invested in Member Direct, go to australiansuper.com/MemberDirect or call us on 1300 300 273 for help.
5 **Are you opening your account with super from another fund?**

For each of the funds you list below, please complete the Combine your super form and provide certified copies of your identification for each fund.

<table>
<thead>
<tr>
<th>Name of fund to transfer</th>
<th>Member number</th>
<th>Amount $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mark this box if you’ve attached a separate sheet because there wasn’t enough space here.

6 **Provide your bank account details**

Name of bank, building society or credit union

Account holder’s name

BSB number

Account number

You may provide a copy of your bank statement so we can check your details to avoid any payment delays.

* This must be a personal account, held solely or jointly in your name.

7 **Set up your account**

Do you want to open your account using Ready Made? This means your investment and payment options are pre-selected.

☐ Yes (go to step 10)

☐ No (go to step 8)

8 **Choose how much and how often to receive payments**

a) **How much do you want to receive each year?**
   You have three options – please choose (X) one option only. See page 36 of the PDS.

☐ Option 1. The minimum amount allowed (including any temporary Government relief available)

☐ Option 2. Specific amount (each financial year) $ __________
   (must be within payment limits and may be subject to tax).
   Payment is pro-rated for the first year, if you open a Choice Income account after the financial year has started.
   How much do you want this specific amount to increase by each year?
   ☐ None ☐ CPI ☐ 1% ☐ 2% ☐ 3% ☐ 4% ☐ 5% (go to step c)

☐ Option 3. The maximum amount (only applies to accounts opened using a transition to retirement strategy)

b) **How do you want your income payments calculated for your first year?** Please choose one option only.

☐ n/a - if you’ve chosen Option 2 above.

☐ For this first year, your income payments will be higher.
   (This is because you’ll receive your full yearly payment for the financial year.)

☐ You’d still like to receive your selected payment amount (minimum or maximum), pro-rated.
   This means your overall payment for this first year will be less because you’ll only receive payments for the remaining period of the financial year (based on the date you join Choice Income).

c) **How often do you want to receive payments?**

Please make my payments:

☐ Monthly ☐ Quarterly ☐ Half-yearly ☐ Yearly

What month should payments start? ☐ 15th ☐ 28th ☐ Next scheduled payment date (as soon as possible).
Choose your investments and where to draw payments from

a) Do you want to choose how to invest your account?

☐ Yes  Fill in column A, showing the percentage you want to invest in each option.

☐ No  If you don’t make an investment choice your account will be invested in the Balanced option.

(b) Which investment option/s do you want your fees and income payments taken from?

Please choose one option only. If you don’t make a choice your account will default to Option 1.

☐ Option 1  Highest balance — take payments from the investment option with the highest balance.

☐ Option 2  Pro-rata — take payments from each investment option in proportion to the balance in each option.

☐ Option 3  Payment order — take payments in the order I choose. Fill in column B, making sure you only order options you’ve chosen to invest in and have numbered all your chosen investment options.

Nominate beneficiaries

Please choose (✓) one option only. See page 38 of the Choice Income PDS.

☐ Option 1. Reversionary nomination (this can’t be changed once your account is opened).

☐ Option 2. Binding nomination

Please complete the Binding death benefit nomination form at the back of the Choice Income PDS and attach it to this application.

☐ Option 3. Non-binding nomination

<table>
<thead>
<tr>
<th>Full name</th>
<th>Relationship</th>
<th>Residential address</th>
<th>% of benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spouse</td>
<td>Financial dependant</td>
<td>Legal personal representative (executor or administrator of your estate)</td>
<td>☐ ☐ ☐ %</td>
</tr>
<tr>
<td>Child</td>
<td>Financial dependant</td>
<td>Legal personal representative (executor or administrator of your estate)</td>
<td>☐ ☐ ☐ %</td>
</tr>
<tr>
<td>Interdependant</td>
<td>Financial dependant</td>
<td>Legal personal representative (executor or administrator of your estate)</td>
<td>☐ ☐ ☐ %</td>
</tr>
<tr>
<td>Spouse</td>
<td>Financial dependant</td>
<td>Legal personal representative (executor or administrator of your estate)</td>
<td>☐ ☐ ☐ %</td>
</tr>
<tr>
<td>Child</td>
<td>Financial dependant</td>
<td>Legal personal representative (executor or administrator of your estate)</td>
<td>☐ ☐ ☐ %</td>
</tr>
<tr>
<td>Interdependant</td>
<td>Financial dependant</td>
<td>Legal personal representative (executor or administrator of your estate)</td>
<td>☐ ☐ ☐ %</td>
</tr>
<tr>
<td>Spouse</td>
<td>Financial dependant</td>
<td>Legal personal representative (executor or administrator of your estate)</td>
<td>☐ ☐ ☐ %</td>
</tr>
<tr>
<td>Child</td>
<td>Financial dependant</td>
<td>Legal personal representative (executor or administrator of your estate)</td>
<td>☐ ☐ ☐ %</td>
</tr>
<tr>
<td>Interdependant</td>
<td>Financial dependant</td>
<td>Legal personal representative (executor or administrator of your estate)</td>
<td>☐ ☐ ☐ %</td>
</tr>
</tbody>
</table>

