

Product Disclosure Statement

29 September 2017

Australian EXPATRIATE Superannuation Fund

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The information in this document forms part of the Australian Expatriate Superannuation Fund Product Disclosure Statements [PDS], and will remain in force unless withdrawn by the Issuer. This Part 1 contains a number of references to important information contained in the following guides [each of which form part of this PDS by way of being incorporated by reference] and should be read in conjunction with:

Part 2 AESF - Investment Guide - dated 29 September 2017; and
Part 3 AESF - Member Guide - dated 29 September 2017; and
Part 4 AESF - Insurance Guide - dated 29 September 2017.

1 About AESF

Fund details

Australian Expatriate Superannuation Fund
ABN 34 300 938 877
Registration No. R1004953
Telephone: 1300 131 227 [Aust]
+61 8 8188 1159 [International]
Fax: +61 8 8188 1026
Email: info@aesf.com.au
Website: ivcm.com/aesf
Postal Address:
41A Mount Barker Road
Hahndorf SA 5245
Australia

Trustee details

Tidswell Financial Services Ltd
ABN 55 010 810 607
AFSL 237628
RSE Licence L0000888

Promoter details

IVCM [Aust] Pty Ltd
ABN 16 608 923 477
AFSL 491530

Important Information

This Product Disclosure Statement [PDS] provides a summary of the significant information about investing in the Australian Expatriate Superannuation Fund [AESF / Fund]. You may become a member of the Fund:

- while your super is in the 'accumulation' phase [described in this PDS as **Personal Super**]; or
- while your super is in 'pension' phase [described in this PDS as **Personal Pension**].

If you are making a transfer from a UK registered pension scheme to the AESF, your transfer is subject to an overseas transfer charge unless the charge is excluded. To be excluded you must be a resident of Australia for a period of 5 full UK tax years from the date of the transfer. If you leave Australia to reside in another country, you are required to advise the AESF that you have changed residency within 60 days of that change.

It includes references to additional information that forms part of this PDS marked with this symbol:

- this is important information you should consider before making a decision about AESF



The information in this PDS is general information only and does not take into account your personal financial situation or needs. You should obtain professional financial advice from a licensed adviser that is tailored to suit your personal circumstances.

This product is issued by Tidswell Financial Services Ltd [Tidswell / Trustee] ABN 55 010 810 607 AFSL 237628 RSE Licensee and Trustee of the Tidswell Master Superannuation Plan ABN 34 300 938 877 [Registration No. R1004953].

The Fund is administered in accordance with the trust deed and rules of the Tidswell Master Superannuation Plan [Plan].

The Promoter of the Fund is IVCM [Aust] Pty Ltd [Promoter] ABN 16 608 923 477, AFSL 491530.

An investment in the Fund is neither a deposit nor liability of Tidswell or the Custodian, Australian Executor Trustees Limited ABN 84 007 869 794, or any of their related entities or the investment managers and none of them guarantee your investment in the Fund. An investment in the Fund is subject to investment risk, including possible delays and loss of income and principal invested.

About AESF

The Plan was established in 1988 and is a public offer superannuation fund.

The Fund is a division of the Plan [Division VII].

The Fund has been established by Tidswell and the Promoter for the purpose of offering interests in an Australian Public Offer Superannuation Fund to:

- Persons desirous of effecting UK pension transfers or other transfers from overseas superannuation funds;
- Australian expatriates living overseas; and
- Australian residents generally.

AESF as a division of Tidswell Master Superannuation Plan is registered with Her Majesty's Revenue and Customs Office [UK] as a qualifying Recognised Overseas Pension Scheme [QROPS]. That enables the Fund to accept transfers into the Fund from the UK pension system.

This is a superannuation product designed to help you accumulate and grow your super savings in a tax-effective way as you progress through your working life towards retirement.

As you approach retirement and look for the security of a regular income stream, we also offer a pension income stream.

When you invest in Personal Super or Personal Pension you become a member of the Fund.

Why choose AESF?

We are committed to helping you reach your retirement goals.

