

↔ Fees and other costs

This document forms part of our Product Disclosure Statements



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CARE Super Pty Ltd (Trustee)
 ABN 91 006 670 060 AFSL 235226
CARE Super (Fund)
 ABN 98 172 275 725

Disclaimer

The advice in this document is of a general nature. We have not taken into account your particular financial needs, circumstances and objectives. We recommend you read all the information available, assess your own financial situation and seek professional advice from a licensed or authorised financial adviser before deciding to make any decisions related to your super. While reasonable care has been taken as to the accuracy of this information, to the extent allowed by law, CareSuper accepts no liability for any loss, direct or indirect, resulting from reliance on the information contained in this document.

Dated 30 September 2017

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 your Fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a superannuation fee calculator to help you check out different fee options.

* CareSuper fees are not negotiable.

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 CareSuper 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.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this PDS. You should read all the information about fees and other costs because it is important to understand their impact on your investment.



Insurance costs are set out in detail in the **Insurance Guide**, available at caresuper.com.au/PDS or, if you are a member of a corporate insurance arrangement (CIA), the **Insurance Guide** applicable to your CIA provided to you or available on request. More information on tax and super can be found in our **Product Disclosure Statement** and at ato.gov.au.

Type of fee	Amount	How and when paid	
Investment fee¹	Managed and Asset Class options A percentage of assets per year, depending on the investment option	Not deducted from your account. Deducted from the fund's assets and are reflected in the weekly unit prices for each of the investment options.	
	Investment option		Investment fee
	Capital Guaranteed		0.03%
	Capital Stable		0.11%
	Conservative Balanced		0.14%
	Balanced (MySuper)		0.16%
	Sustainable Balanced		0.05%
	Alternative Growth		0.15%
	Growth		0.19%
	Capital Secure		0.06%
	Fixed Interest		0.03%
	Direct Property		0.03%
Australian Shares	0.32%		
Overseas Shares	0.21%		
Direct Investment option	Nil	Not applicable, however, other fees apply to the exchange-traded funds (ETFs) or listed investment companies (LICs) you may select via this option.	

Fees table continued

Type of fee	Amount	How and when paid	
Administration fee	\$1.50 per week +	Calculated weekly or on full withdrawal. Deducted monthly from your account or on full withdrawal.	
	0.19% ² of your account balance per year (a cap of \$500 per year applies)	Calculated monthly or on full withdrawal. Deducted monthly from your account or on full withdrawal.	
Buy–sell spread	Investment option	This fee is not deducted from your account. It is reflected in the weekly unit prices. If you invest in or money is taken out of a Managed or Asset Class investment option, you will incur the spread shown here.	
	Capital Guaranteed		Nil
	Capital Stable		0.03%
	Conservative Balanced		0.04%
	Balanced (MySuper)		0.05%
	Sustainable Balanced		0.09%
	Alternative Growth		0.08%
	Growth		0.06%
	Capital Secure		Nil
	Fixed Interest		Nil
	Direct Property		0.45%
Australian Shares	0.06%		
Overseas Shares	0.07%		
Switching fee	\$0	Not applicable, however, buy and/or sell spreads and activity fees may apply depending on the investments you choose. Refer to the Additional explanation of fees and costs for more information.	
Exit fee	\$40	Applies to all partial and full withdrawals out of the Fund, but not transfers from one CareSuper account to another (such as a CareSuper pension account). This fee or withdrawal amount is deducted from your account at the time of withdrawal.	
Advice fees relating to all members investing in a particular MySuper product or investment option	\$0	Not applicable, however, advice fees are included in the administration fee. Additional advice fees relating to more complex personal advice may apply to individual members. Refer to the Additional explanation of fees and costs for more information.	
Other fees and costs ³	Various	Deducted from your account where applicable.	
Indirect cost ratio (ICR) ⁴	Managed and Asset Class options A percentage of assets per year, depending on the investment option	Not deducted from your account. Deducted from investment returns received from, or assets of, underlying investment vehicles and reflected in the unit prices for each of the investment options.	
	Investment option		ICR
	Capital Guaranteed		0.31%
	Capital Stable		0.42%
	Conservative Balanced		0.43%
	Balanced (MySuper)		0.84%
	Sustainable Balanced		1.06%
	Alternative Growth		0.76%
	Growth		0.78%
	Capital Secure		0.00%
	Fixed Interest		0.20%
	Direct Property		0.73%
	Australian Shares		0.17%
	Overseas Shares		0.51%
	Direct Investment option		Nil

¹ This investment fee is an estimate only based on investment costs for the 2016/17 financial year.

