Future Super Pension Plan

Product Disclosure Statement
24 June 2017

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Important: Issued by Diversa Trustees Limited [ABN 49 006 421 638, AFSL 235153, RSE Licence L0000635] (Trustee) as trustee of the Future Super Fund (the "Fund" or "Future Super"), [ABN 45960194277].

The information in this Product Disclosure Statement (PDS) is up to date at the time of preparation. However, information in this PDS is subject to change from time to time. The Trustee reserves the right to update information that is not materially adverse at any time. Updated information can be obtained by going to our website at www.myfuturesuper.com.au or calling us on 1300 658 422. You may request a paper copy of this PDS and any updated information at any time, free of charge.

The PDS contains significant information which you need to consider before making a decision about the Future Super Pension Plan. Information in the PDS is general information only and does not take account of your personal financial situation or needs. You should consider whether this information is appropriate for you having regard to your own circumstances before relying on it. Investment in a pension product will have tax implications and may affect your entitlement to social security benefits. **We recommend you seek advice from a licensed financial adviser before making any decisions about this product.**

This PDS is an important document which describes the main features of the superannuation product that is being offered.

The provisions of ASIC Class Order 14/1252 (as amended by the ASIC Corporations (Amendment) Instrument 2016/1224 and the ASIC Corporations (Amendment and Repeal) Instrument 2015/876) applies to this Product Disclosure Statement.

About this Document

This document describes the main features and benefits of the Future Super Pension Plan that is available through Future Super. It is an important document that will help you to:

- Decide whether this product will meet your needs; and
- Compare this product to others you may be considering.

Definitions in this PDS

- "We/Us/Our" means the Trustee
- "You/Your" means a member or potential member in Future Super

The information provided in the PDS is of a general nature only. It does not take into account your individual objectives, financial situation or needs. Because of that, you should consider the appropriateness of this product having regard to your objectives, financial situation and needs, and we recommend you seek advice from an appropriately qualified financial adviser before investing.

Due to the level of investment returns earned by the Fund's investment options and the Fund's fees and costs, you may get back less than you paid in if you leave the Fund or an investment option.

You should keep a copy of this PDS for future reference. You can access further information about the Fund, including the Fund's most recent investment returns, by contacting Future Super or visiting our website at www.myfuturesuper.com.au. Remember that past investment returns are not indicative of future returns, and you should not base a decision to invest in the Fund on its past investment returns.

The Trustee has a complaints / dispute resolution procedure in place for Fund members (refer page 33 for further details).

This PDS does not constitute and should not be construed as an offer, invitation or recommendation by the Trustee or other related companies in any state, country or jurisdiction (other than Australia) where such offer, invitation or recommendation may not be lawfully made. Applications from outside Australia will not be accepted.

The Trustee will issue a supplementary PDS or withdraw this PDS from circulation if any material alteration occurs to any of the information contained in the PDS.

Neither the Trustee nor any service provider to the Fund can guarantee the performance of the Fund, the repayment of capital or any particular rate of return from the Fund. Investment in the Fund is subject to investment risk, including possible delays in pension payments or repayment upon withdrawal and loss of capital or income. You should read this document in full before making a decision to acquire the product.

This document can only be used by people receiving it (including electronically) in Australia.

An application for a pension as described in this document must be made on the application form attached to this PDS or using the online Future Super Pension Application form at *www.myfuturesuper.com.au*

Who is Involved with the Management of Future Super?

The Trustee

Diversa Trustees Limited is the Trustee ABN 49 006 421 638 AFS Licence No 235153 RSE Licence No L0000635. The Trustee is responsible for ensuring that the Fund is managed in accordance with the Trust Deed and the provisions of the SIS Act.

To access information regarding Trustee details and policies that a trustee must make available on the Fund's website, please visit: www.myfuturesuper.com.au/tools/documents

The information and documentation includes, but is not limited to, the following: the Trust Deed, the Product Disclosure Statement, the most recent Annual Report and the names of each material outsourced service provider to the Fund.

Service Providers

The following organisations are engaged to manage certain aspects of Future Super's operations, or provide specialist advice to the Trustee:

- **Investment Management**
  Grosvenor Pirie Management Limited ("Grosvenor Pirie") (ABN 81 002 558 956, AFSL 238184) provides investment management for Future Super. Established in 1983, Grosvenor Pirie provides superannuation investment management services, and specialises in managing ethical investment portfolios. For more information visit www.gpml.com.au

- **Administration**
  OneVue Superannuation Solutions (ABN 74 006 877 872) provides administration services for Future Super. OneVue will be able to provide members of Future Super with efficient, friendly and reliable administration support. For more information visit www.onevue.com.au

- **Promoter**
  The Promoter of Future Super is Future Super Services Pty Ltd (ACN 619 076 023). Future Super Services is dedicated to creating financial services which have a positive impact for our environment and our community.

  Future Super is the vision of the promoter, created to assist Australians in aligning their values with how their superannuation is invested. Future Super Services Pty Ltd is the promoter of this product, and assists in creating an approved investment universe for the Investment Manager to ensure that Future Super is invested in a way that is aligned with the stated values of Future Super.

The service providers above have consented to be named in the PDS.

Other Important Information

ABN of the Fund: ABN 45960194277
Fund Registration Number (FRN):R1072914

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Summary of Key Information

Key Providers for Future Super

Trustee	Diversa Trustees Limited
Promoter	Future Super Services Pty Ltd (ACN 619 076 023).
Administrator	OneVue Super Solutions
Investment Manager	Grosvenor Pirie Management Limited

Minimums

Minimum initial investment	$20,000

Features

Benefits	Future Super Pension Plan allows your retirement savings to be invested in assets which support activities designed to build a better, fossil-free future.
Investment choice	Balanced Growth pension strategy. Note: Future Super Pension Plan does not offer other investment options
Insurance Cover	Not available
Death benefit nomination options	• Reversionary pension; or • Binding nomination (Refer to page 19 for further details)
Cooling off period	A 14-day cooling off period applies to your commencement of an Account Based Pension (Refer to page 31 for further details)

Reporting

Welcome pack	Sent by email (or by post on request)
Periodic statements	• Annual member statement • Annual Report
Additional statements	Where applicable: • PAYG Payment Summary • Annual Pension Payment Review
Confirmation of withdrawal	With each commutation
	Refer to page 26 for further details

Fees and Costs – Refer to page 27 for details of all fees and costs which apply

Establishment fee	Nil
Contributions fee	Nil
Administration fee	**$93.60 per annum plus 1.32% per annum**
Investment fee	**0.44% per annum**

Investment switching fee	Not applicable
Adviser service fee	0-1.1% per annum (As agreed between you and your financial adviser, if any. This fee is payable to your adviser and not the Trustee. The Trustee does not provide or charge for advice.)
Family Law information fee	Nil
Family Law split fee	Nil
Withdrawal fee	Nil (if you do not withdraw your entire balance)
Buy/sell spread	0.[illegible]% buy, 0.[illegible]% sell
Indirect cost ratio	0.03% per annum
	Refer to page 27 for further details

Pension Options

Types of Pension Products available from Future Super	Account Based Pension Providing you meet certain eligibility conditions for commencement of a pension, you can start a pension with superannuation savings accumulated within Future Super and/or from other sources. You can have more than one pension in Future Super.
Benefits	Your pension account is made up of your initial investment amount, plus investment earnings, if any, less any fees and costs, and withdrawals.
Restrictions on access to benefits and withdrawals	There are no restrictions on accessing your benefits in, or withdrawing from, an Account Based Pension.
	Refer to page 7 for further information.

1. About Future Super

Future Super is a super fund for everyday Australians who want to shift their retirement savings away from companies and activities which are harmful to the environment and society, and instead want to see their super invested in companies and activities which make a positive impact.

Future Super's mission is to seek out financially-rewarding investments in exceptional companies and assets: those which Future Super believe can provide a competitive financial return for our members, while making a positive impact for the environment and our society. Future Super believes you shouldn't have to choose between sacrificing your finances and sacrificing your values.

Through the Future Super Pension Plan, you can provide an income in retirement while also creating more of the world you want. Future Super believes the companies that are better at looking after people and the planet can also provide better financial returns over the long term.