TOTAL MUST ADD UP TO 100% ☐ ☐ ☐ %
Give your financial adviser access to your account details

If you have a financial adviser, you can give them access to your Choice Income account below. If not, go to step 12.

Name of financial adviser

Name of business

Email

Telephone

AFSL number (if known)

If your adviser is from Industry Fund Services (IFS), your adviser’s access to your account will automatically expire three years after the date you signed this form.

Provide proof of your identity

Please complete (✓) one of the options below.

✓ Option 1 - I want to use electronic verification

By giving you my Medicare, driver’s licence or Australian passport details below, I authorise the use of my personal details (including the information below) for the purpose of electronic data verification. I understand that my information will be subject to an information match request in relation to relevant official record holder information and a corresponding information match result will be provided via the use of third party systems.

Fill out any TWO of the following, and (✓) Option 1 box above.

1. Full name as appears on my Medicare card

My Medicare number is

My reference number on this card is

Valid to

2. Full name as appears on my Driver’s Licence

My Australian Driver’s Licence number is

State of issue

Expiry date

3. My Australian Passport number is

Place of birth (as shown on my passport)

Country of birth (not shown on my passport)

Family name at birth (not shown on my passport)

✓ Option 2 - I want to attach paper copies of certified documentation

I have attached my certified proof of identity to this application.

Please ensure that you provide photocopies of your original identification documents and that they are correctly certified. Each page must be certified as a true copy. For instructions on who can certify documents, go to australiansuper.com/IDHelp

Use electronic verification if paper copies of certified documentation are incorrectly certified or unable to be read.

I authorise the use of my personal details for the purpose of electronic data verification if the paper copies of my certified documentation are incorrectly certified or unable to be read. I understand that my information will be subject to an information match request in relation to relevant official record holder information and a corresponding information match result will be provided via the use of third party systems.

Sign this form

✓ I have read the Privacy Collection Statement and I understand how AustralianSuper will use my personal information.

AustralianSuper’s Privacy Collection Statement is in the PDS and online at australiansuper.com/CollectionStatement

✓ The information is correct: To the best of my knowledge, the information I have provided on this form is correct.

✓ The information will be used to open the account. The personal information I have provided will be used to open my account.

✓ At australiansuper.com/privacy I can read the full details on the collection and use of personal information. My account will be set up based on the choices I’ve made as fully explained in the PDS that was provided to me.

Sign here

Print full name

Date

Please return this completed form to AustralianSuper, Locked Bag 6, CARLTON SOUTH VIC 3053

Questions? Telephone 1300 300 273 Web australiansuper.com/retirement

Issued by AustralianSuper Pty Ltd ABN 94 006 457 987 AFSL 233788 Trustee of AustralianSuper ABN 65 714 394 898
Provide your personal details

Last name

First name/s  Male  Female

Other previous name

Street address

Suburb/Town  State  Postcode

Previous street address (if details with your FROM fund are different to those above)

Suburb/Town  State  Postcode

Telephone (business hours)  Telephone (after hours)  Mobile

Email

Please don’t contact me about products and services that are not related to my AustralianSuper membership.

Tell us how you want to prove your identity

To protect your super, you need to prove your identity when you move money between super funds. Choose one of the two options below.

Use my Tax File Number (TFN) to identify me.

Provide your TFN here

By giving us your TFN, you are authorising us to give this information to your other super fund. They will confirm your ID with the Australian Tax Office.

I have attached certified proof of identity documents.*

For help on providing proof of ID go to australiansuper.com/IDHelp

* This proof of identity is sent to your other super fund. That’s why we can’t use the copies attached to your Open a Choice Income account form.