AESF offers a diverse range of investment options and strategies to help you achieve your investment goals whilst you progress towards retirement. AESF has been structured to give you great flexibility and convenience with multi-currency cash and investment choices.

You can contribute to AESF whilst a non-resident, you just need an Australian Tax File Number.

By calling us on 1300 131 227 or referring to our website ivcm.com/aesf you can obtain information and documents including:

- a copy of this PDS, Investment Guide, Member Guide and Insurance Guide;
- trustee details and executive remuneration;
- any other documents or information the trustee is required to disclose to you under superannuation law.

2 How super works

Super is a way to save for your retirement and is a long-term investment. The Australian Government provides a range of incentives for people to save through super and therefore super is taxed differently from other investments and there can be significant tax advantages.

There are limitations on contributions to, and withdrawals from, super. You usually cannot access super until you have attained your preservation age and have met what is called a condition of release. You may choose to access your super savings as a regular income by electing to take your super through the Personal Pension product.

Contributions

Contributions can be added to your AESF account right up until age 65, whether you are working or not. Once you turn 65, you can continue to contribute up until age 75, if you meet certain work tests.

If you are employed and perform any of your duties in Australia you employer will be required to make Superannuation Guarantee contributions for you. Most employees have the right to choose the superannuation fund into which their compulsory employer contributions will be paid [choice of fund].

There are different types of contributions that can be made into your super account either as a one off or regular contributions:

- **After-tax contributions [non concessional]** - these are contributions you make from your take home pay, after you have paid tax. Payments from a non-resident employer are taken to be non-concessional.
- **Taxed contributions [concessional]** - these are contributions that your employer pays into AESF from your before-tax pay, such as Superannuation Guarantee contributions.
- **Transfers [including QROPS]** - if you are at least 55 years old, then you may also apply to the Trustee to transfer in UK Tax-Relieved Scheme Funds [QROPS Funds]. You can also transfer your lost Australian super to the AESF and we can help you find it.

Please note that limits apply to the amount of contributions you can pay into super before additional tax applies. You may also be prevented from contributing or making further contributions. There are also limits on the total amount that you can transfer into a pension account including Personal Pension.

The ability of the AESF to accept QROPS Funds is subject to approval by the Trustee and may be subject to tax.



You should read the important information about 'How super works' before making a decision. Go to the section 'How super works' in the Member Guide available on our website ivcm.com/aesf

The material relating to 'How super works' may change between the time when you read this PDS and the day when you acquire the product.

3 Benefits of investing with AESF

We are here for people just like you - who want to benefit from belonging to a superannuation fund that offers flexibility and great investment choices.

The benefits of investing with AESF are:

- **Investment choice** - AESF offers a diverse range of investment options and strategies to help you achieve your retirement savings and investment goals. See the 'How we invest your money' in section 5 of this PDS to find out more.
- **Insurance** - cost effective insurance cover for Total and Permanent Disablement [TPD] and Income Protection [IP].
- **Portability** - we offer flexibility in respect to how much you wish to contribute to help you reach your retirement goals. Being an expatriate - you understand how important it is to consolidate your long-term savings into a flexible, low-cost personal account which you can keep unchanged as you move from country to country and job role to job role.
- **Nominate Binding Beneficiaries** - the monies accumulated in AESF can be bequeathed independently of your Will and the election can be binding. These monies are not subject to the inheritance laws of the country in which you happen to be resident when you die - they are subject to Australian law and the Plan governing rules.
- **Pensions** - convenient pension payment options which can be commenced after you have attained your preservation age and retired.

Help when you need it

When you call our Member Services officers on 1300 131 227, your call will be answered by a 'real' person who is ready to help you with respect to AESF or super in general.

You can also email questions to info@aesf.com.au

And you can, of course, contact your adviser.



You should read the important information about 'Benefits of investing with AESF' before making a decision. Go to the section 'Benefits of investing with AESF' in the Member Guide available on our website ivcm.com/aesf

The material relating to 'benefits of investing with AESF' may change between the time when you read this PDS and the day when you acquire the product.

4 Risks of super

All investments carry risk and different investment strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk.