Future Super is Australia's first fossil fuel free super fund—it does not invest in businesses that mine, extract or burn fossil fuels, or provide services or finance to significant fossil fuel projects. Future Super believes the fossil fuel industry poses too many risks from an environmental, social and financial perspective. Future Super believe there are great opportunities available investing in businesses and activities which are providing climate change solutions.

This PDS refers to Future Super's Pension Plan, which is designed to offer you a flexible income stream during your retirement.

2. Pension Options

To enable you to take advantage of the tax and social security advantages available through your superannuation savings, Future Super offers an Account Based Pension option.

The type of pension that may be suitable for you will depend on your personal circumstances. As pensions are complex and give rise to different taxation and social security implications depending on your personal situation, we recommend that you obtain professional financial advice from a licensed financial adviser.

A Future Super pension may be a tax effective way of maintaining income in your retirement.

Lump sum and pension payments to people aged 60 and over are generally tax free subject to certain limits (a more detailed summary of relevant taxation rules is set out on **Tax on Pensions** on page 22. Lump sum and individual pension payments to members aged under 60 will have a tax free and a taxable component. Tax offsets may also apply.

Insurance cover is not available with your Future Super pension account.

Account-Based Pension

The Account-Based Pension provides a tax-effective regular income in retirement.

Key Features:

- Your retirement benefits are invested in accordance with Future Super Values (see page 12)
- Minimum initial investment of $20,000;
- No tax payable on pension payments or lump sum withdrawals if you are aged 60 and over;
- If you are aged 60 or older, income payments from an account-based super pension are tax free. From 1 July 2017, there will be a limit on how much super you can transfer to a tax-free account-based pension. This is called the 'transfer balance cap' and it will initially be set at $1.6 million but will be indexed by CPI, rounded down to the nearest $100,000.
- Flexible payments: subject to meeting age- based minimum payments, you can vary the amount and frequency of your payments to suit your needs; and
- Fully commutable: subject to meeting the age-based minimum pension payment, you can take all or part of your superannuation as a lump sum.

You can choose and vary the amount of income you receive each year (subject to meeting Government prescribed minimum limits). You can also make lump sum withdrawals if you need additional funds at any time.

Eligibility to Start a Pension

You can start a pension from Future Super by either rolling over your accumulation account balance from Future Super or from another complying superannuation fund. You need a minimum of $20,000 to start a pension.

Generally, your ability to start a pension will depend on the classification of your superannuation benefits and whether you have met a condition of release for these benefits. Your superannuation may consist of one or more of these components, although the larger part of most people's superannuation benefits is preserved.

Table 1

Classification of Benefits	
Unrestricted Non-Preserved	This component may be used at any time to start a pension.
Restricted Non-Preserved	This component may be used if you are leaving the service of a contributing employer or if you have met a Condition of Release.
Preserved	This component may be used only if you have met a Condition of Release.

Generally, you have met a Condition of Release for starting a pension when you:

- Reach age 65; or
- Cease an employment arrangement on or after the age of 60; or
- Reach preservation age (see Table 2) and retire permanently from the workforce; or
- Become permanently incapacitated; or
- Suffer a terminal medical condition.

For more information on Conditions of Release please see page 26.

Table 2

Date of Birth	Preservation Age
Before 1 July 1960	55
1/7/60 – 30/6/61	56
1/7/61 – 30/6/62	57
1/7/62 – 30/6/63	58
1/7/63 – 30/6/64	59
After 30 June 1964	60

Starting a Pension

You can start your Future Super Pension with money you have in your Future Super accumulation account or with benefits rolled over from your other superannuation accounts.

If you currently do not hold an Accumulation Account with Future Super, for any application to open a pension account with multiple rollovers or more than a single transfer in from other superannuation or pension account(s) (i.e. additional contributions or rollover amounts), we will open a temporary account in your name to receive these funds. These amounts will be held in cash in your temporary account until all rollovers or amounts intended for the purchase of the pension are received or until 30 days from the day the temporary account was first opened.

By signing and submitting an application form, you are giving consent to allocate any multiple rollovers and contributions to the above mentioned temporary account prior to establishment of your pension account. Your funds will only be held in the temporary account for a maximum of 30 days. After 30 days, all amounts in the account will be rolled across to commence your new pension account. If you do not wish to proceed with commencing with your new pension account, you can only transfer these amounts to another complying superannuation fund or will need to satisfy a condition of release before these funds can be released to you.

To transfer superannuation benefits from another superannuation fund, you must provide rollover details for each fund. There are other amounts that may be paid into a superannuation fund for the purpose of commencing a pension such as certain disablement amounts on settlement of a disability claim (outside of superannuation), proceeds from the sale of a small business, and superannuation sourced from a foreign superannuation fund. Special rules apply to these amounts. If you are going to receive any of these amounts or are considering payment of them into superannuation, we recommend you obtain professional advice.

Once your pension account has been established, you cannot add further money to it. If you have other accumulated superannuation savings with which to start an income stream, you will need to commence a separate pension. Alternatively you could 'roll back' your existing pension into an accumulation account, rollover or contribute to that account and start a new pension.

You can have more than one pension in Future Super if you wish. To commence a pension complete the Pension Member Application Form attached to this PDS or online at www.myfuturesuper.com.au. To make an investment to start your pension, you can:

- request the transfer of your benefits from your accumulation account in Future Super; and/or
- request the transfer of other benefits you may hold in other superannuation funds using the Rollover Form or by providing these details on the Application Form; and/or
- send a final superannuation contribution with your application (if you are still eligible to contribute to a superannuation fund and meet a Condition of Release) by Bpay to personalised BPay details that will be provided to you after we receive your Application Form

You can nominate the amount, frequency and commencement date of your pension payments in the 'Pension Commencement Details' section of your application. To nominate your bank, building society or credit union account to receive your pension payments, complete the 'Bank Account Details for Pension Payments' section of your application.

3. Pension Payments

You can choose your regular retirement income to be paid from your pension account monthly, quarterly, half-yearly or annually, to your bank, building society or credit union account. Your pension payment will be credited to your account on the 15th of the month (or the next business day if the 15^{th} falls on a weekend or public holiday).

Pension payments are funded by redeeming units from your pension account (see page 17 for information on how units work).

You must receive at least one pension payment each financial year. If you commence a pension before 1 June the pension payment will be a proportion of the required minimum payment for that year. However, if you commence your pension on or after 1 June, no minimum payment is required until the next financial year.

The Trustee reserves the right to delay or suspend pension payments, including where unit pricing information is unavailable or unreliable or it would not be in the best interests of other members of the Fund.

You can choose the amount of your regular payments (subject to minimum Government prescribed limits), and you can vary the amount and frequency of these payments at any time to suit your needs. You can also withdraw lump sum payments as your circumstances require.

The minimum annual pension payment that you must take each year is a percentage of your account balance determined according to your age as calculated on commencement of the pension and as at 1 July in each year. No maximum payment applies.

Table 3 below sets out the applicable percentage factor used to calculate the minimum amount payable each year.

Table 3: Superannuation Pension Payment Factors

AGE	PERCENTAGE OF ACCOUNT BALANCE TO BE PAID AS A MINIMUM**
Under 65	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%
95 or more	14%

** These figures may change subject to government rules.

Pension Term

Your pension payments will continue until the money in your account is exhausted. You should be aware that your pension may not last for the rest of your life.

How long the money lasts will depend on factors including the amount you initially invest, the amount of your pension payments and any lump sums you withdraw, investment performance of Future Super (which may be positive or negative) as well as fees and costs.

Changing Pension Payments

You can request a change to your pension payment frequency and/or amount (subject to the Government's prescribed limits). You can also change the account you nominate to receive your pension payments at any time.

You need to make your request to us in writing for any change to your pension payments setting out the change you are requesting, including full details of any new bank, building society or credit union account.

If we receive your request at least five business days before the next pension payment date, we can make the change for the next payment; otherwise the change requested will be effective from the following pension payment date.

Variations in regular pension payments will be treated as an irregular pension payment (rather than a commutation or lump sum withdrawal) unless you specify otherwise.