² The percentage-based administration fee is an estimate only based on administration costs for the 2016/17 financial year.

³ Other fees and costs, such as activity fees, advice fees for personal advice or insurance fees, may apply. Refer to the Additional explanation of fees and costs on the following pages for further information.

⁴ The indirect cost ratio is an estimate only and is based on indirect costs for the 2016/17 financial year.

Example of annual fees and costs*

This table gives an example of how the fees and costs for CareSuper's MySuper product in this superannuation product can affect your superannuation investment over a one-year period. You should use this table to compare this product with other superannuation products. Be careful to make comparisons on the same basis.

EXAMPLE – CareSuper's MySuper product		BALANCE OF \$50,000
Investment fees	0.16%	For every \$50,000 you have in the superannuation product you will be charged \$80 each year
PLUS Administration fees	0.19% + \$78** (\$1.50 per week)	And , you will be charged \$95 in administration fees each year (based on a percentage of assets), plus \$78 in administration fees regardless of your account balance
PLUS Indirect costs for the superannuation product	0.84%	And , indirect costs of \$420 each year will be deducted from your investment
EQUALS Cost of product		If your balance was \$50,000, then for that year you will be charged fees of \$673* for the superannuation product.

* Additional fees may apply. **And**, if you leave the superannuation entity, you may also be charged an **exit fee** of \$40 and a **sell spread** of 0.05%. This **sell spread** will equal \$25 for every \$50,000 you withdraw. A **sell spread** may apply when money is withdrawn from your account or you make an investment switch. A **buy spread** may apply when you make a contribution or transfer money into your account or make an investment switch.

** This fee is calculated based on a 52 week year (\$1.50 per week x 52 = \$78)

Defined fees

Activity fees

A fee is an activity fee if:

- The fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee:
 - That is engaged in at the request, or with the consent, of a member, or
 - That relates to a member and is required by law, and
- 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 that administration or operation, other than:

- Borrowing costs
- 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
- Costs that are not 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:

- The fee relates directly to costs incurred by the trustee of the superannuation entity because of provision of financial product advice to a member by:
 - A trustee of the entity, or
 - Another person acting as an employee of, or under an arrangement with, the trustee of the entity, and
- 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 or paid out of the superannuation entity is not an indirect cost.

Investment fees

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

- Fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees), and
- Costs that relate to the investment of assets of the entity, other than:
 - Borrowing costs
 - 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
 - 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 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 class of beneficial interest in the entity to another. 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.

Additional explanation of fees and costs

Investment fee

The investment fee for each of CareSuper's Managed and Asset Class investment options includes internal fees and costs such as custodial fees, asset consulting fees and other investment manager fees in payment for the exercise of care and expertise in the investment of the Fund's assets (which may include estimated costs and performance fees based on costs and performance fees for the 2016/17 financial year) that are not directly deducted from members' accounts, where applicable. The investment fee may change from time to time because of changes in estimated costs and performance fees from year to year.

Performance fees are additional payments made from Fund assets to investment

managers whose fee is partly linked to performance. They are paid when the investment performs above an agreed level. CareSuper has a number of managers whose fee is partly aligned to their performance, predominantly in the Australian shares asset class. Performance fees have an impact on the amount of investment fees applicable to each investment option and may vary from year to year depending on investment performance. Estimated performance fees are not a reliable indicator of future performance fees.

Indirect cost ratio

The indirect cost ratio (ICR) for each of CareSuper's Managed and Asset Class investment options is the ratio of the total of the indirect costs for the investment option to the total average net assets of CareSuper attributed to that investment option.

These costs include external fees and costs such as investment management costs, performance-related costs, costs associated with over-the-counter derivative financial products, transactional and operational costs and other fees and costs paid or incurred outside the Fund in or through the underlying investment vehicles (interposed vehicles), where applicable. The ICR may change from time to time because of changes in indirect costs from year to year.