AESF offers a variety of investment options. Each option's level of risk depends on the nature of its underlying investments and how it is structured to achieve its objective. In general, the higher the expected long-term returns, the higher the level of short-term risk, and the higher the likelihood that returns will fluctuate from year to year - they may go up or they may go down - they may even be negative.

Significant risks associated with investing in AESF include inflation, interest rates, exchange rates, liquidity, derivatives, legislative, market failure and operational risks.

To ensure you choose the investment strategy that is right for you, you will need to consider:

- what level of return you want to achieve, and
- what level of risk you are comfortable with.

The appropriate level of risk for you will depend on your age, investment time frames, where other parts of your wealth are invested and your risk tolerance.

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

- the value of investment options will go up and down
- the level of returns will vary, and future returns may differ from past returns
- returns are not guaranteed and you may lose some of your money
- the money you save in super, including your contributions and returns, may not be enough to provide adequately for your retirement
- laws affecting your super may change.



You should read the important information about 'Risks of super' before making a decision. Go to the section 'Risks of AESF' in the Member Guide available on our website ivcm.com/aesf

The material relating to 'risks of super' may change between the time when you read this PDS and the day when you acquire the product.

5 How we invest your money

AESF offers over 20 different investment options to help you reach your retirement goals, with flexibility to tailor your investments to suit your changing needs, whatever your stage of life.

When you first join AESF, you must choose your investment option[s]. You can choose as many options as you like from the investment menu. If you do not make a choice your application for membership will be rejected.

Asset Classes

AESF offers you a wide range of investment options, covering a variety of risk and return profiles, and a variety of underlying investment managers.

The investment options include various managed funds and exchange traded products with different underlying investment managers and a range of underlying asset classes including:

- Cash
- Australian Fixed Interest
- International Fixed Interest
- Property
- Australian Shares
- International Shares
- Other.

Warning: When choosing your investment option[s] in which to invest or switch some, or all, of your super, you should consider the level of risk, likely investment return and your investment timeframe.

Changing your investment option[s]

Once you have selected your investment option[s] you can change them at any time giving written notice to the Trustee. A switch will be effected as soon as reasonably practicable upon receipt of a valid instruction. There are no administration charges levied with respect to investment switches.

Investment switches are processed using the sell [or exit] price of units being sold and the buy [or entry] price of units being purchased. A buy/sell price differential may apply, which is representative of the cost to members in buying and selling of the underlying assets with respect to the chosen investment option[s].

Information about each of our investment options is set out in the Investment Guide [available from our website ivcm.com/aesf]. As an example, the following table provides information about the Vanguard Growth Index Fund investment option.

Vanguard Growth Index Fund

Description

The Fund provides low-cost access to a range of sector funds, offering broad diversification across multiple asset classes. This investment is biased towards growth assets, and is designed for investors seeking long-term capital growth. The Fund targets a 30% allocation to income asset classes and a 70% allocation to growth asset classes.

Strategic asset allocation

[representative as at 31 August 2017]

	Benchmark %	Range %
Cash	0.0	0
Australian Fixed Interest	8.9	7 - 11
International Fixed Interest	21.0	19 - 23
Property [Aust & International]	0.00	0
Australian Shares	28.0	26 - 30
International Shares	42.1	34 - 50

Objectives

Vanguard Growth Index Fund seeks to track the weighted average return of the various indices of the underlying funds in which it invests, in proportion to the Strategic Asset Allocation, before taking into account fees, expenses and tax.

Minimum suggested time horizon

5+ years

Level of investment risk [standard risk measure]

6 / High

Major risks faced

Market, inflation and interest rate risks.

Standard Risk Measure

When determining the risk level of each of the investment options, the Trustee has adopted the Standard Risk Measure approach.

The Standard Risk Measure is based on industry guidance to allow you 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. You should still ensure you are comfortable with the risks and potential losses associated with your chosen investment options. A table is provided in the Investment Guide that illustrates how the Standard Risk Measure is determined.

We strongly recommend you seek professional financial advice to help you understand investment risk and work out which investment option[s] will best suit your own circumstances.