Providing your TFN

The law allows super funds to ask for TFNs. You don’t have to give us your TFN but it’s a good idea if you do. If you don’t, you’ll pay more tax on super benefit payments and before-tax contributions, and we won’t be able to accept after-tax contributions from you. It will also make finding lost super easier.

We follow laws on how we can use your TFN, which may change. If we transfer your super to another fund, we’ll give your TFN to the other fund unless you tell us not to in writing. For more about how we use your TFN, go to australiansuper.com/RefTFN

Why do we need your Tax File Number (TFN)?

Your TFN is the easiest way to identify you. If you don’t want to give us your TFN, you have to provide certified copies of your identity documents with this form. If you don’t provide the right ID correctly certified, it will delay the transfer.
3 Provide your fund’s details

FROM: Fund name

<table>
<thead>
<tr>
<th>Fund phone number</th>
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<tbody>
<tr>
<td></td>
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<table>
<thead>
<tr>
<th>Member or account number</th>
</tr>
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<tbody>
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<td></td>
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</table>

<table>
<thead>
<tr>
<th>Australian Business Number (ABN)</th>
</tr>
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<tbody>
<tr>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Unique Superannuation Identifier (USI)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Amount to transfer (choose one only)</th>
</tr>
</thead>
</table>

Whole balance

Partial amount of $ 00

TO: Fund’s name

<table>
<thead>
<tr>
<th>AustralianSuper</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Fund phone number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1300 300 273</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Australian Business Number (ABN)</th>
</tr>
</thead>
<tbody>
<tr>
<td>65 714 394 898</td>
</tr>
</tbody>
</table>

| USI |
| STA0002AU |

4 Sign this form

I have read the Privacy Collection Statement and I understand how AustralianSuper will use my personal information.

By signing this request form I am making the following statements:

› I declare I have fully read this form and the information completed is true and correct.

› I declare I have fully read this form and the information completed is true and correct.

› I am aware I may ask my super provider for information about any fees or charges that may apply, or any other information about the effect this transfer may have on my benefits such as insurance cover, and do not require any further information.

› I declare the super provider of my FROM fund of all further liability in respect of the benefits paid and transferred to AustralianSuper.

› I authorise AustralianSuper (or its agents) to contact my other super fund regarding this request to combine my super from that fund into my AustralianSuper account only.

I request and consent to the transfer of super as described above and authorise the super provider of each fund to give effect to this transfer.

Sign here

Date

D D M M 2 0 Y Y

Important information

1. If you’re transferring the whole balance of your other super accounts, this means you’re asking us to close your other super accounts.

2. Remember to check if your old fund charges exit fees and that you no longer need the insurance cover provided by your old fund (if any).

3. This form does not:

› transfer super benefits if you don’t know where your super is

› transfer benefits from multiple funds on one form – you must use a separate form for each fund you wish to transfer

› change the fund to which your employer pays your contributions

   To change the fund where your future employer contributions are paid, you will need to speak to your employer about Choice, visit ato.gov.au/super or call the Australian Taxation Office on 13 10 20

› open a new super account, or

› transfer benefits under certain conditions or circumstances, for example if there is a superannuation agreement under the Family Law Act 1975 in place.

Please return this completed form to AustralianSuper, Locked Bag 6, CARLTON SOUTH VIC 3053

Questions? Telephone 1300 300 273 Web australiansuper.com/retirement
Making, changing or cancelling a binding death nomination

Follow these instructions to set up, change or cancel a binding nomination.

What is a binding nomination?
A binding nomination instructs AustralianSuper how to pay your death benefit if you die. As long as it’s valid, your nomination is legally binding and we must follow it. This is why it’s important to consider changing or cancelling your binding nomination if your circumstances change, so that your benefit will be paid in line with your current wishes.

Who can I nominate?
For a binding nomination to be valid, the people you list at step 2 of this form must be (at the date of your death):
› your spouse (including de facto and same sex)
› your children (including step, adopted or ex-nuptial of any age)
› financially dependent on you
› an interdependant (see More about interdependants), or
› your legal personal representative, which means the executor or administrator of your estate.

What if my nomination is invalid?
If your nomination is invalid, we’ll consider your wishes, but will also use our discretion when paying out your account balance.
Examples of an invalid nomination include:
› your nomination being made more than three years ago
› this form not being correctly signed and witnessed
› any of the people nominated on this form dies before you do, or
› the individuals nominated no longer qualify as your dependants at the time of your death.

