

Fees and Costs

Product Disclosure Statement



The information in this document forms part of the *Club Super Product Disclosure Statement (PDS)* issued 1 July 2019. This document is called *Club Super Additional Information – Fees and costs* and is not attached to the *Club Super PDS*. If you would like a copy of the *Club Super PDS*, go to our website to download a copy, or contact us.

About Club Super Additional Information – Fees and costs

This *Additional Information* document provides you with detailed information about Club Super's fees and costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Fund assets as a whole.

Club Super Additional Information – Fees and costs was prepared and issued on 1 July 2019 by Club Plus Qld. Pty. Ltd. (ABN 30 010 892 396), the Trustee of Club Super (ABN 12 737 334 298). If you want more information about Club Super you can contact us on **1300 369 330**, or visit **clubsuper.com.au**. If you request further information, the Trustee of Club Super will provide all the information that it reasonably believes you may require to make an informed assessment of the management and financial condition of Club Super, including its investment performance.

Taxes and insurance premiums are set out in two different *Club Super Additional Information* documents: *Club Super Additional Information - How super is taxed* and *Club Super Additional Information - Insurance in your super*, both of which are available at **clubsuper.com.au**. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Consumer advisory warning

Did You Know?

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

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

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

You or your employer, as applicable, may be able to negotiate to pay lower fees. 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.

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Fees and other costs

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

Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry fees and exit fees cannot be charged.

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

Club MySuper Fees and Costs		
Type of fee or costs	Amount	How and when paid
Investment fees		
Indirect investment fee ¹	0.48%	Deducted from investment returns prior to the determination of crediting rates ² .
Administration fees		
Indirect administration fee ¹	0.30%	Deducted from investment returns prior to the determination of crediting rates.
Fixed administration fee ¹	\$1.75 per week	Deducted from your account Monthly
Buy-sell spread	Nil	Not Applicable
Switching fee	Nil	Not Applicable
Other fees and costs³		
Advice fees - Relating to all members investing in a particular investment option/s.		
Limited personal advice	No extra cost	Included as a benefit of your membership. Advice from "Your Super Future" ⁴ tool available through your member online account.
Comprehensive personal advice	From \$330	If you use this service, superannuation related advice from Club Super Financial Planning ⁴ may be paid from your super account on completion of a Statement of Advice.
Activity fees		
Family Law information request	\$40	Payable by your spouse at the time of processing a request for information.
Family Law split fee	\$100 (split between both parties)	Deducted from accounts at the time of a family law account split.
Indirect cost ratio ¹	0.53% ^{5,6}	Deducted from investment returns prior to the determination of crediting rates.

¹ If your account balance for a product offered by Club Super is less than \$6,000 at the end of the income year, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded. Refer to the additional explanation of fees and costs on p4 for more information.

² Includes performance based fee of 0.02%.

³ Refer to the additional explanation of fees and costs on page 4 for more information.

⁴ The YourSuperFuture tool and Club Super Financial Planning advice is provided by My Super Future Pty. Ltd. (ABN 38 122 977 888) Australian Financial Services Licensee (AFSL no. 411440).

⁵ This is the current Indirect Cost Ratio for the default Club MySuper investment option. This figure may change for each investment option each year.

⁶ These costs are an estimate, derived from the actual costs for the Club MySuper investment option for the year ended 30 June 2019.

The indirect investment fee, the indirect administration fee and the Indirect Cost Ratio are deducted from the Fund's investment returns, prior to the determination of crediting rates.

The administration fees and the Family Law fees outlined above apply to all Club Super investment options for members in the accumulation phase. The indirect investment fee and the Indirect Cost Ratio are different for our other investment options (see page 4).

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Example of annual fees and costs for the Club MySuper investment option

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

Example - Club Mysuper Option		Balance of \$50,000
Investment fees		
Indirect investment fee	0.48%	For every \$50 000 you have in the MySuper investment option, indirect investment fees of \$240 ¹ will be deducted from your investment each year
PLUS		
Administration fees		
Indirect administration fee	0.30%	And, you will be charged \$150 each year as an indirect administration fee which will be deducted from your investment, plus \$91 in fixed administration fees regardless of your balance
Fixed administration fee	\$91 (\$1.75 per week)	
PLUS Indirect costs for the MySuper investment option	0.53%	And, indirect costs of \$265 each year will be deducted from your investment
EQUALS		
Cost of product	\$746	If your balance was \$50 000, then for that year you will be charged fees and costs of \$746 for the Club MySuper option.