4. How Future Super Invests Your Money

Our Investment Philosophy: Future Super Values

Future Super is designed to provide investors with a way of investing their retirement savings which is aligned with Future Super Values. Future Super's core value is to build our members' wealth while building more of the world members want to live in. Future Super seeks to redirect retirement savings away from activities that harm our environment and society and toward activities that will build a better, fossil-free future. These are '***Future Super Values'***.

Future Super is Australia's first fossil fuel free super fund—it does not invest in businesses or assets that mine, extract or burn fossil fuels, or provide services or finance to significant fossil fuel projects.

Future Super's mission is to seek out financially-rewarding investments in exceptional assets: those which Future Super believes can provide a competitive financial return for our members, while making a positive impact for the environment and the society.

Future Super believes that:

- the fossil fuel industry poses too many risks from an environmental, social and financial perspective;
- there are great opportunities available investing in businesses and activities which are providing climate change solutions;
- you shouldn't have to choose between sacrificing your finances and sacrificing your values;
- the companies that are better at looking after people and the planet can also provide better financial returns over the long term

Future Super invests in listed Australian shares, international shares, interest bearing securities, cash and property. The fund may gain exposure to these assets via an Exchange Traded Fund(s) listed on the Australian Stock Exchange. The overall strategy is to invest in a diversified mix of assets weighted towards Australian equities and other growth assets. Derivatives may be used for the purpose of hedging transactions and managing risk. Variations in actual allocations of assets may occur from time to time for various reasons, such as the result of market fluctuations.

Future Super aims to provide investors with returns consistent with a balanced growth investment strategy. The objective is not a promise or guarantee of a particular return or benefit but is used as a basis for measuring the performance of the strategy.

The Trustee has full responsibility for the investment of the Fund's assets, and has appointed Grosvenor Pirie Management Limited as Future Super's investment manager. In this role, Grosvenor Pirie is responsible for implementing the Future Super Pension Plan's investment objectives and the strategy for reaching those objectives, and managing and monitoring the Future Super Pension Plan's assets in accordance with the established objectives and strategy.

Part of Future Super's assets may also be allocated to other external fund managers and their products. We ensure that any assets managed by external managers fit Future Super's investment criteria and risk profile.

If financial markets become unstable, the Trustee may take strategic action (including changing the allocation of assets) to protect Future Super's assets. Any decision will be taken depending on the length of time the instability is expected to persist. Market conditions are monitored constantly for this purpose.

The Future Super Pension Plan currently has one investment option – the Balanced Growth Pension Strategy detailed below. The Trustee may adopt additional investment options in the future. If it does so, the additional investment options will also be available to you to invest your retirement savings in.

Future Super – Balanced Growth Pension Strategy

The Future Super Pension Plan offers the Future Super Balanced Growth Pension Strategy as its only investment option.

Investment Return Objective:
Future Super Pension aims to track or outperform the Consumer Price Index (CPI) + 2.75% over rolling 6 year periods after fees and taxes.

Investment Strategy:
Future Super Pension aims to invest in a diverse mix of assets with the majority in growth assets such as shares, and a modest investment in defensive assets such as fixed interest and cash. Specific allocations may vary but Future Super will retain a broad 70/30 split between growth and income assets, with a bias toward Australian assets. The Fund is invested using both a negative and positive ethical screening process. Ethical considerations for the investment pool are set out below.

Asset Classes and Benchmark Allocations:

Asset Classes:	**Upper Limit**	**Lower Limit**	**Benchmark**
Australian Shares*	70%	30%	55%
International Shares	25%	5%	15%
Total Growth		**70%**	
Australian Fixed Interest	45%	15%	25%
Cash	20%	2.5%	5%
Total Defensive		**30%**	

Asset Mix:

Growth Assets	70%
Defensive Assets	30%

*includes investment in property securities

Suitability:
Members seeking both growth and income from their retirement savings and a balance between risk and return. This product is intended for everyday Australians who want to shift their retirement savings away from companies and activities which are harmful to the environment and society, and instead want to see their super invested in companies and activities which make a positive impact.

Recommended Minimum Investment Timeframe: 4-6 years

Standard Risk Measure**:
High (it is estimated that there may be a negative annual return 4 to less than 6 times out of 20 years).

** The Standard Risk Measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. The Standard Risk Measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than a member may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Members should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option.

Performance and portfolio information
You can keep up to date with Future Super's unit price, performance and portfolio holdings at www.myfuturesuper.com.au.

We may make changes to Future Super Balanced Growth Pension Strategy from time to time, including changes to the types of investments.

Environmental, Social or Ethical investment criteria
The Trustee, with the assistance of its service providers, takes the Future Super Values into account in the selection, retention or realisation of investments. Future Super's Investment Committee draws on internal and

external specialists to construct an approved investment list for the Investment Manager, and to ensure Future Super's investments line up with Future Super Values.

A negative screening process is applied to ensure that investment in companies and assets whose activities are contrary to Future Super Values is avoided, and a positive screen applied to seek companies and assets whose values align with Future Super Values and whose activities have a positive impact for the environment and society.

Future Super is Australia's first fossil fuel free super fund—that means Future Super will not invest in companies which mine, extract, burn or distribute fossil fuels. Future Super will also avoid investment in companies which are service providers to significant fossil fuel projects and activities.

As well as screening out fossil fuel investments, Future Super also takes account of the following environmental, social, governance and labour considerations in to account when investing members' money:

The negative screening process of the Fund seeks to avoid investment in the following activities and to exclude these activities from the Fund's investments:	The positive screening process of Future Super actively seeks out investments in companies with the following activities:
• fossil fuels • gambling • tobacco • armaments and militarism, support for regressive regimes or operations in countries of concern • nuclear and uranium • old growth forest logging • live animal export and animal cruelty • slave labour, poor labour standards or working conditions • corruption or bribery • intensive agriculture • environmental destruction (including the destroying or wasting of resources) • polluting and carbon intensive activities • social harm • harmful financing (financing of environmental or social harm) • poor corporate governance	• renewable and efficient energy • recycling and re-use of waste • water and resource conservation, and protection of natural environments • green buildings, social infrastructure • sustainable timber production • healthcare and wellbeing • education • efficient transport • green I.T • sustainable products, ethical procurement and fair trade • strong labour standards and corporate governance • flexibility in work and lifestyle • community finance, local enterprise or social enterprise • ethical treatment of people and animals • production of healthy foods and support for healthy lifestyles • activities that promote dignity and wellbeing, and alleviate poverty

The Investment Manager draws on internal and external specialists to construct an approved investment list for the Investment Manager, and to ensure Future Super's investments are consistent with these Future Super Values.

What is the difference between defensive and growth assets?

Generally, investments are purchased for their income producing potential (known as defensive assets) or because the capital value is expected to grow over time (known as growth assets).

Defensive Assets

Defensive assets include bank deposits, fixed interest securities, mortgages and debentures. The main advantage of these methods of investment is that the original capital invested is relatively secure. This is because the investment organisation often takes the investment risks and guarantees to pay back the capital at the end of the period of investment. They may also pay a defined income return for a specified period, usually a rate of interest, so the rate of return is known in advance.

One disadvantage of defensive assets is that the original capital does not usually grow in value so the investment does not have the potential to maintain its purchasing power against inflation.

Thus, defensive assets provide good security and may provide a defined income stream for a time period, but they are not tax efficient and their value may not grow over time.

Growth Assets

Growth assets include property, Australian and international company shares, and a range of more specialised investments, some of which are riskier than others. Capital growth occurs when investors collectively believe that future profits or rental from an asset will be higher in the future than today and are therefore prepared to pay more to purchase the asset. Similarly, capital values fall if investors collectively believe that future profits and rentals will be lower in the future than today. For example, capital values may fall if investors believe that the economy is heading for a downturn.

As investors' perceptions about the future change, the value of capital growth investments fluctuates. However, in the long run, the returns on capital growth investments are likely to outperform fixed interest and cash investments. This is particularly true if the investment is based on company profits from reputable companies and property rental from quality buildings.

The main advantage of growth assets is that it is possible to take advantage of favourable economic conditions and achieve superior growth over the medium to long term.