More about interdependants
An interdependent relationship exists if:
› two people have a close personal relationship which involves a demonstrated and ongoing commitment to a shared life and each other’s emotional support and wellbeing; and
› they live together, or are temporarily living apart; and
› one or each of them provides the other with financial support; and
› one or each of them provides the other with domestic support and personal care of a level normally provided in a close personal relationship, rather than by a mere friend or flatmate
OR
› if they don’t live together or provide each other with financial support, domestic support and personal care, it’s because one or both of them suffer from a disability.

Two people don’t have an interdependent relationship if one of them provides domestic support and personal care to the other and is paid for this or works on behalf of another person or organisation such as a government agency, a body corporate or a benevolent or charitable organisation.
Whether your nominated beneficiaries qualify as your interdependants will be assessed when a claim is made.
Binding death benefit nomination

Use this form to set up a binding nomination or change/cancel an existing binding nomination.

Please complete in pen using CAPITAL letters and print ✗ to mark boxes. This form must be completed in full. Read the Privacy Collection Statement in the Choice Income Product Disclosure Statement to see how AustralianSuper uses your personal information.

1 Your personal and contact details

Last name
First name/s
Street address
Suburb/Town
Telephone (business hours)
Date of birth
Member number
Account number*

Mr Mrs Ms Miss Dr

2 List the people you want to receive a payment in the event of your death

Read Who can I nominate? on reverse before filling in this section.

<table>
<thead>
<tr>
<th>Full name</th>
<th>Relationship</th>
<th>Residential address</th>
<th>% of benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>❏ Spouse</td>
<td>❏ Interdependant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>❏ Child</td>
<td>❏ Financial dependant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>❏ Spouse</td>
<td>❏ Interdependant</td>
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<td></td>
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<tr>
<td>❏ Child</td>
<td>❏ Financial dependant</td>
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<td></td>
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<tr>
<td>❏ Spouse</td>
<td>❏ Interdependant</td>
<td></td>
<td></td>
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<tr>
<td>❏ Child</td>
<td>❏ Financial dependant</td>
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<td>❏ Interdependant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>❏ Child</td>
<td>❏ Financial dependant</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

❏ Legal personal representative (executor or administrator of your estate)

TOTAL MUST ADD UP TO 100% 1 0 0 %

3 Cancel your current nomination

❏ Please cancel my previous nomination and pay benefits at AustralianSuper’s discretion to my dependants or legal personal representative.

4 Sign this form in the presence of two witnesses

Member declaration - I understand that:
› The people listed at step 2 must be my spouse, child, financial dependant, interdependant or a legal personal representative of my estate when I die.
› I can change or cancel this nomination at any time.

You must sign and date this form in front of two witnesses aged 18 or over. Witnesses can’t be nominated on this form (in step 2).

Member signature here

Witness declaration
I’m aged 18 or over and I’m not nominated as a beneficiary on this form. I also saw the person who completed this form, sign it.

Witness 1 signature
Witness 2 signature

Today’s date

You must sign and date this form in front of two witnesses aged 18 or over.

Please return this completed form to AustralianSuper, Locked Bag 6, CARLTON SOUTH VIC 3053

Questions? Telephone 1300 300 273 Web australiansuper.com/retirement
### Section A: To be completed by the PAYEE

1. **What is your tax file number (TFN)?**
   - OR I have made a separate application/enquiry to the ATO for a new or existing TFN.
   - OR I am claiming an exemption because I am under 18 years of age and do not earn enough to pay tax.
   - OR I am claiming an exemption because I am in receipt of a pension, benefit or allowance.

2. **What is your name?**
   - Surname or family name
   - First given name
   - Other given names
   - Title: Mr  Mrs  Miss  Ms

3. **If you have changed your name since you last dealt with us, show your previous family name**

4. **What is your date of birth?**
   - Month  Year  Day

5. **What is your home address in Australia?**
   - Suburb or town
   - State/territory
   - Postcode

6. **On what basis are you paid?**
   - Full-time employment
   - Part-time employment
   - Labour hire
   - Superannuation income stream
   - Casual employment

7. **Are you an Australian resident for tax purposes?**
   - Yes  No
   - You must answer no at question 8.

8. **Do you want to claim the tax-free threshold from this payer?**
   - Yes  No
   - Only claim the tax-free threshold from one payer at a time, unless your total income from all sources for the financial year will be less than the tax-free threshold.

9. **Do you want to claim the seniors and pensioners tax offset by reducing the amount withheld from payments made to you?**
   - Yes  No
   - Your payer will withhold additional amounts to cover any compulsory repayments that may be raised on your notice of assessment.