Example - Club Mysuper Option		Balance of \$20,000
Investment fees		
Indirect investment fee	0.48%	For every \$20 000 you have in the MySuper investment option, indirect investment fees of \$96 ¹ will be deducted from your investment each year
PLUS		
Administration fees		
Indirect administration fee	0.30%	And, you will be charged \$60 each year as an indirect administration fee which will be deducted from your investment, plus \$91 in fixed administration fees regardless of your balance
Fixed administration fee	\$91 (\$1.75 per week)	
PLUS Indirect costs for the MySuper investment option	0.53%	And, indirect costs of \$106 each year will be deducted from your investment
EQUALS		
Cost of product	\$353	If your balance was \$20 000, then for that year you will be charged fees and costs of \$353 for the Club MySuper option.

Example - Club Mysuper Option		Balance of \$10,000
Investment fees		
Indirect investment fee	0.48%	For every \$10 000 you have in the MySuper investment option, indirect investment fees of \$48 ¹ will be deducted from your investment each year
PLUS		
Administration fees		
Indirect administration fee	0.30%	And, you will be charged \$30 each year as an indirect administration fee which will be deducted from your investment, plus \$91 in fixed administration fees regardless of your balance
Fixed administration fee	\$91 (\$1.75 per week)	
PLUS Indirect costs for the MySuper investment option	0.53%	And, indirect costs of \$53 each year will be deducted from your investment
EQUALS		
Cost of product	\$222	If your balance was \$10 000, then for that year you will be charged fees and costs of \$222 for the Club MySuper option.

¹ Includes performance based fee of 0.02%.

Indirect fees and costs for each investment option

Investment option	Indirect investment fee ¹	Indirect Administration Fee ²	Indirect Cost Ratio (ICR) ³	Total Indirect Fees and Costs ⁴
Club MySuper	0.48%	0.30%	0.53%	1.31%
Growth	0.51%	0.30%	0.49%	1.30%
Capital Stable	0.42%	0.30%	0.54%	1.26%
Cash	0.29%	0.30%	0.00%	0.59%
Australian Shares	0.74%	0.30%	0.24%	1.28%
International Shares	0.31%	0.30%	0.55%	1.16%
Property	0.29%	0.30%	0.93%	1.52%
Fixed Interest	0.29%	0.30%	0.61%	1.20%

¹ The indirect investment fees are current and include performance based fees, which vary between 0.00% and 0.03%, depending on investment option.

² The current indirect administration fee is 0.30%.

³ The indirect costs included in the ICR are based on actual costs for the year ended 30 June 2019.

⁴ These indirect costs do not include an amount for Property Operating Costs which are estimated to be between 0.00% and 0.99%, nor Borrowing Costs which are estimated at between 0.00% and 0.71% depending on investment option, for 2018/19.

All of these indirect fees and costs are deducted from the Fund's investment returns, prior to the determination of crediting rates.

Additional explanation of fees and costs

Annual cap on fees and costs for accounts under \$6,000

From 1 July 2019, the fee cap rules are applied separately to:

1. your MySuper balance;
2. your Choice investment options (collectively), as follows:

If your MySuper balance is less than \$6,000 at the end of the financial year, the total combined amount of administration fees, investment fees and indirect costs charged to MySuper is capped at 3% of the balance. Any amount charged in excess of that cap will be refunded within 3 months to your MySuper investment option;

If your Choice investment option balances (collectively) are less than \$6,000 at the end of the financial year, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the balance of the Choice investment options. Any amount charged in excess of that cap will be refunded within 3 months to your Choice investment options.

MySuper is the default investment option in Club Super. All other investment options are classified as Choice investment options. If you hold one or more Choice investment options, the fee cap rules will apply to these options collectively.

From 1 July 2019, for members who join the Fund part way through the year, if their MySuper, or separately their Choice balance is \$6,000 or less at 30 June, the cap will be pro-rated based on their period of membership, with any rebate to be paid within 3 months.

From 1 July 2019, for members who exit the Fund part way through the year, if their MySuper, or separately their Choice balance is \$6,000 or less at the date of exit, the annual cap on fees and costs of 3% will be pro-rated based on their period of membership, and paid within 3 months.