There are three main advantages to investing in growth assets:

1. The income received.
2. The tax advantages that may apply.
3. The long term increase in the value of the capital.

The main disadvantages are that the original capital value may fluctuate, including falling significantly, and that the income returns are not usually assured.

Risk

Like all investments, an investment in a pension fund such as the Future Super Pension Plan carries risk. The risks are generally divided into two categories:

1. Risks associated with a pension investment; and
2. General investment risks.

The appropriate level of risk for you will depend on a range of factors including your age, your investment timeframes, your risk tolerance and what other investments you hold. You need to assess your personal situation carefully before making any investment decision.

When considering your investment, it is important to understand that:

- The value of your investment will go up and down dependent on the market prices of the assets held by your investment option;
- Returns are not guaranteed and will vary so future investment returns may differ from past returns;
- You may lose some or all of your money;
- The amount of your pension savings (including returns) may not be enough to provide adequately for your retirement; and
- Superannuation laws may change in the future.

Pension Specific Risks

Your pension is designed to provide you with a steady income stream to support you during your retirement. However, like many pension products, the Future Super Pension Plan is account-based. This means that your pension payments are supported by the value of your pension account. They are not guaranteed for a particular period or during your lifetime.

You should be aware that:

- Your ability to maintain your income stream from your pension account is reliant on the starting value of your pension account, investment earnings and losses within the pension plan, and the amount you withdraw from your account through pension payments and lump sums / commutations;
- Your pension account may run out before you die;
- Like all superannuation vehicles, pension accounts are subject to tax law. Changes to the way pensions are taxed may have a significant impact on the value of your pension account or the amount you can receive as pension payments;
- The value of your pension account and the amount you receive as pension payments may affect your rights to social security. Social security laws may change, which may in turn affect how your pension account and pension payments are treated for social security purposes.

General Investment Risks

The Future Super Pension Plan invests in different types of assets, including Australian shares, international shares, property and fixed interest. As the Future Super Pension Plan grows we may expand our investment portfolio to include alternative assets and social impact bonds (that is, investments with financial returns directly linked to achieving better social outcomes). Different asset classes behave differently over time and inherently have different levels of risk. Assets with the highest long-term returns may also carry the highest level of short-term risk.

Other general investment risks associated with investing in Future Super include:

Interest rate risk

Changes in official interest rates can directly and indirectly impact on investment returns. Generally, an increase in interest rates has a negative effect on the general economy and thus the valuation of stocks.

Market risk

Changes in legal and economic policy, political events and technology failure can all directly or indirectly create an environment that may influence the value of your investments.

Company specific risk

The value of an investment in a particular company may vary because of changes to management, product distribution or the company's business environment.

Liquidity risk

There may be a time when investments may not be readily sold or may not be sold for a price which fairly reflects its value (for example, in a falling market where shares may become less liquid). Although the liquidity of Future Super's investments are not guaranteed, the Future Super Pension Plan generally invests in assets where the trading volumes are usually sufficient to satisfy liquidity requirements when necessary.

Derivatives risk

Derivatives are generally contracts that call for money to change hands at some future date, such as company issued options or listed exchange traded warrants or foreign exchange contracts. The Trustee does not permit any investments directly in any futures, options or other derivative instruments

Credit risk

Credit risk is the risk that a borrower will default on its obligations under a loan. This is relevant where Future Super invests in corporate, government and semi-government bonds and other fixed interest securities, because these are effectively loans to the bond issuer. The risk is sought to be mitigated to an extent by the knowledge and experience of the investment managers.

Diversification risk

The extent of diversification across Future Super Pension Plan's assets may impact the amount of investment risk. Diversification in underlying assets or investments can help moderate the risk of lower investment returns and a lack of diversification can increase investment risk.

Future Super Pension Plan has a diversified pension strategy with a 70/30 split between growth and income assets.

Foreign Currency risk

Investment in international equities and other non-Australian assets may give rise to foreign currency exposure. The means the value of foreign investments may vary as exchange rates change. Fluctuations in foreign currency can have both a positive and negative impact on investments with exposure to international equities, depending on how investments are made.

Ethical Screening risk

Future Super's investments are screened in relation to ethical and other values. There is risk that the companies change their operations or philosophy, and the Trustee may be unable to redeem its investment quickly enough. This risk is managed by assessing the latest information available and the use of external expertise to monitor consistency of Future Super's investments with the ethical and other values that are taken into account when making investment decisions.

In addition, ethical screening reduces the possible number of investments Future Super may invest in.

How we manage investment risks

In managing risks, the investment strategy for Future Super Pension Plan takes into account a range of criteria including:

- the membership profile
- the risks involved in making, holding and realising investments, and the likely return from those investments
- the composition of the investments as a whole including the extent to which the investments are diverse or involve the option being exposed to risks from inadequate diversification
- the liquidity of investments.

Your investment is not guaranteed. The value of your investment can rise or fall. Neither the Trustee, Diversa Trustee Limited, any related entities or any other person referred to in this document guarantee the capital invested, your account, underlying investments or the performance of investments.

Your Account: Unitisation

Future Super is administered as a unitised fund. This means that your contribution or rollover to the Future Super Pension Plan buys a certain number of units in the Future Super Balanced Growth Pension Strategy. The number of units you buy is equal to the net amount you invest (your rollover amount) divided by the prevailing "buy" unit price for the Pension Strategy at that time. When an amount is withdrawn from the Future Super Pension Plan, including by way of making your regular pension payments, you redeem some of the units you hold in the Pension Strategy. The number of units you redeem is equal to the amount to be withdrawn divided by the prevailing "sell" unit price for the Pension Strategy at that time.

How and when is a unit price calculated?
Unit prices are calculated at least once each week. It is expected that unit prices will be struck on every business day from mid-July 2017.

To determine the unit price of the Pension Strategy, we take the total market value of all of the Pension Strategy's assets, adjust it for any liabilities, and divide the net value by the total number of units held by all members on that day. The expenses and liabilities adjusted for in the unit price include allowances for tax (if applicable) on investment earnings, administration fees and investment fees.

The buy price for units (when you rollover into the Future Super Pension Plan) is slightly higher than the sell price for units (when you withdraw from the Future Super Pension Plan). This is because the buy/sell spread is added to the buy price and deducted from the sell price to allow for the cost to Future Super of buying and selling assets in the Pension Strategy as your money moves into and out of Future Super. See Buy-Sell Spread on page 29.

What is the value of my account?
The value of your investment is calculated by multiplying the number of units held in the Pension Strategy by the unit price applicable on that day. The value of your investment will also be adjusted to allow for any taxes or rebates on investment earnings (if applicable) and additional costs applicable to your account. A reference to your "account" in this PDS means the value of all of the units that you hold.

Please note that the value of your account may rise or fall.

Where can I see the latest unit price?
The current unit price for the Pension Strategy is available through your online member portal available at www.myfuturesuper.com.au or from the Member Services Team upon request.

When are transactions processed?

- Your contribution or rollover into Future Super will normally be processed at the next unit price calculated after the contribution or rollover is received and accepted by the Trustee.
- Pension payments are made monthly, quarterly, half-yearly or yearly as you select, using the unit price calculated on the last business day before the business day on which the payment is made.
- Withdrawals (other than pension payments) and rollovers out of Future Super are normally processed at the next unit price calculated after the request for withdrawal is received and accepted (subject to all criteria being met to pay the withdrawal).

5. Your Beneficiaries

In the event of your death, the remaining balance in your pension account will generally be paid to your nominated beneficiaries. How it will be paid and which beneficiary it will be paid to may be determined by you in one of two ways:

1. You may nominate a Reversionary Beneficiary; or
2. You may make a binding death benefit nomination

You can also choose for the balance of your pension account to be paid to your legal personal representative. If you do not nominate a beneficiary or your nomination is not valid, the Trustee may pay the balance of your account to your dependants or your legal personal representative as it sees fit.

Nominating a Reversionary Pension Beneficiary

You can nominate your spouse as a reversionary beneficiary. This means that he or she will continue to receive your pension payments as a tax-effective income stream (called a Reversionary Pension) upon your death. You can also nominate your child as your reversionary beneficiary if on the date of your death your child is:

- under age 18; or
- over age 18 but under age 25 and financially dependent on you; or
- permanently disabled.