Investment fees and ICRs are taken into account in the weekly calculation of unit prices and are reflected in the returns allocated to your account through changes in the unit prices. Refer to the **Investment Guide** at caresuper.com.au/PDS for more information about unit pricing.

Activity fees

Type of fee	Amount	How and when paid														
Family law splitting fee	\$40	Equally shared by both parties to the family law split. The fee is deducted from your account at the time a family law split is processed. An exit fee may also apply.														
Contribution splitting fee	\$0 if your spouse has a CareSuper account \$50 processing fee applies if your spouse does not have a CareSuper account	Fee is deducted from your account at the time of the split (if applicable).														
Direct Investment option activity fees (these may only apply to members invested in the Direct Investment option)																
Direct Investment option administration fee	\$25 per month	The fee is calculated and deducted from your account monthly. It is payable monthly as long as your cash account is open, even if your cash account balance is zero. It is in addition to the administration fees otherwise payable in respect of your account.														
Tax calculation fee	\$150 This fee applies if you request that CareSuper calculates any tax adjustments you are owed when you sell listed securities held in the Direct Investment option and leave CareSuper before the end of financial year tax adjustment.	The fee is deducted from your account after we receive your request.														
Brokerage fees applicable to listed securities This is applicable to trading in listed securities available via this investment option only.	<table border="1"> <thead> <tr> <th>Trade amount</th> <th>Brokerage fee*</th> </tr> </thead> <tbody> <tr> <td>\$0 – \$4167</td> <td>\$13.75</td> </tr> <tr> <td>\$4168 – \$10,000</td> <td>0.33%</td> </tr> <tr> <td>\$10,001 – \$30,000</td> <td>0.22%</td> </tr> <tr> <td>\$30,001 – \$50,000</td> <td>0.20%</td> </tr> <tr> <td>\$50,001 – \$100,000</td> <td>0.17%</td> </tr> <tr> <td>\$100,001 – \$10,000,000</td> <td>0.11%</td> </tr> </tbody> </table>	Trade amount	Brokerage fee*	\$0 – \$4167	\$13.75	\$4168 – \$10,000	0.33%	\$10,001 – \$30,000	0.22%	\$30,001 – \$50,000	0.20%	\$50,001 – \$100,000	0.17%	\$100,001 – \$10,000,000	0.11%	Brokerage is an additional fee paid at the time of trade. Brokerage will either be: <ul style="list-style-type: none"> • Added to the cost on purchase, or • Deducted from the sale proceeds of each transaction.
Trade amount	Brokerage fee*															
\$0 – \$4167	\$13.75															
\$4168 – \$10,000	0.33%															
\$10,001 – \$30,000	0.22%															
\$30,001 – \$50,000	0.20%															
\$50,001 – \$100,000	0.17%															
\$100,001 – \$10,000,000	0.11%															
Fee for breaking a term deposit prior to maturity	Variable	If you hold a term deposit in the Direct Investment option and you request to break it before it matures, the term deposit provider may charge a fee or reduce the interest you receive. Contact CareSuper to find out more about the specific fee or interest reduction that may be charged by a particular term deposit provider. A request to break a term deposit before it matures is subject to the approval of the term deposit provider and the Term Deposit Terms and Conditions (available through Direct Investment Online). A notification period may apply which, combined with processing times, may result in a significant delay before you can access your funds. Any request to break a term deposit before the agreed maturity date must be made directly to CareSuper in writing. You can find further information about breaking a term deposit before maturity in the Investment Guide available from caresuper.com.au/PDS and in the Term Deposit Terms and Conditions, available online through Direct Investment Online.														

* The brokerage fees have been rounded up to 2 decimal places.

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Transactional and operational costs

Transactional and operational costs are costs associated with the buying and selling of underlying investments and are defined (under relevant regulations) to include buy–sell spreads, brokerage, settlement costs (including related custody costs), clearing costs and stamp duty of investment transactions (depending on the nature of the underlying investments or assets), but do not include (in the case of superannuation funds) certain costs associated with over-the-counter derivative financial products and borrowing costs.