Socially Responsible Investing

The various underlying investment managers have their own policy on the extent to which labour standards or environmental, social or ethical considerations are taken into account when making investment decisions. Whether a manager has such a policy, or the contents of such a policy, is not considered by the Trustee when selecting or monitoring managers. Further we do not currently require the managers we appoint to take any such considerations into account when making their investment decisions.

The Trustee utilises the investment expertise of a number of investment managers which have proven their ability to perform over a number of years. This enables you to grow your retirement savings by choosing from a wide range of funds.

The investment managers utilised are outlined in the Investment Guide. Please refer to the websites listed in that document for further information on the respective managers.



You should read the important information about 'How we invest your money' before making a decision. Go to 'How we invest your money' in the Investment Guide available on our website ivcm.com/aesf

The material relating to 'How we invest your money' may change between the time when you read this PDS and the day when you acquire the product.

6 Fees and costs



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 [www.moneysmart.gov.au] has a superannuation calculator to help you check out different fee options.

Main fees and costs for the Vanguard Growth Index Fund investment option

This section provides a summary of the main fees and other costs applicable to the Fund. It also provides an example using the Vanguard Growth Index Fund investment option. These fees and other costs may be paid directly from your account balance or deducted from investment returns or from the assets of the Fund 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 document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment. Full details of all fees and costs are contained in the Member Guide.

The table can be used to compare the fees and costs of this Fund with the fees and costs of other superannuation products.

Unless otherwise stated, all fees and costs are shown inclusive of GST and stamp duty if applicable. We do not reduce fees by any income tax deduction we [or an interposed vehicle] may be able to claim.

Vanguard Growth Index Fund

Type of fee ¹	Amount	How and when paid												
Investment fee	0.29% pa	Fee charged by the underlying Fund Manager deducted from the underlying assets of your investment and reflected in the unit price of your chosen investment option[s].												
Administration fee	<table border="1"> <thead> <tr> <th>Asset Range</th> <th>Fee</th> </tr> </thead> <tbody> <tr> <td>\$0 - \$250,000</td> <td>1.25% pa</td> </tr> <tr> <td>\$250,001 - \$500,000</td> <td>0.70% pa</td> </tr> <tr> <td>\$500,001 - \$1 million</td> <td>0.45% pa</td> </tr> <tr> <td>\$1,000,001 - \$1.5 million</td> <td>0.10% pa</td> </tr> <tr> <td>\$1,500,001 +</td> <td>NIL</td> </tr> </tbody> </table>	Asset Range	Fee	\$0 - \$250,000	1.25% pa	\$250,001 - \$500,000	0.70% pa	\$500,001 - \$1 million	0.45% pa	\$1,000,001 - \$1.5 million	0.10% pa	\$1,500,001 +	NIL	Deducted from the underlying assets of your investment and reflected in the unit price of your chosen investment option[s].
Asset Range	Fee													
\$0 - \$250,000	1.25% pa													
\$250,001 - \$500,000	0.70% pa													
\$500,001 - \$1 million	0.45% pa													
\$1,000,001 - \$1.5 million	0.10% pa													
\$1,500,001 +	NIL													
Buy-sell spread	Buy 0.11% Sell 0.11%	Deducted on a transactional basis every time units in an investment option are bought and sold and is reflected in the unit price.												
Switching fee	Nil	Not applicable												
Exit fee	\$2,200	Deducted once out of the withdrawal proceeds. Only applicable on full exit of UK transfer amounts within 12 months of receipt of transfer.												
Advice fees relating to all members investing in a particular MySuper product or investment option ²	Nil	Not applicable												
Other fees and costs ³	The amount payable will depend on each member's personal circumstances.	You may also incur other fees and costs such as activity fees, advice fees for personal advice or insurance fees. Please refer to the 'Adviser Remuneration' section below and the 'Additional Explanation of Fees and Costs' Section 5 Table 5 in the Member Guide available on our website ivcm.com/aesf												
Indirect Cost Ratio ⁴	Nil	Not applicable												

¹ **Defined fees** - For further information regarding the definitions for each type of fee referred to in the above table, refer to the 'Defined Fees' table in the 'Fees and Costs' section in the Member Guide which can be obtained from our website at ivcm.com/aesf or by contacting us on 1300 131 227. You can also access a copy of the fee definitions on our website at ivcm.com/aesf

² **Advice fees** - Warning: If you consult a financial adviser to obtain financial product advice, additional fees may be payable to your financial adviser. Your adviser should give you a Statement of Advice detailing these fees.