Pension payments to your child will be required to be paid as a lump sum by the time the child reaches age 25 unless the child is permanently disabled. The laws are complex and you should seek appropriate professional advice before nominating your child as a reversionary beneficiary.

If you wish to nominate a reversionary beneficiary, you should do so at the time of your application by completing the 'Reversionary Pension and Beneficiary Details' section of your application.

Once you have started an Account-Based Pension or Transition to Retirement Pension, you can add a reversionary beneficiary or change your nomination, by providing us with a written request revoking your present reversionary nomination and nominate your new beneficiary (if any).

If your reversionary beneficiary does not survive you, your remaining account balance will be paid at the discretion of the Trustee, taking into account any nomination of beneficiary/ies you made prior to your death.

As there are different tax and social security consequences depending on who receives your pension after your death, we recommend that you seek tax and financial advice from a qualified adviser when making or changing any nomination of beneficiary.

If you do not wish to nominate a reversionary beneficiary, you can still nominate one or more of your dependants and/or your legal personal representative to receive the balance of your account on your death as a binding death benefit nomination.

Binding Death Benefit Nomination

As an alternative to nominating a Reversionary Beneficiary, you can make a binding death benefit nomination to have your benefit paid as a lump sum in the event of your death.

You can do this by completing the relevant sections of the Application Form or completing a Nomination of Beneficiaries Form, available on the Future Super website or by calling the Member Services Team on 1300 658 422.

Regardless of the nomination you choose, your death benefit can generally only be paid to either or both of the following:

- one or more of your dependants, and/or
- your legal personal representative.

Under Superannuation law, a "dependant", includes:

- your spouse;

- your child; and/or
- any person who you have an interdependent relationship with.

A "spouse" includes:

- another person (whether the same or opposite sex) with whom you are in a relationship that is registered under a State or Territory law; and
- another person (whether the same or opposite sex) who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.

In addition to any natural child, a "child" includes:

- an adopted child, a stepchild, or an ex-nuptial child;
- a child of your spouse; and
- someone who is a child under the *Family Law Act 1975*.

An interdependant relationship between two people applies if:

- they have a close personal relationship;
- they live together;
- one or both of them provides the other with financial support; and
- one of both of them provides the other with domestic support and personal care.

Two people with a close personal relationship who do not meet the above criteria because one or both suffers from a physical, intellectual or psychiatric disability can still be considered to have an interdependent relationship.

If you make a binding death nomination the Trustee will pay your benefit according to your nomination as long as the nomination is valid at the time of your death.

To be a valid binding death benefit nomination, the nomination must satisfy the following criteria:

- you must nominate one or more dependants (as defined) and/or your legal personal representative;
- your allocation percentages must total 100%;
- your nomination must be in writing;
- your nomination must be signed and dated, in the presence of two witnesses, being persons:
    - both of whom have turned 18 years of age, and
    - neither of whom is identified as a beneficiary in the nomination; and
- your nomination must contain a declaration signed and dated by the witnesses stating that the nomination was signed by you in their presence.

Note:

- Binging nominations have a fixed term of three years. You must confirm or amend your binding nomination at least every three years in order for it to continue to be valid. If a binding nomination lapses, it will no longer be valid and binding on the Trustee. The Trustee may pay the balance of your pension account to any of your dependents or your legal personal representative as it sees fit.
- A valid binding death benefit nomination will override any nomination you have made previously
- We are required to follow a valid binding death nomination even if your circumstances changed between the date of the binding nomination and the time of your death.
- You may change or revoke your binding nomination at any time.

What happens if there is no valid binding death benefit nomination?

If at the time of your death you have not made a valid binding death benefit nomination, the Trustee will, in its absolute discretion, pay your death benefit to one or more of your dependent(s) and/or legal personal representative. This will happen where:

- You have not made a death benefit nomination or a reversionary beneficiary nomination;
- Your death benefit nomination or reversionary beneficiary nomination is not valid; or
- Your binding death benefit nomination has expired.

If you have made a death benefit nomination which is not valid or has expired at the time of your death, the Trustee will take into account when deciding complete discretion in deciding who should receive your death benefit and in what proportions.

Please refer to the information on taxation of death benefits for further information.

6. Tax on Pensions

This section outlines the taxes you may pay in relation to your pension. Tax can be complex. The detail set out below is based on an interpretation of current Australian tax law which may change from time to time. We recommend that you obtain advice specific to your circumstances from an experienced professional tax adviser or licensed financial adviser. For further information, including up to date tax rates applicable to payments, please refer to the Australian Taxation Office website: www.ato.gov.au.

Tax on Investment Earnings

There is no tax payable on investment earnings within your pension account.

Tax on Your Pension Payments

Your pension payments generally consist of a taxable component and a tax-free component. The tax you may pay will depend on your age.

If you are aged 60 or over, the regular pension payments (including both tax-free and taxable components) from Future Super Pension Plan are generally tax-free. You will not need to include these payments in your tax return.

If you are aged under 60, your taxable component will be taxed at your marginal rate (plus any applicable levies). However, you may be able to claim a 15% tax offset if you have reached the preservation age.

The tax payable on any taxable component of your pension payments is showing in Table 6 below:

From 1 July 2017, there is a $1.6 million transfer balance cap on the total amount of accumulated superannuation an individual can transfer into the tax-free retirement phase.

The transfer balance cap applies to the total amount of superannuation that has been transferred into the retirement phase and it does not matter how many accounts you hold (or how many superannuation funds) these balances are held in.

The amount of the cap will start at $1.6 million for the 2017/2018 financial year, and will be indexed periodically in $100,000 increments in line with CPI. The amount of indexation you will be entitled to will be calculated proportionally based on the amount of your available cap space. If, at any time, you meet or exceed your cap, you will not be entitled to indexation.

The transfer balance cap will affect you if you are currently receiving a pension or annuity income stream that is close to or in excess of the cap, or start a retirement phase income stream after 1 July 2017.

If you have a retirement phase account balance in excess of the $1.6 million cap on or after I July 2017 you will need to:

- remove any amount over $1.6 million, plus excess transfer balance earnings, from retirement phase
- pay excess transfer balance tax.

Although there is now a limit on the amount of assets you can transfer into a tax-free retirement phase account, this does not affect the amount of money that you can have in the accumulation phase of a superannuation fund. Any amount of superannuation you have in your fund above the $1.6 million amount can be retained in the accumulation phase and/or be taken as lump sum payments.

Taxation on Pension Payments

AGE	Tax on Future Super Pension Plan payments
60 years or more	Tax-free
Over preservation age to age 59	• Taxed at marginal tax rates (plus applicable levies) • Tax offset of 15% may be available
Below preservation age	• Taxed at marginal tax rates (plus applicable levies), with no tax offset • Tax offset of 15% may be available if a disability super benefit

You do not pay tax on your tax-free component, regardless of your age.

Note: If you have more than one pension in Future Super Pension Plan, each pension is treated as a separate superannuation interest with its own taxable and tax-free components.

Tax on Lump Sum Benefits

A lump sum withdrawal from Future Super will be treated as a superannuation benefit payment. A superannuation benefit may also be rolled over to another superannuation fund, rollover or pension fund.

There are two components that make up a superannuation benefit, **Taxable** and **Tax Free**. The tax rules that apply to these components when you choose to cash out your super depend on your age as noted below.

No Tax on Benefits Taken After Age 60

Generally, all lump sums and pensions paid to members from age 60 will be tax free if paid from a taxed superannuation fund such as Future Super.

There is no limit on the amount of superannuation benefit that members over age 60 can take tax free.

Tax on Benefits Taken Before Age 60

Members taking a lump sum benefit in cash before age 60 will pay tax. There are two components to your superannuation.

(a) **Tax Free Component**

This generally covers benefits arising from contributions made on an after-tax basis and the component that accrued prior to 1 July 1983. The amount of the pre-1 July 1983 component has been frozen since 1 July 2007. The tax free component of a member's benefit is paid tax free.