Other fees and costs

For tax costs see Club Super *Additional Information – How super is taxed* located at clubsuper.com.au/members/forms-and-resources/publications. The Fund passes the benefit of taxation deductions indirectly to members through lower costs.

The following additional fees may apply where the service is utilised by a member.

Personal advice fees

- Comprehensive personal advice provided by Club Super Financial Planning* from \$330. Superannuation related advice may be paid from your super account on completion of a Statement of Advice. Non-superannuation related advice cannot be deducted from your super account.

Family Law fees

- Information request \$40 (charged at the time of the request)
- Split Fee \$100 (split between both parties)

* Club Super Financial Planning advice is provided by My Super Future Pty. Ltd. (ABN 38 122 977 888) AFSL no. 411440. The Trustee is not responsible for, and does not accept liability for the products or services or actions of My Super Future Pty. Ltd. You should use your own judgement before taking up any product or service offered by My Super Future Pty. Ltd.

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 advice fee or an insurance fee.

The activity fees charged by Club Super are the Family Law fees outlined in the fee table on page 2.

Administration fees

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

- (a) relate to the administration or operation of the entity; and
- (b) are not otherwise charged as an investment fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

The administration fees charged by Club Super are outlined in the fee table on page 2.

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 activity fee or an insurance fee.

The advice fees charged by Club Super are the comprehensive personal advice fees outlined in the fee table on page 2.

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.

Club Super does not charge a buy-sell spread.

Exit fees

An exit fee is a fee other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.

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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.

The ICR charged by Club Super for each investment option is outlined in the table on page 4.

The ICR covers the costs of investing, which are not otherwise charged as investment fees. This includes costs incurred in managing investments, including transactional and operational costs such as brokerage and stamp duty, as well as performance related costs not paid directly to investment managers.

Investment fees

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

- (a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance related fees); and
- (b) costs, other than 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 that:
 - (i) relate to the investment of assets of the entity; and
 - (ii) are not otherwise charged as an administration fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

The investment fees charged by Club Super for each investment option are outlined in the table on page 4.

Investment fees cover the fees associated with managing Club Super's investments, including fees charged by investment managers, custodian fees, fees charged by investment consultants and the costs associated with the Fund's investment being further invested in other underlying investment (interposed vehicles).

Performance based fees

In some cases, Club Super has arrangements with investment managers, to pay a performance based fee if they outperform pre-determined performance targets. Any performance based fees that are payable, vary between investment managers and may change from time to time. As a result, it is not possible to precisely disclose

the performance based fee for each investment option. Performance based fees are payable upon the achievement of investment returns in excess of performance targets, which vary from year to year.

Club Super's payment of performance based fees is considered to be in the best interests of members. Such fees are only payable if the investment manager delivers investment returns which exceed a pre determined benchmark. This outcome results in higher net returns being credited to member accounts.

Switching fees

A switching fee is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one class of beneficial interest in the entity to another.

Club Super does not charge a switching fee.

Adviser remuneration

Club Super works on a 'benefit for members' basis. That is, after investment taxes and relevant fees and costs are taken out of returns, all surplus is then returned to members. Club Super does not pay commissions to agents. Staff of the administrator are paid salaries. Other service providers are paid based on contractual arrangements.

Changes to fees and costs

Fees and charges may be reviewed at any time by the Trustee. However, members will generally be notified in writing at least 30 days in advance of any increase to a fee or cost charged by the Trustee. However, increases in costs beyond the control of the Trustee may be advised later.

Where fee and cost information in the PDS or this document changes, but the changes are not materially adverse, Club Super may not update the PDS or this document. Instead, the updated information will be available at any time at clubsuper.com.au/members/forms-and-resources/publications. You may request a copy of such updated information be sent to you, free of charge.

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General Advice Warning

Club Super Additional Information – Fees and costs contains general information only. It is not intended to contain any recommendations or statements of opinion or advice and it does not take into consideration your individual objectives, financial situation or particular needs. Therefore, before making a decision regarding your super benefits in Club Super, you should consider the appropriateness of any information provided in the *Club Super PDS* and this document. Club Plus Qld. Pty. Ltd. (ABN 30 010 892 396), the Trustee of Club Super (ABN 12 737 334 298) is Corporate authorised representative No. 268814 under Australian Financial Services Licence No. 238507 and is authorised to provide general financial product advice.