³ **Other fees and costs** - You may also incur other fees and costs such as:
- activity fees like family law fees, binding nomination fees, expense recovery fees and advice fees for personal advice, which will depend on the nature of the activity or advice that you choose;
- insurance fees; and
- taxes.

See the 'Additional Explanation of Fees and Costs' in the 'Fees and Costs' section in the Member Guide for further details. Also see the other parts of this document for information about insurance fees and taxes.

⁴ **Indirect cost ratio (ICR)** - The ICR shown above is indicative only. The actual amount you will be charged in subsequent financial years is not currently known and could be different. See the 'Additional Explanation of Fees and Costs' in the 'Fees and Costs' section in the Member Guide.

Example of annual fees and costs

This table gives an example of how the fees and costs in the Vanguard Growth Index Fund investment option for this superannuation product can affect your super investment over a one year period. You should use this table to compare this product with other super products. It is assumed for the purposes of this calculation that there are no QROPS Funds supporting the investment.

Example - Vanguard Growth Index Fund		Balance of \$50,000
Investment Fees	0.29% pa	For every \$50,000 you have in the superannuation product you will be charged \$145 each year
PLUS Administration fees*	1.25% pa of your account balance	And you will be charged \$625 in administration fees each year.
PLUS Indirect Cost Ratio	Nil	Not applicable
EQUALS Cost of AESF		If your balance was \$50,000, then for that year, you will be charged fees of \$770 for the superannuation product.

Note* Additional fees may apply. And, if you leave the superannuation entity, you may be charged an exit fee of \$2,200 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 0.11% [this will equal to \$55 for every \$50,000 you withdraw].

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Fees and costs cont.

Fee Changes

The Trustee may increase dollar based fees each financial year by the annual change in the Average Weekly Ordinary Time Earnings [AWOTE] weighted average for all Australian capital cities as at 1 July each year. The AWOTE each year will represent the percentage change from the corresponding June quarter of the previous year for the weighted average of eight capital cities. The Trustee will not increase the dollar based fees by more than AWOTE or any other fees without 30 days' prior written notice to you [other than Government fees and taxes]. The Trustee may charge you out of pocket expenses if considered necessary to recover the costs in operating the Fund [including custodian fees and investment consulting fees]. Thirty [30] days' written notice would be provided before such costs are deducted from member account balances.

Fund managers, who charge the Investment Fees and Buy / Sell Spread may vary their fees from time to time.

The Trustee will consider during and towards the end of each financial year whether these amounts require updating to more accurately reflect estimated fees and costs [including indirect costs] in future years, including where new information has come to light in relation to fees and costs. If the Trustee considers that the updated fees and costs information is not materially adverse, it will post an update on its website, otherwise the Trustee will issue a replacement PDS in accordance with the Corporations Act.

HMRC Tax & Charges

Transfers from your UK Pension will be subject to HMRC charges from the date of receipt. Please refer to the Member Guide section 3 'Risks of AESF'.

ASIC Calculator

There is a calculator provided by ASIC on its MoneySmart website which can be used to calculate the effect of fees and costs on account balances. Go to www.moneysmart.gov.au.

ADDITIONAL EXPLANATION OF FEES AND COSTS

Insurance Costs

Please refer to the 'Insurance in your super' section of this PDS. There is a fee charged by Tidswell and the Promoter which is included in the premium deducted from your account to pay for any TPD and / or Income Protection insurance you have in place. The fee payable to each party is 5.5% [GST inclusive] of the total premium, which fees are included in the premium.

See the Insurance Guide in Part 4 of the PDS for a more detailed explanation of the cost of Insurance.