(b) **Taxable Component**

This covers that part of the benefit that is not part of the tax free component. The tax payable on a lump sum benefit paid from the taxable component varies with the circumstances of payment. The tax rates currently payable on benefits paid out of taxable components are:

Age / status	Component and tax treatment**
Age 60 or over	Tax free
Preservation age (generally age 55) to age 59	**Tax free component is tax free.** Taxable component -The first $200,000* is nil -The amount above $200,000* is taxed at 15% (plus Medicare levy).
Less than preservation age	**Tax free component is tax free.** Taxable component taxed at 20% (plus Medicare levy)

* The $200,000 benefit limit is applicable in the 2017/18 financial year. This threshold is subject to change in line with average weekly earnings each year in $5,000 increments. Refer to www.ato.gov.au for thresholds applicable from year to year ($195,000 for the 2016/2017 financial year.
** See information about the temporary budget repair levy below.

Tax on Death Benefits

The tax treatment of death benefits depends on whether they are paid as a reversionary pension or as a lump sum, and who the recipient of the benefit is.
Tax treatment of death benefits can be complex and we recommend that you speak with your financial and tax advisers for tax information specific to your personal circumstances.

LUMP SUM

Superannuation death benefits paid to "death benefits dependants" are tax-free.
Note that although an adult child may be a "dependant" for the purposes of determining whether they can be nominated to receive your death benefit, for tax purposes, a child over the age of 18 is not considered to be a "death benefits dependant" unless, at the date of your death, they are financially dependant on you or in an interdependent relationship with you.
If a lump sum is paid to a person who is not a "death benefit dependant", the tax free component of the benefit is tax free, while part of the remaining taxable component is taxed in the Fund at 15% (plus applicable levies).

PENSION

If you die whilst in receipt of a pension and your pension continues to be paid to your reversionary beneficiary as permitted by superannuation legislation, the continuing pension will be taxed as per Table 7 below:

Taxation of Reversionary Pensions

Tax Component	**Deceased or Reversionary is age 60 or over**	**Deceased and Reversionary are both under age 60**
Tax free component	Tax-free	Tax-free
Taxable component	Taxed element: Tax-free Untaxed element: Recipient's marginal tax rate less 10% tax offset	Taxed at marginal tax rates (plus applicable levies) with 15% tax offset for the taxed element. Once reversionary reaches age 60, whole payment is tax-free.

Pension payments to a dependant child will be required to be paid as a lump sum by the time the child reaches age 25 unless the child is permanently disabled. This amount will be tax free and will not be required to be included in their annual tax return.

Anti-detriment benefits

Anti-detriment payments compensate super fund members for the reduction in lump sum death benefits due to the 15% tax on contribution and investment income from 1 July 1988. The Fund accommodates anti-detriment payments on the death of a member.

From 1 July 2017, the government is removing this provision and super funds will no longer be able to claim this deduction. This change will ensure consistent treatment of lump sum death benefits across all super funds.

Future Super may claim a deduction for an anti-detriment payment as part of a death benefit if a fund member dies on or before 30 June 2017. The fund has until 30 June 2019 to pay the benefit. Funds cannot include anti-detriment payments as part of a death benefit if the member dies on or after 1 July 2017.

Social Security

If you receive social security benefits, you should be aware that an investment in this Fund might affect your entitlement. We recommend you seek professional advice before investing.

Generally, to qualify for the Age Pension, you are assessed under two tests: the Income Test and the Assets Test. In order to qualify for the maximum pension amount you need to pass both Tests. The Test which gives you the lowest entitlement determines the amount of Age Pension you receive.

Your Future Super Pension Plan account balance is included in the determination of your assets for the purposes of the Assets Test.

For the Income Test, your Future Super Pension Plan account may be deemed to generate a certain level of income based on a deemed rate of return. This rate of return is assumed to apply even if the actual amount of income you receive from the pension is greater or less than the deemed level of income.

Currently the age pension age is 65 (for both males and females). From 1 July 2017, the age pension age will become 65 years and 6 months for everyone.

As the taxation and social security implications of superannuation pensions can be complex, we recommend that you obtain professional financial advice relevant to your personal situation and circumstances before making any decisions.

Provision of Your Tax File Number

The Trustee is authorised by law to collect your TFN under the *Superannuation Industry (Supervision) Act 1993*. The Trustee will only use your TFN for lawful purposes, including identifying or finding your superannuation benefits, calculating tax on payments and providing information to the Australian Taxation Office. These purposes may change in the future as a result of legislative change. The Trustee may disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request Future Super in writing not to disclose your TFN to any other superannuation provider.

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

- your superannuation fund will be able to accept all types of contributions to your account/s;
- the tax on contributions to your superannuation account/s will not increase;
- other than the tax that may ordinarily apply, no additional tax will be deducted when you start drawing down your superannuation benefits; and
- it will make it much easier to trace different superannuation accounts in your name, so that you receive all your superannuation benefits when you retire

7. Lump Sum Withdrawals

Account-Based Pension

You can withdraw (or commute) all or part of your account balance at any time from your Account-Based Pension. However, before an Account-Based Pension can be commuted, a minimum pro-rata pension payment must be made for that year, except where the commutation arises due to the death of the recipient or in other limited circumstances prescribed by superannuation legislation.

Making a Withdrawal

You can obtain the current withdrawal value of your account by calling the Member Services Team on 1300 658 422.

The Trustee will be required to conduct appropriate ID procedures before any benefits can be paid.

To make a withdrawal from your pension account, complete a Withdrawal Form, available by calling the Client Services Team or from our website at www.myfuturesuper.com.au, then mail the form to us at GPO Box 686, Canberra ACT 2601.

You will generally receive your withdrawal proceeds no later than 30 days after we have received your withdrawal request.

Withdrawal payments can be made by transfer to your bank, building society or credit union account, or by cheque. Payments cannot be made in cash.

As Trustee, we may suspend or delay the processing of a withdrawal. This may occur in the case of a large withdrawal or payment, or in certain other situations, such as the illiquid nature of some underlying investments which are not able to be converted into cash within a reasonable time.

Once your withdrawal request has been processed, we will send a written confirmation to you.

Generally, if you are under age 60 and make a partial withdrawal from your pension account, the amount payable must comprise amounts withdrawn proportionately from both the taxable and tax-free components of your pension account. You cannot nominate the amount you will draw down from these components.

8. Fees and 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 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 (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

This section shows the fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from Future Super assets as a whole. Other fees, such as Activity Fees and Advice Fees for personal advice may also be charged but these will depend on the nature of the activity or advice chosen by you.
The fees quoted in this section are inclusive of GST. Information about taxes and other costs are set out in another part of this document. You should read all the information about fees and other costs because it is important to understand their impact on your investment.

Type of fee[1]	Amount	How and when paid
Investment fee	0.44% per annum	Reflected in the unit price when the unit price is calculated and paid in arrears.
Administration fee	$93.60 per annum PLUS 1.32% per annum	Deducated directly from your account balance on a monthly basis, payable in arrears. Accrued and reflected in the unit price when the unit price is calculated.
Buy-sell spread	0.7% buy + 0.7% sell	Taken into account when the unit prices for payments in and benefit payments/ transfers out are calculated.
Switching fee	Nil	N/A
Exit fee	Nil	N/A
Advice fees	Nil	The Trustee of Future Super does not provide or charge for advice. If you have a financial planner, you can agree to pay a fee to the adviser deducted from your account balance monthly, and paid to your adviser quarterly in arrears.
Other fees and costs	Varies	Other fees and costs may apply. Refer to the "Additional Explanation of Fees and Costs" section below.
Indirect cost ratio	0.03% per annum	Deducted from the Investment Return of the Underlying Investments.

[1] For definitions of the fees and costs in the table above, please refer to the Additional Explanation of Fees and Costs below.

Example of Annual Fees and Costs for Future Super Pension Plan

This table gives an example of how the fees and costs for this superannuation product can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE – Future Super Pension		BALANCE OF $50 000
Investment fees	0.44%	For every $50 000 you have in Future Super you will be charged $220 each year
PLUS Administration fees	$93.60 plus 1.32%	And, you will be charged $753.60 in administration fees
PLUS Indirect costs for the superannuation product	0.03%	And, indirect costs of $15 each year will be deducted from your investment
EQUALS Cost of the product		If your balance was $50 000, then for that year you will be charged fees of $988.60 for the superannuation product.