The transactional and operational costs for each of the Managed or Asset Class investment options include transactional and operational costs incurred outside the Fund, in or through underlying investment vehicles (interposed vehicles) used by the Fund or its investment managers, where applicable.

Examples of costs that are incurred by our underlying investment managers or through interposed vehicles in relation to the buying and selling of assets include brokerage and settlement costs on share trading and buy–sell spreads of or incurred by unitised managed funds.

Transactional and operational costs vary depending upon the different asset classes and investment managers within each investment option, and estimates of these (including amount recovered through the buy–sell spreads) are shown in the Transactional and operational costs table on this page.

Estimated transactional and operational costs, based on information provided by underlying investment managers for the year ending 30 June 2017 are reflected in (and recovered through) the unit price of the underlying fund managers or gross earnings the Fund receives from non-unitised investments. All transactional and operational costs (other than those included in and recovered through the buy–sell spreads) are included in the ICR of each investment option and will vary from year to year. They are not an additional charge to members as they are reflected in the buy–sell spreads or ICRs and the calculation of unit prices.

Transactional and operational costs for the Direct Investment option include brokerage fees applicable to listed securities, recovered in the form of an activity fee.

Other fees or costs for the Direct Investment option

Other fees and costs may apply to the ETFs and LICs offered in the Direct Investment option. They are charged or incurred by the ETF or LIC issuer as an annual percentage for managing investments. Under Government regulations, these fees or costs, where applicable, do not form indirect costs that must be shown as the ICR of an ETF or LIC because (essentially) you (not the Trustee) choose the ETF or LIC as your underlying investment for your super account. The costs for ETFs and LICs range from an estimated 0.07% to 1.77% per year, based on the experience for 2016/17 and may change from time to time because of changes in the ETF or LIC issuer's fees from year to year. To find out more, check the relevant product disclosure statement or other disclosure documents available from the website of each ETF or LIC issuer. When you choose an ETF or LIC via the Direct Investment option, you should consider any costs that will be charged by ETF or LIC issuer, as these are in addition to the fees and costs shown in this document. Activity fees may also apply depending on the investment and activity you chose in the Direct Investment option.

Transactional and operational costs			
Investment option	Gross	Recovery	Net
Capital Guaranteed	Nil	Nil	Nil
Capital Stable	0.06%	0.02%	0.04%
Conservative Balanced	0.08%	0.05%	0.03%
Balanced (MySuper)	0.12%	0.02%	0.10%
Sustainable Balanced	0.12%	0.04%	0.08%
Alternative Growth	0.13%	0.05%	0.08%
Growth	0.14%	0.02%	0.12%
Capital Secure	0.00%	Nil	0.00%
Fixed Interest	0.00%	Nil	0.00%
Direct Property	0.41%	0.32%	0.09%
Australian Shares	0.16%	0.03%	0.13%
Overseas Shares	0.10%	0.05%	0.05%

Buy–sell spreads

To ensure equity among all members, a buy–sell spread may apply on transactions affecting a member's account (including contributions, investment switches, fee deductions and withdrawals). The purpose of a buy–sell spread is to ensure all transaction costs incurred in buying or selling assets are fairly allocated to those members who transact in a Managed or Asset Class investment option.

This means that members who transact in these options incur the cost of buying and selling the corresponding assets.

The buy–sell spread is the difference between the purchase and sale price of a unit in a Managed or Asset Class investment option. The buy–sell spread cost is an additional cost that is not deducted from your account, but is reflected in the unit price.

➔ If you require general information about CareSuper's fees, please call the CareSuperLine on 1300 360 149.

Insurance fees

Insurance fees (which we refer to as 'insurance premiums') apply to any insurance cover you may have. Insurance premiums are calculated weekly and deducted monthly from your account if applicable. Insurance premiums are deducted at the sell price of your investment option.

A portion of insurance premiums is contributed to CareSuper's General Reserve. The General Reserve is used to cover the administration of CareSuper's insurance.

➔ For information on insurance costs see the Insurance Guide available at caresuper.com.au/PDS or, if you are a member of a Corporate Insurance Arrangement (CIA), the Insurance Guide applicable to your CIA provided to you or available on request.

➔ For more information about unit pricing see the Investment Guide at caresuper.com.au/PDS.