Foreign Transfer Establishment fee

A fee of \$880 is applied to disperse the costs associated with the transfer of funds from overseas. It is deducted once, out of the first tranche of pension foreign monies transferred to AESF, at the exchange rate applicable on the date of receipt by AESF.

Cash Account charge

A fee of 1.00% pa of investments held within a Cash Account will be deducted from the Cash Account assets and will be reflected in the unit price of the Cash Account.

QROPS Annual fee

A fee of \$264 per annum which is deducted monthly is applied to meet the ongoing administration requirements of HMRC reporting on your QROPS funds. This only applies if there are QROPS funds in your account.

Expense Recovery

Presently the Trustee had determined this fee be set at 0.30% pa of the first \$250,000 of assets held in your account. This enables the Trustee to recover from the Fund expenses that cannot be met from the administration or investment fees. This is included within the unit price calculations of each investment option. Please also note that this amount has also been included under the Administration fee within the two tables shown within this section.

Foreign Currency Investment charge

A fee of 0.35% pa of investments held in a foreign currency will be deducted from those underlying assets and will be reflected in the unit price of your chosen investment option[s].

Incidental fee

A cheque dishonour fee of \$20 may apply. This amount is deducted from your account.

Operational Risk Financial Reserve

Every public offer superannuation fund is required to establish a reserve to cover operational risks. The reserve can only be used to cover risks arising from the day to day operations. The Trustee has determined to impose a levy 0.10% of total Fund assets per annum for this purpose. This amount will be included within the unit price calculations of each investment option. This levy is raised against all of your investments by way of the Indirect Cost Ratio as described above.

Brokerage costs for the Exchange Traded Funds

Brokerage costs are deducted from the purchase and sale cost of your chosen investment option and are reflected in the unit price of your chosen investment option[s].

Foreign Exchange costs

If you transfer foreign pension fund monies to the AESF and elect to have those monies converted to another currency, we will convert the funds for you at the prevailing rate including conversion costs.

Taxation

Please refer to the 'How super is taxed' section of this PDS for information on the impact of taxation on contributions, fund earnings and benefit payments.

Goods and Services Tax [GST]

All fees and charges quoted are inclusive of GST [where applicable]. The Fund is entitled to claim reduced input tax credits on certain fees and charges and these are retained by the Trustee as part of its remuneration to offset administration costs.

Adviser remuneration

Warning: The adviser selling you this product may receive payment [remuneration] for the sale.

Adviser fees are negotiable with your adviser and the Trustee must be advised in writing of the agreed fee when your application is received or at the time of any renegotiated fee arrangement. The Trustee may pay your adviser the following fees from the total fees collected from your account:

- Contributions fee [including rollovers] - a fixed percentage or a flat dollar amount which you have agreed with your adviser.
- Adviser Service fee - you may negotiate a service fee (whether dollar or percentage based) with your adviser over and above the Investment fee. Any Adviser Service fee to be deducted from your account must be consented to prior to the fee being deducted.

Details of the fees paid to your adviser should be set out in the Statement of Advice provided by your adviser.

Family Law charges

The Trustee allows either the splitting or deferral of a member's account upon separation or divorce. The Trustee charges a reasonable fee for any requests to comply with the Family Law provisions. The charges are:

Service	Charge
Request for information by member	Nil
Request for information by a non-member	\$120 [payable at the time of request].
An order to split or flag an interest	\$240 [payable at the time of request].
Splitting a benefit	\$360 [deducted in equal parts from the benefit payment and the retained benefit unless prior arrangements are agreed to].

Other fees

Fees may be charged for specific member requests that are not part of the Trustee's normal services.



You should read the important information about 'Fees and costs' before making a decision. Go to the section 'Fees and costs' in the Member Guide available on our website ivcm.com/aesf. The material relating to: - the definition of the different type of fees; - the type of fees and costs; - information on how and when fees are paid; and - fee changes, may change between the time when you read this PDS and the day when you acquire the product.

