

Significant Event Notice – Fee disclosure, asset allocation and beneficiary nomination

1 February 2021

We have made some changes to our fee disclosure, asset allocation and introduced a new type of beneficiary nomination, effective 30 December 2020.

1. Fee disclosure

As part of our continuous improvement processes, the disclosure of our fees and costs has been restructured, but there is no change to the total amount of fees charged to members.

Product Disclosure Statements and member guides dated 30 December 2020 provide details on fee disclosure. The following tables illustrate the changes for the MySuper Investment Option.

New MySuper fees

MySuper Investment Option		
Type of fee	Amount	How and when paid
Investment fee ¹	0.50% p.a. ² of your account balance for the first \$100,000, then nil on amounts over \$100,000	The investment fee will be deducted from your account monthly, on the last business day of the month. If you leave Prime Super, this fee is applied immediately.
Administration fee ¹	\$1.30 per week ³ (\$67.60 p.a.). For balances below \$6,000 there will be no administration fee charged	Deducted from your account monthly, on the last business day of the month. If you leave Prime Super this fee is applied immediately.
Indirect cost ratio ¹	0.51% (including Performance Based Fee) ⁴	Deducted from investment earnings prior to the declaration of earning rates. This cost is not deducted directly from your account.
Buy-sell spread	Nil	N/A
Switching fee	Nil	N/A
Exit fee	Nil	N/A
Advice fees relating to all members investing in a particular MySuper product or investment option	Nil	There is no additional direct cost for limited personal advice regarding personal contribution strategies, investment and insurance options in relation to your account.
Other fees and costs	Other fees and costs may apply.	See 'Additional explanation of fees and costs' in Section 6 of the <i>Member Guide – Super Division</i> for details.

¹ If your account 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 you is capped at 3% of the account balance. Any amount charged in excess of that cap will be refunded.

² 0.588% p.a. (gross) less tax benefit of 0.088% p.a.

³ \$1.53 per week (gross) less tax benefit of \$0.23

⁴ Calculated as at 30 June 2020. The Indirect Cost Ratio is indicative based on the indirect cost for the period 1 July 2019 to 30 June 2020. Performance Based Fees (PBF) provided are expected to be typical of PBF payable. PBF are based on contractual performance and charged by fund managers that Prime Super engages to manage your money. Generally, it is charged if the fund manager exceeds an agreed performance target for an investment option.

MySuper fees prior to 30 December 2020

MySuper Investment Option		
Type of fee	Amount	How and when paid
Ongoing annual fees and costs¹		
Investment fee	0.51% p.a. (includes a Performance Based Fee of 0.06%) ²	Deducted from Prime Super's investment earnings prior to the declaration of earning rates. This cost is not deducted directly from your account.
Administration fee	\$1.30 per week ³ (\$67.60 p.a.) plus 0.5% p.a. ⁴ of your account balance up to \$100,000, then nil on amounts over \$100,000 For balances below \$6,000 there will be no administration fee charged.	Deducted from your account monthly, on the last business day of the month. (If you leave Prime Super this fee is applied immediately.)
Member related activity fees and costs		
Buy-sell spread	Nil	N/A
Switching fee	Nil	N/A
Advice fees relating to all members investing in a particular MySuper product or investment option	Nil	There is no additional direct cost for limited personal advice regarding personal contribution strategies, investment and insurance options in relation to your account.
Other fees and costs ⁵		
Indirect cost ratio ¹	Nil	N/A

¹ If your account 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 you is capped at 3% of the account balance. Any amount charged in excess of that cap will be refunded.

² Calculated as at 30 June 2020. Investment fees are indicative based on investment costs for the period 1 July 2019 to 30 June 2020, plus some estimates. Performance Based Fees (PBF) provided are expected to be typical of PBF payable. PBF are based on contractual performance and charged by fund managers that Prime Super engages to manage your money. Generally, it is charged if the fund manager exceeds an agreed performance target for an investment option.

³ \$1.53 per week (gross) less tax benefit of \$0.23

⁴ 0.588% p.a. (gross) less tax benefit of 0.088% p.a.

⁵ Other fees and costs may apply – see 'Additional explanation of fees and costs' in Section 6 of the *Member Guide – Super Division* for details.

2. Strategic asset allocation update

As part of our ongoing review of our investments, we have adjusted the strategic asset allocations of some of the investment options and updated any associated risk profiles. The adjustments reflect the economic environment and the outlook for financial assets. The adjustments are designed to make sure the strategic asset allocation of our investment options provide for upside participation in investment markets, as well as downside protection.

The current investment options' strategic asset allocations and risk profiles are available on our [website](#) and are also reflected in the new *Product Disclosure Statements and member guides*, dated 30 December 2020.

3. Beneficiary changes

We introduced a non-lapsing binding beneficiary nomination option on 30 December 2020.

Previously, members had to renew their binding beneficiary nomination every three years, but the new, non-lapsing binding nomination is enduring. It does not expire and does not need to be renewed every three years. However, the Trustee will write to you every three years to remind you of your non-lapsing binding beneficiary nomination so you can update your nomination if your circumstances have changed. You can do so by completing a *Nomination of Beneficiaries* form.

A binding nomination is legally binding and sets out the dependants and/or legal personal representatives you would like to receive your Death benefit. On your death, your benefit will be paid to those people, as long as your nomination is valid.

Prime Super

Locked Bag 5103 Parramatta NSW 2124

email administration@primesuper.com.au

visit primesuper.com.au

call 1800 675 839