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Additional explanation of fees and costs continued

Financial planning

Financial advice is offered through CareSuper's relationship with Industry Fund Services Limited (IFS) and is provided by an authorisation under the Australian financial services licence of IFS, ABN 54 007 016 195, AFSL 232514.

CareSuper pays IFS an agreed amount for advice services each year, which takes into account the number of financial planners providing services and the nature of the services.

CareSuper members can receive information and advice on a range of super topics over the phone at no extra cost (the cost of this advice is included in CareSuper's administration fees and is not negotiable or rebateable). These topics include basic contribution strategies, insurance inside super and investment choice (excluding choices relating to individual investments available via the Direct Investment option).

Additional advice fees may be paid to a financial adviser if a financial adviser is consulted.

Fees for personal advice

You can also access personal financial advice (relating to other more complex matters), on a fee-for-service basis and all fees will be agreed with you prior to proceeding. You may choose to have the fee for super-related advice deducted from your account up to a maximum of \$1500 per year. You must have a minimum account balance of \$2000 in your CareSuper account following the deduction of an advice fee. Any additional service fees are only deducted following your authorisation.

For further information about the advice services provided by IFS and applicable fees, refer to the IFS Financial Services Guide. Any fee-for-service for personalised advice will be set out in a Statement of Advice.

Borrowing costs

Some of CareSuper's Managed and Asset Class options use underlying investment vehicles (interposed vehicles) that may incur borrowing costs when purchasing assets for that investment vehicle. Estimates of these are set out in the Borrowing and property costs table shown on this page.

These costs are the Trustee's share of fees and costs incurred indirectly via an interest in an interposed vehicle that relate to a credit facility and are reflected in the weekly unit prices for the options. These costs are additional to the other fees and costs applicable to each of these options, however, they are not an additional charge to members because they are reflected in the weekly unit price calculation.

Property operating costs

These costs are the Trustee's share of fees and costs incurred indirectly via an interest in an interposed vehicle that relate to a property holding vehicle and are reflected in the weekly unit prices for the options. Estimates of these are shown in the Borrowing and property costs table shown below.

Only costs for the benefit of the landlord of the property are included and any costs incurred for the benefit of the tenants have been excluded.

These costs are in addition to those included in the other fees and costs applicable to each of these investment options, however, they are not an additional charge to members because they are reflected in the weekly unit price calculation.

Borrowing and property costs		
Investment option	Borrowing	Property
Capital Guaranteed	Nil	Nil
Capital Stable	0.01%	0.06%
Conservative Balanced	0.01%	0.07%
Balanced (MySuper)	0.01%	0.11%
Sustainable Balanced	0.01%	0.12%
Alternative Growth	0.02%	0.11%
Growth	0.01%	0.11%
Capital Secure	Nil	Nil
Fixed Interest	Nil	Nil
Direct Property	0.08%	0.92%
Australian Shares	Nil	Nil
Overseas Shares	Nil	Nil

Taxes

Taxes may be deducted from your account in relation to contributions received and benefits paid. Contributions tax is deducted from concessional contributions (for example, employer contributions) after the deduction of the administration fee and insurance premiums and prior to the allocation of returns. Contributions tax is deducted at the sell price of your investment option.

Tax deductions in respect of some fees and insurance premiums are passed on to members to effectively reduce the charges that members incur.

➔ For more information on tax refer to the PDS or go to ato.gov.au.

Alterations to fees

The Trustee has the power to change the amount of fees at its discretion without your consent. You will be advised of any material increase to charges at least 30 days before they are implemented where required by law.

Estimated fees and costs may vary from year to year depending on the expenses or costs incurred by the Fund or in relation to its underlying investments from year to year.

CareSuper will review buy-sell spreads at least once every two years, and we reserve the right to change buy-sell spreads in the future.



How can I contact CareSuper?

Call 1300 360 149
8am–8pm
Monday–Friday (AEST)

Write to CareSuper
Locked Bag 5087
Parramatta NSW 2124

Web caresuper.com.au

Email admin@caresuper.com.au

↔ The information in this document forms part of the following CareSuper Product Disclosure Statements (PDS):

- Member Guide PDS dated 30 September 2017
- Corporate Insurance (CIA) PDS dated 30 September 2017

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