Note: Additional fees may apply. **And**, if you leave the superannuation entity, you may be charged an **exit fee** of **$0** and a **buy/sell spread** which also applies whenever you make a contribution, exit, rollover or investment switch. The **buy/sell spread** for exiting is **0.07%** (this will equal to **$35** for every $50,000 you withdraw).

Additional Explanation of Fees and Costs

The fees and costs charged in the Future Super Pension Plan will affect the value of your investment and the amounts which will ultimately be available for payment to you by way of pension payments or lump sum withdrawals.

Advice Fees
If you use an adviser, he/she may charge an adviser service fee (upon your instruction) up to 1.1% per annum of your average account balance each year. This fee is paid to your adviser. The adviser service fee is set by negotiation between you and your adviser and confirmed by you to us as part of the application process. The fee is deducted from your account balance monthly and is paid to your adviser quarterly in arrears, until you instruct us otherwise. The fee is in addition to the management costs applicable to this product.

Buy-Sell Spread
When a member buys or sells units, this initiates a need for the Trustee to trade the underlying assets that relate to the particular investment transaction. This trading generates transaction costs such as brokerage and settlement costs which are paid from each investment option.

These transaction costs are reflected in a buy/sell spread that is taken into account in the calculation of unit prices. The buy/sell spread is the difference between the entry price and exit price of units and is an additional cost incurred by members each time they invest (including via rollovers from other funds) or withdraw funds. The buy/sell spread is retained within the Fund and contributes towards the transaction costs associated with the Fund buying or selling assets in relation to investment transactions initiated by members or relating to the administration of member accounts.

The spread ensures that those members joining or leaving the Fund or product, or switching investment options, contribute towards these transaction costs and other investors who are not joining, leaving or switching investments at that particular time are not disadvantaged.

The buy/sell spread for each investment option is made up of the following costs:

Investment Strategy:	Buy	Sell
Future Super Balanced Growth Pension strategy	0.07%	0.07%

For example, if you invest $50,000 in Future Super, you will incur a buy cost of 0.07% of the transaction amount, being $35, at the time you invest.

The buy cost is added (+) to the net asset value price (NAV) of the underlying assets per unit to determine an entry price ('Buy Price'). The sell cost is subtracted (-) from the NAV to determine an exit price ('Sell Price').

As the imposition of a buy/sell spread is built into the unit price, it does not appear on statements to embers as a separate fee.

For further information about unit prices, refer to the information in Section 4. How Future Super Invests Your Money

Tax Costs
The tax consequences of your investment in Future Super are explained in the section on Tax.

GST, Stamp Duty and Taxation
Goods and Services Tax (GST) may apply to fees and charges. All fees and charges listed in the PDS are inclusive of GST and stamp duty, where applicable. We may be able to claim a reduced input tax credit (RITC) for any GST paid on expenses and taken into account in earnings/calculation of unit prices.

Administration Fee
A portion of the administration fee is paid to the promoter for services provided to the Fund.

Extraordinary expenses:
The Trustee has the right to be reimbursed out of the assets of the Fund for all expenses it incurs on behalf of the Fund. The Trustee will pay the routine expenses of the Fund (including, but not limited to custody, accounting and audit) out of the Administration Fee. However, if the Trustee should incur extraordinary expenses which have not been anticipated by the Trustee when setting the Administration Fee (for example, the costs of any disputes or litigation or costs imposed by changes in law) those costs may be paid out of the assets of the Fund. Any extraordinary expenses paid out of the assets of the Fund will be reflected in the unit price and, consequently, borne by members.

Increases or Alterations in the Charges
The Trustee can change the amount of fees without your consent. Any material increase in fees must be notified at least 30 days in advance.
Estimated costs may change from year to year depending on the experience of the Fund.

The buy/sell costs are reviewed at least annually and can change from time to time. Updated information about buy/sell costs may be made available at www.myfuturesuper.com.au

Operational Risk Reserve:
Superannuation funds under the Superannuation Industry (Supervision) Act 1993 are required to build financial resources in order to ensure there are adequate financial resources in the event of a loss arising from an operational risk event. This is commonly done by creating an operational risk reserve (ORR) for this purpose.

An operational risk is the risk that a superannuation fund may suffer loss due to inadequate or failed internal processes, people and systems, or from external events. The ORR may be drawn upon to assist in compensating members of the fund I the event of an operational risk having materialised.

At the time of the PDS, the ORR was collected at a rate of 0.08% p.a. which forms part of the Administration fee.

The ORR will be maintained to meet the trustee's requirements, however if there are insufficient funds to maintain the ORR, additional funds may be allocated in the form of an additional one-off fee deductions from member's accounts. Members will be provided notice in advance if an additional one-off deduction will be made.

Defined Fees

Activity fees
A fee is an **activity fee** if:

(a) the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee:
 (i) that is engaged in at the request, or with the consent, of a member; or
 (ii) that relates to a member and is required by law; and

(b) those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an exit fee, an advice fee or an insurance fee.

Administration fees
An **administration fee** is a fee that relates to the administration or operation of the superannuation entity and includes costs that relate to the administration or operation, other than:

(a) borrowing costs; and

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

(c) costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.

Advice fees
A fee is an **advice fee** if:

(a) the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by:
 (i) a trustee of the entity; or
 (ii) another person acting as an employee of, or under an arrangement with, the trustee of the entity; and

(b) those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an insurance fee.

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

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

Indirect cost ratio
The **indirect cost ratio** (**ICR**), for a MySuper product or an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for the MySuper product or investment option, to the total average net assets of the superannuation entity attributed to the MySuper product or investment option.

Note: A dollar-based fee deducted directly from a member's account is not included in the indirect cost ratio.

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

(a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and costs incurred by the trustee of the entity other than:

(i) borrowing costs; and

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

(iii) costs that are otherwise charged as an administration fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.

Switching fees

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

9. Additional Information You Need to Know

How to open an account

Complete the Application Form which accompanies the Future Super Pension PDS and send it to our Member Services Team, or complete the online application form at www.myfuturesuper.com.au.

As part of the application process, you will be required to provide us with information to enable us to verify your identity, such as information from your drivers licence or passport. Under Australia's Anti Money Laundering and Counter Terrorism Financing laws, we cannot pay a benefit to you if we have not verified your identity.

What if I change my mind?

A 14-day 'cooling-off period' will apply to your initial investment in the Fund. If, during the 14-day cooling-off period, you decide that Future Super does not meet your needs, you should advise us in writing.

Amounts that are, or become 'preserved' or 'restricted non-preserved' cannot be refunded directly to you if you take advantage of the 14-day cooling-off period (unless you satisfy a condition of release). We will roll over or transfer these amounts to the superannuation fund, Retirement Savings Account (RSA) or Approved Deposit Fund (ADF) you nominate.

The 14 days start when you receive your membership confirmation.

If you exercise your cooling-off rights, we will refund your investment, adjusted for changes in unit prices and any pension payments made. We will also deduct any tax or duty incurred. As a result, the amount returned to you may be less than your original investment.

Please note that the cooling-off period will lapse if you transact on your account within the 14 days.

Trust Deed

Future Super is governed by a trust deed which sets out the rights of members and beneficiaries, and the rights, duties and responsibilities of the Trustee.

You can obtain a copy of the Trust Deed free of charge by contacting our Member Services Team.

From time to time, the Trustee may determine to amend the Trust Deed as circumstances change, e.g., to reflect changes in legislation. The Trustee can generally amend the Trust Deed without your consent if:

- the amendment does not reduce the existing accrued benefits of members or beneficiaries; or
- all relevant consents as required by law or by the Trust Deed are obtained; or
- in the opinion of the Trustee, the principal purpose of the amendment is to better enable the Fund to comply with superannuation law.

In the event of any inconsistency between this PDS and the terms of the Trust Deed, the terms of the Trust Deed will prevail.