7 How super is taxed

There are a number of ways that super is taxed. Tax on super is complex. The information provided is general in nature and we recommend that you seek advice from a registered tax agent to determine your personal obligations.

Providing that your Tax file number [TFN] is supplied:

- **Contributions into your super from your before tax pay** are taxed at 15% [or 30% to the extent that your contributions cause your adjusted taxable income to exceed \$300,000] which reduces to \$250,000 from 1 July 2017. These are called concessional contributions.
- **Contributions into your super from your after-tax pay** and transfers from overseas pension funds are generally not taxed but they are subject to limits. These are called non-concessional contributions.
- **Investment earnings in super** are generally taxed at a maximum of 15%. Franking credits from investment in Australian companies and payments of fees are deducted from this tax.
- **Investment earnings in pension** are tax-free.
- **Lump Sum Withdrawals from your super or pension** account prior to age 60 may be subject to taxation. After the age of 60 all lump sum withdrawals are tax-free.
- **Pension payments** will be subject to tax prior to age 60 but the tax will be reduced by a tax offset of 15% between preservation age and age 60. Once you turn 60, pension payments are tax-free.

The Trustee will deduct any applicable tax from your account balance or payments and pay it directly to the Australian Tax Office. You do not have any obligation to directly pay tax if you invest in the AESF.

Preservation age is 55 for those born before 1 July 1960 and will gradually increase to 60 depending on your date of birth. Refer to the Member Guide to find out your preservation age or go to www.ato.gov.au. Please note, there is a different tax treatment applied to superannuation death benefits paid to your beneficiaries or deceased estate. Information is available at www.ato.gov.au

Contribution caps [limits]

Warning: there will be taxation consequences if the contribution caps applicable to superannuation are exceeded.

For further information on the contribution caps please refer to the Member Guide or talk to your financial adviser.

Providing your tax file number [TFN]

Warning: when you join AESF, you need provide us with your TFN. If you choose not to provide your TFN you will be unable to join AESF.



You should read the important information about 'How super is taxed' before making a decision. Go to the section 'How superannuation and pensions are taxed' in the Member Guide available on our website ivcm.com/aesf. Note that some important changes to how super is taxed took effect on 1 July 2017 and are incorporated into the Member Guide.

The material relating to 'How super is taxed' may change between the time when you read this PDS and the day when you acquire the product. For more information about transfers from overseas funds see Section 1 of the Member Guide 'Transfers [including QROPS Funds]'.

8 Insurance in your super

You are automatically provided with insurance cover as set out below upon joining AESF in Personal Super. Having this insurance through AESF can be a cost-effective way to provide you and your family with financial protection in the event that you suffer a serious illness or injury.

Insurance cover is not available to pension only members.

The insurance cover which is automatically provided when you join AESF is:

- Total and Permanent Disablement [TPD]

Providing you with a lump sum benefit of \$500,000 if an illness or injury prevents you from ever working again.

- Income Protection

Providing a regular monthly benefit should you become temporarily disabled through illness or injury and are unable to work for an extended period of time. A benefit of up to 75% of your pre-disability income through personal exertion payable for up to 2 years following a 30 day wait.

Warning: The information about insurance set out in the Insurance Guide booklet about eligibility for certain cover and conditions and exclusions on cover that might apply may affect your entitlement to insurance cover. You should read that information before deciding whether the insurance is appropriate.

When you join or at any other time you can choose to opt out of the insurance cover. To cancel your insurance, you need to confirm your decision in writing. Provided your cancellation is received before 4.00 pm Australian Central Standard Time, it will take effect from 4.00 pm on the day your formal cancellation is received or such other time as may be agreed with the underwriters.

Maximum insurance cover

The maximum cover levels that you will be provided with are:

- TPD - \$500,000
- Income Protection - up to 75% of your personal exertion income to a maximum monthly benefit of \$20,000.

How to apply for insurance cover

You will AUTOMATICALLY be approved for cover of \$500,000 for TPD and 75% of your income up to a maximum of \$20,000 per month for Income Protection upon completion of the Application Form for Personal Super. If you do NOT wish to purchase this insurance you should elect so on the Application Form.