10. **Do you want to claim a zone, overseas forces, dependent spouse or special tax offset by reducing the amount withheld from payments made to you?**
    - Yes  No
    - Your payer will withhold additional amounts to cover any compulsory repayments that may be raised on your notice of assessment.

### Section B: To be completed by the PAYER (if you are not lodging online)

1. **What is your Australian business number (ABN) or your withholding payer number?**
   - Branch number (if applicable)

2. **If you don’t have an ABN or withholding payer number, have you applied for one?**
   - Yes  No

3. **What is your legal name or registered business name (or your individual name if not in business)?**
   - AustralianSuper

4. **What is your business address?**
   - Level 26
   - 50 Lonsdale Street
   - MELBOURNE VIC 3000

5. **Who is your contact person?**

6. **If you no longer make payments to this payee, print X in this box**

---

**Important:**
- Use a black or blue pen and print clearly in BLOCK LETTERS.
- Print X in the appropriate boxes.
- Read all the instructions before you complete this declaration.

**Declarator:** I declare that the information I have given is true and correct.

---

**Declarator:** I declare that the information I have given is true and correct.

---

**Declarator:** I declare that the information I have given is true and correct.

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**Declarator:** I declare that the information I have given is true and correct.

---

**Important:**
- There are penalties for deliberately making a false or misleading statement.

---

**TAXPAYER-SENSITIVE (when completed)**

---

**TAXPAYER-SENSITIVE (when completed)**

---

**TAXPAYER-SENSITIVE (when completed)**

---

**TAXPAYER-SENSITIVE (when completed)**
**PAYER INFORMATION**

The following information will help you comply with your pay as you go (PAYG) withholding obligations.

**IS YOUR EMPLOYEE ENTITLED TO WORK IN AUSTRALIA?**

It is a criminal offence to knowingly or recklessly allow someone to work, or to refer someone for work, where that person is from overseas and is either in Australia illegally or is working in breach of their visa conditions. People or companies convicted of these offences may face fines and/or imprisonment. To avoid penalties, ensure your prospective employee has a valid visa to work in Australia before you employ them. For more information and to check a visa holder’s status online, visit the Department of Immigration and Citizenship website at [www.immi.gov.au](http://www.immi.gov.au)

**PAYER OBLIGATIONS**

If you withhold amounts from payments, or are likely to withhold amounts, the payee may give you this form with section A completed. A TFN declaration applies to payments made after the declaration is provided to you. The information provided on this form is used to determine the amount of tax to be withheld from payments based on the PAYG withholding tax tables we publish. If the payee gives you another declaration, it overrides any previous declarations.

**HAS YOUR PAYEE ADVISED YOU THAT THEY HAVE APPLIED FOR A TFN, OR ENQUIRED ABOUT THEIR EXISTING TFN?**

Where the payee indicates at question 1 on this form that they have applied for an individual TFN, or enquired about their existing TFN, they have 28 days to give you their TFN. You must withhold tax for 28 days at the standard rate according to the PAYG withholding tax tables. After 28 days, if the payee has not given you their TFN, you must then withhold the top rate of tax plus the Medicare levy (or the top rate of tax if they are not an Australian resident for tax purposes) from future payments, unless we tell you not to.

**IF YOUR PAYEE HAS NOT GIVEN YOU A COMPLETED FORM YOU MUST:**

- notify us within 14 days of the start of the withholding obligation by completing as much of the payee section of the form as you can. Print ‘PAYER’ in the payee declaration and lodge the form – see ‘Lodging the form’.
- withhold the top rate of tax plus the Medicare levy (or the top rate of tax if they are not an Australian resident for tax purposes) from any payment to that payee.

**LODGING THE FORM**

You need to lodge TFN declarations with us within 14 days after the form is either signed by the payee or completed by you (if not provided by the payee). You need to retain the payer’s copy for your records. For information about storage and disposal, see below.

You may lodge the information:

- online – lodge your TFN declaration reports using software that complies with our specifications. There is no need to complete section B of each form as the payer information is supplied by your software.
- by paper – complete section B and send the original to us within 14 days.

For more information about lodging your TFN declaration report online, visit [www.ato.gov.au/lodgetfndeclaration](http://www.ato.gov.au/lodgetfndeclaration)

**PROVISION OF PAYEE’S TFN TO THE PAYEE’S SUPERANNUATION FUND**

If you make a super contribution for your payee, you need to give your payee’s TFN to their super fund on the day of contribution, or if the payee has not yet quoted their TFN, within 14 days of receiving this form from your payee.