Family Law matters

Under superannuation law, divorcing or separating couples can split the pension entitlements of one or both of the partners as part of their property settlement. This can be done either by Court Order or by a binding financial agreement between the separating couple after legal advice has been obtained. If this applies to you, your pension will be split in accordance with the Court Order or agreement.

Family Law affects your pension in two key areas:

1. Request for information – You or your spouse can request certain information about your Future Super Pension Plan account.
2. Payment splitting – Parties are able to split a Future Super Pension Plan account through agreement or Court Order.

For more information, speak to a legal adviser.

Your Right to Privacy

We collect information from you in order to process your application and to administer your superannuation account and for the purposes of our ongoing relationship with you as further described in this privacy statement. If we ask your personal information and you don't give it to us, or if you provide us with incomplete or inaccurate information, we may not be able to provide you with any, some or all of the features of the products or services you are seeking.

We generally collect your information directly from you (for example when you complete application and other forms, or over the telephone through our Member Services Team), but may also collect it from other organisations such as your employer, from our Fund administrator (who may collect your personal information on our behalf), from publicly available sources and via social media.

We may also be required under the Superannuation Industry (Supervision) Act 1993, the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, the Family Law Act 1975 or other laws regulating superannuation to collect your personal information. In particular, we cannot make payments directly to you unless we have received full information allowing us to verify your identity.

We may need to disclose your personal information to various third parties, for example, if your membership involves a financial adviser, we will disclose the personal information that is necessary to manage or administer your account to that adviser. If you wish to amend or withdraw your authority for your adviser to act on your behalf, please advise us in writing.

We collect and may also use and disclose your personal information:

- to third party service providers we engage to provide administration, technology, marketing, mailing, printing, professional/advisory or other services, including but not limited to the service providers referred to on page 2 and elsewhere in this PDS;
- to develop and improve our products and services; and
- to gain an understanding of you, your needs and your interactions with us so we can identify and notify you of other products and services of Future Super or our partners which may be of interest to you.

We may be required by law to disclose your information to other organisations, including government bodies such as the ATO, Centrelink and AUSTRAC, and any rollover fund selected by you.

You can request access to or seek correction of your personal information by contacting us. The Future Super Privacy Policy provides information about how you may access and correct your personal information held by us.

Our Privacy Policy also includes information about how you may complain about a breach of the Australian Privacy Principles by us, and how we will deal with such a complaint. A copy of the Future Super Privacy Policy is available on our website at www.myfuturesuper.com.au or you can request a copy by contacting the Member Services Team on 1300 658422.

You can also view or download a copy of the Trustee's Privacy Policy available at www.diversa.com.au/Trustees.

REPORTING:

As a member, you will receive or be given access to the following:

Member information

Each year, you will receive an individual member's statement that outlines your investment as at 30 June. The transactions that will appear on your statement include (where applicable): balance as at previous year, contributions, rollovers, investments earnings (net of relevant fees, costs and taxes), withdrawals, fees, costs and tax paid directly from your account and the member balance at the end of the year. All member statements will be sent by post unless we receive written consent to send a statement by electronic form.

Fund information

Each year, you will have access to an Annual Report that will provide you with information on the management and the financial position of Future Super as at the preceding 30^{th} June. The Annual Fund Information is available on Future Super's website at www.myfuturesuper.com.au or on request by contacting us on 1300 658 422. It will be sent to you (free of charge) by post or in electronic form.

Exit information

When you cease to be a member or close an account, you will also receive an individual exit statement and a Rollover Benefit Statement, unless this occurs as a result of your superannuation benefit being paid to the ATO as unclaimed monies of a former temporary resident, at the ATO's request.

Other

Other relevant information, such as the rules governing the Fund and the audited accounts with the auditor's report may be supplied upon request.

Enquiries and Complaints

Superannuation legislation requires superannuation trustees to have in place arrangements under which members have a right to make enquiries or complaints about the operation or management of complying super funds. The arrangements that we have established are:

- Enquiries can be made by telephone to 1300 658422 or in writing.
- If telephone enquiries can't be resolved, a written enquiry will be necessary.
- Any enquiry or complaint (other than telephone enquiry) must generally be in writing and addressed to Complaints Officer, GPO Box 686, CANBERRA, ACT, 2601.
- As written complaints are received they will be acknowledged in writing. The complaint will be investigated and action initiated to resolve the matter.
- A written response will be made as soon as possible but within the 90-day limit prescribed by superannuation legislation.

For any complaint that is unable to be resolved to your satisfaction, or if you do not receive a response within 90 days of your complaint to Future Super, the Government has established an independent body, the Superannuation Complaints Tribunal (SCT). This Tribunal's contact details are:

Superannuation Complaints Tribunal
Locked Bag 3060
GPO MELBOURNE VIC 3001
Tel: 1300 884 114

Complaints may be submitted by either current or former members, and/or their beneficiaries and will largely be dealt with by correspondence. The SCT can deal with complaints that relate to a decision or a failure to make a decision by a trustee or a person acting for a trustee, in relation to a particular individual. The SCT cannot deal with certain complaints, for example, complaints about the management of a fund as a whole.

Glossary

Administrator	The company appointed by the Trustee to administer and manage the records of members of Future Super.
Account Based Pension	A type of retirement income arrangement where a person has his/her own account and regularly draws down an amount (subject to minimum payment limits) and, in the case of Transition to Retirement pensions, maximum payment limits.
Australian Prudential Regulation Authority (APRA)	APRA is Australia's prudential regulator of banks, insurance companies and superannuation funds, credit unions, building societies and friendly societies
Australian Securities and Investment Commission (ASIC)	ASIC is Australia's corporate, markets and financial services regulator.
Australian Transactions Reporting and Analysis Centre (AUSTRAC)	AUSTRAC oversees Australian entities' compliance with the Anti-Money Laundering and Counter Terrorism legislation.
Beneficiary	The person/s who may receive the superannuation benefits of a member in the event of the member's death. The person/s must (generally) be a dependant.
Benefit	The amount of a member's entitlement in Future Super, or, in the event of the member's death, the amount to which beneficiaries are entitled.
CPI	The Consumer Price Index is a general indicator of the rate of change in prices paid by household consumers for the goods and services they buy.
Concessional Contribution	A Concessional Contribution is a taxable contribution and includes deductible employer and self-employed contributions.
Contributions Tax	The 15% tax levied on concessional contributions (e.g. employer and tax-deductible member contributions) to superannuation funds.
Dependant	Generally the spouse (including qualifying de facto spouse of the same or opposite sex), any child of a member or their spouse, or any other person who, in the opinion of the Trustee, was dependent on the member at the time of death or an interdependent.
Non Concessional Contribution	A Non Concessional Contribution is generally a contribution for which a tax deduction has not been claimed and includes member (after tax) contributions.
Preservation Age	Superannuation legislation requires that certain benefits be maintained, or preserved, in a superannuation fund until the member retires permanently, or reaches preservation age or meets other criteria specified in the legislation.
PDS	PDS means this Product Disclosure Statement.
Restricted non-preserved (RNP) benefits	These are non-preserved benefits in a member's account that cannot (generally) be taken in cash unless a member ceases employment.
Rollover	A rollover is the term used to describe transfers to other superannuation funds.
Salary Sacrifice	An amount of pre-tax salary that an employee decides to contribute to superannuation or allocate to a fringe benefit instead of taking it as cash salary. This is a voluntary arrangement between employer and employee.
Spouse	A person who may or may not be legally married to the member but lives or lived at the time of the member's death, with the member on a bona fide domestic basis in a relationship as a couple or is otherwise recognised as a spouse under relevant legislation.
Trust Deed	A legal document that governs all aspects of the operation of a superannuation fund.
Trustee	The Trustee of a fund must operate the fund to comply with the provisions of its trust deed and rules, and all legal requirements. The trustee is required, amongst other things, to provide regular information to members about individual benefits, and the ongoing management and financial condition of the fund.
Unitised Investment	A form of pooled investment where investors purchase units, with each unit representing a share of the underlying assets (after taking into account relevant fees, costs and taxes). The value of each unit reflects the market value of the underlying assets after taking into account relevant liabilities and taxes. Each unit has a Buy price and Sell price, reflecting transaction costs associated with the purchase and sale of underlying investments.