8 Insurance in your super cont.

Premiums

There are costs associated with insurance cover called premiums. The premiums you pay depend on a number of factors, including, but not limited to, the level and type of cover, your age, gender, occupation, and smoking status.

Premiums are automatically deducted from your account. In the event there is insufficient money in your account, your insurance cover will lapse and all insurance benefits cease.

The cost of cover will range between \$0.6494 and \$13.8928 per one thousand dollars of cover per annum for TPD insurance. The cost of cover will range between \$6.5102 and \$110.8002 per one thousand dollars of cover per annum for Income Protection insurance.

Insurance premiums [rates] are available by contacting your adviser or by calling Member Services on 1300 131 227.

Insurance premiums will be calculated to cover administration costs and include GST. Premiums will be deducted each month from your super account.

Cover for both TPD and Income Protection automatically ceases on your 60th birthday.

Changing your insurance cover

You can cancel your insurance cover by calling Member Services on 1300 131 227 or by informing us in writing via email to info@aesf.com.au. There are no alternatives to the automatic cover offered other than complete cancellation or 'opting out' upon applying for Personal Super. You should be aware that if you do not opt out of the automatic cover, premiums will be deducted from your account to pay for the insurance.

Exclusions

There are a number of exclusions to cover contained within the policy. Please read the Insurance Guide for further details.



You should read the important information about 'Insurance in your super' before making a decision. Go to the section, 'About AESF Insurance' in the Insurance Guide available on our website ivcm.com/aesf

The material relating to 'Insurance in your super' may change between the time when you read this PDS and the day when you acquire the product.

This material may also affect your entitlement to insurance cover which is automatic and not subject to underwriting.

You should read this information before deciding whether the insurance is appropriate.

9 How to open an account

Joining AESF is easy

To open your account please contact your Financial Adviser or call us on 1300 131 227.

Read this PDS and the other important material referred to in the PDS to make sure you understand all about the benefits and services that AESF offers you.

Please ask your adviser if you have any questions about the;

- AESF Superannuation Application Form for Personal Super
- AESF Pension Application Form for Personal Pension.

Once you are a member, all contributions, including rollovers and transfers from UK Tax-Relieved Scheme Funds [QROPS Funds], will be paid into your account along with any investment earnings. As AESF is resident in Australia, all holdings within your account will be expressed in Australian dollars [AUD] even though you may have selected GBP and/or USD investment options.

Cooling-off period

The cooling off period is 14 days from the earlier of the date you receive confirmation from us that funds are received into your account, or the end of the fifth day after your application is accepted. During the cooling off period you can have your investment repaid or transferred to another complying super product if the funds are preserved.

The amount that is repaid may be adjusted to take into account any transaction and administration costs and any increase or decrease in the value of your investment in AESF during the period of joining and cancelling your account.



You should read the important information about 'How to open an account' before making a decision. Go to the section 'How to open an account' in the Member Guide available on our website ivcm.com/aesf

The material relating to 'How to open an account' may change between the time when you read this PDS and the day when you acquire the product.

Enquiries and complaints process

We pride ourselves on our client service and will endeavour to solve your concerns quickly and fairly. If you have an enquiry or complaint regarding your super benefit, you should either phone our Member Services officers on 1300 131 227 or email us at info@aesf.com.au.

If you wish to lodge a complaint with AESF, please write to:

The Complaints Officer
AESF
GPO Box 1900
ADELAIDE SA 5001

If you are not satisfied with the outcome of your complaint, you can contact the Superannuation Complaints Tribunal [SCT].

Please note that before the SCT will investigate your complaint they generally require you to have first provided us with the opportunity to address the complaint.

The SCT is a statutory body that deals with complaints about the decisions and conduct of superannuation providers, including trustees of super funds, relating to members, but not in relation to decisions and conduct relating to the management of the fund as a whole.

Write to:

Superannuation Complaints Tribunal
Locked Mail Bag 3060
MELBOURNE VIC 3001
Phone. 1300 884 114
Fax. [03] 8635 5588
Email. info@sct.gov.au
Web. www.sct.gov.au