**STORING AND DISPOSING OF TFN DECLARATIONS**

Under the TFN guidelines in the Privacy Act 1988, you must use secure methods when storing and disposing of TFN information. You may store electronic files of scanned forms as an alternative to storing paper forms. Scanned forms must be clear and not altered in any way.

If a payee:

- submits a new TFN declaration (NAT 3092), you must retain a copy of the earlier form for the current and following financial year.
- has not received payments from you for 12 months, you must retain a copy of the last completed form for the current and following financial year.

**PENALTIES**

You may incur a penalty if you do not:

- lodge TFN declarations with us
- keep the payer copy of completed TFN declarations for your records
- provide the payee’s TFN to their super fund where the payee quoted their TFN to you.
PAYER INFORMATION

The following information will help you comply with your pay as you go (PAYG) withholding obligations.

IS YOUR EMPLOYEE ENTITLED TO WORK IN AUSTRALIA?

It is a criminal offence to knowingly or recklessly allow someone to work, or to refer someone for work, where that person is from overseas and is either in Australia illegally or is working in breach of their visa conditions.

People or companies convicted of these offences may face fines and/or imprisonment. To avoid penalties, ensure your prospective employee has a valid visa to work in Australia before you employ them. For more information and to check a visa holder's status online, visit the Department of Immigration and Citizenship website at www.immi.gov.au

PAYER OBLIGATIONS

If you withhold amounts from payments, or are likely to withhold amounts, the payee may give you this form with section A completed.

A TFN declaration applies to payments made after the declaration is provided to you. The information provided on this form is used to determine the amount of tax to be withheld from payments based on the PAYG withholding tax tables we publish. If the payee gives you another declaration, it overrides any previous declarations.

HAS YOUR PAYEE ADVISED YOU THAT THEY HAVE APPLIED FOR A TFN, OR ENQUIRED ABOUT THEIR EXISTING TFN?

Where the payee indicates at question 1 on this form that they have applied for an individual TFN, or enquired about their existing TFN, they have 28 days to give you their TFN.

You must withhold tax for 28 days at the standard rate according to the PAYG withholding tax tables.

After 28 days, if the payee has not given you their TFN, you must then withhold the top rate of tax plus the Medicare levy (or the top rate of tax if they are not an Australian resident for tax purposes) from future payments, unless we tell you not to.

IF YOUR PAYEE HAS NOT GIVEN YOU A COMPLETED FORM YOU MUST:

- notify us within 14 days of the start of the withholding obligation by completing as much of the payee section of the form as you can. Print ‘PAYER’ in the payee declaration and lodge the form – see ‘Lodging the form’.
- withhold the top rate of tax plus the Medicare levy (or the top rate of tax if they are not an Australian resident for tax purposes) from any payment to that payee.

LODGING THE FORM

You need to lodge TFN declarations with us within 14 days after the form is either signed by the payee or completed by you (if not provided by the payee). You need to retain the payer's copy for your records. For information about storage and disposal, see below.

You may lodge the information:

- online – lodge your TFN declaration reports using software that complies with our specifications. There is no need to complete section B of each form as the payer information is supplied by your software.
- by paper – complete section B and send the original to us within 14 days.

For more information about lodging your TFN declaration report online, visit www.ato.gov.au/lodgetfndeclaration

PROVISION OF PAYEE’S TFN TO THE PAYEE’S SUPERANNUATION FUND

If you make a super contribution for your payee, you need to give your payee’s TFN to their super fund on the day of contribution, or if the payee has not yet quoted their TFN, within 14 days of receiving this form from your payee.

STORING AND DISPOSING OF TFN DECLARATIONS

Under the TFN guidelines in the Privacy Act 1988, you must use secure methods when storing and disposing of TFN information. You may store electronic files of scanned forms as an alternative to storing paper forms. Scanned forms must be clear and not altered in any way.

If a payee:

- submits a new TFN declaration (NAT 3092), you must retain a copy of the earlier form for the current and following financial year.
- has not received payments from you for 12 months, you must retain a copy of the last completed form for the current and following financial year.

PENALTIES

You may incur a penalty if you do not:

- lodge TFN declarations with us
- keep the payer copy of completed TFN declarations for your records
- provide the payee’s TFN to their super fund where the payee quoted their TFN to you.
We’re here to help.

Need more information?

Call 1300 300 273 8am-8pm AEST/AEDT weekdays

Visit australiansuper.com/retirement

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