

# Employer Superannuation Service

## Product Disclosure Statement


### About this Product Disclosure Statement ('PDS')

This PDS is issued by Equity Trustees Superannuation Limited ABN 50 055 641 757, AFSL 229757, RSE License L0001458, MySuper Licence 30099320583624 as Trustee for AMG Super ABN 30 099 320 583 ('the Fund'). Where the words 'we', 'us' and 'our' appear they refer to the Trustee.

This PDS is for general information purposes only and is not intended to be relied on for the purpose of making an investment decision or other decisions pertinent to your investment in the Fund. It has been prepared without taking account of the objectives, financial situation and needs of any particular person. You should also consider obtaining professional advice before making decisions regarding your investment in the Fund, to determine if they are appropriate to your needs.

The Trustee reserves the right to vary the benefits, the insurer and insurance related costs at any time.

Insurance cover available through the Freedom of Choice Employer Superannuation Service is provided under a group insurance policy taken out by the Trustee with AIA Australia Limited (ABN 79 004 837 861, AFSL 230043) (AIA Australia) (Insurer) or an individual insurance policy (with various approved insurers) chosen by you and held by the Trustee on your behalf.

This PDS is a summary of significant information about the Employer Superannuation Service ('the Service') offered by Freedom of Choice, a division of AMG Super. This PDS contains a number of references to additional information found in the Freedom of Choice Employer Superannuation Service Reference Guide ('Reference Guide'), Freedom of Choice Employer Superannuation Service Insurance Guide ('Insurance Guide') and, if applicable to you, an Employer Plan Additional Information Schedule, each of which forms part of this PDS. This is important information which you should also consider before making a decision about the Freedom of Choice Employer Superannuation Service. These references are marked by . This information (other than any Employer Plan Additional Information Schedule) is available from [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au) or you may obtain a paper copy free of charge by calling Client Services on **1800 806 013**. If an Employer Plan Additional Information Schedule is applicable to you, it will be provided to you with your Welcome Letter.

The information in this PDS should help you decide whether this product will meet your needs and to compare it to others you may be considering.

### Updated Information

The information in this PDS is up-to-date at the date it was prepared. Some of the information in this PDS may change from time to time and may not be up-to-date at the time you receive it. If a change is made to information that is not materially adverse information, the PDS may not be updated. Instead, any updated information will be published on the Freedom of Choice Employer Superannuation Service or you may obtain a paper or electronic copy free of charge by calling Client Services on **1800 806 013**.

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This PDS is issued by the Trustee.

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Unique Superannuation Identifier: FOC0001AU

All amounts in the PDS, and associated Guides, are expressed in Australian dollars unless otherwise indicated. The offer made in the PDS is available only to persons receiving the PDS in Australia (electronically or otherwise). The PDS may be made available in electronic format, including access via [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au). If you are unsure whether the electronic document you have received is complete, please contact us. A paper copy of this PDS is available free of charge on request for the life of the document by calling Client Services on **1800 806 013**.

## 1. About the Freedom of Choice Employer Superannuation Service

The Freedom of Choice Employer Superannuation Service is a part of a division in AMG Super ('the Fund'), known as 'Freedom of Choice'. The Fund is designed to provide financial security for you in retirement and protection for both you and your dependants, in the event of your premature death or permanent disablement. The Fund has over \$1 billion of assets under management as at the preparation date of this PDS.

Freedom of Choice provides superannuation services for employer enrolled members, personal members and pension members.

The Freedom of Choice Employer Superannuation Service ('the Service') is for employer enrolled members and provides employees the ability to tailor their superannuation to meet their savings, investment and insurance needs.

The Service is available to employers where two or more employees are to be enrolled and offers employers a convenient service while assisting them to meet their super obligations.

Your super is extremely important and may be your main source of income when you retire. The earlier you begin thinking about your super as a way to prepare for your future, the easier it becomes to understand. The Trustee encourages you to take an interest in your super by:

- » talking to a licensed financial adviser;
- » reading about the investment options available to you;
- » considering the tax advantages of investing in a super fund; and
- » making the most of the services provided to make preparing for your future easier.

The Service provides you with the administrative and support services that you need to make investing for retirement simple.

The Trustee is authorised by APRA to offer a MySuper Product from the Fund, called AMG MySuper. If you do not choose an investment option when you join the Fund, any contributions will be invested in AMG MySuper. A range of other investment options are available including managed funds, securities and term deposits.

You will find some important disclosure information including the AMG MySuper product dashboard, Choice dashboards (when this information becomes available) and Trustee and executive remuneration disclosure on the Freedom of Choice website [www.freedomofchoice.com.au/prescribed-information](http://www.freedomofchoice.com.au/prescribed-information).

## 2. How super works

Superannuation is a means of saving for retirement that is, in part, compulsory. Most Australian employers are required by Government legislation to contribute a percentage (currently 10%) of an employee's ordinary time earnings to a superannuation fund nominated by the employee or, if an employee does not nominate a fund, to the employee's

stapled super fund\* or, if an employee does not have a stapled fund, to the employer's default fund. These compulsory contributions are referred to as Superannuation Guarantee (SG) contributions. You can also make your own contributions towards superannuation.

There are different types of contributions available to a person (for example, employer contributions, voluntary member contributions, spouse contributions and government co-contributions). There are limits on when you can contribute to, and withdraw from, super. Generally, you cannot access your money until you've reached retirement age.

Super is a long-term plan where contributions during your employment will provide you with a source of income in retirement. This money is invested during this time and lower tax rates and other government incentives can make super a beneficial way to save for retirement. Generally your employer must pay its compulsory contributions into a fund of your choice and your contributions will be invested according to your investment selection, if you make a selection.

There are certain circumstances in which superannuation benefits must be reported and transferred by the Trustee to the Tax Office. For example, accounts under \$6,000 where we haven't received any money for a member for 16 continuous months (if there is no insurance attached to the account and an exception does not apply), lost accounts of members that are unidentifiable or have a balance below the threshold set by the Government from time to time, unclaimed benefits on or after age 65 and unclaimed benefits of former temporary residents.

For more information on how super works, please refer to [www.moneysmart.gov.au](http://www.moneysmart.gov.au).

\* Where employees do not choose a super fund, most employers will have to check with the ATO if their employee has an existing super account, known as a 'stapled super fund', to pay the employee's SG contributions into.

### More information

1. You should read the important information on how super works, in particular, information about contributions and rollovers to super, and accessing your super, before making a decision. Go to the Reference Guide at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au).
2. The material relating to how super works may change between the time when you read this PDS and the day you acquire the product.

## 3. Benefits of investing with Freedom of Choice Employer Superannuation Service

### Members enjoy:

- » Access to Binding Death Benefit Nominations;
- » Access to a range of managed investment schemes covering a broad range of investment sectors such as Australian shares, international shares, property, fixed interest and cash;
- » Access to a selection of managed investment schemes with diversified multi-sector managed portfolios catering for conservative, balanced, growth and aggressive investment profiles;
- » Access to a selection of securities listed on the Australian Securities Exchange ('ASX') and a range of term deposits;
- » No investment switching fees with access to an online investment switching facility (however, buy-sell spreads or transaction costs may apply, depending on the investment);
- » Access to voluntary insurance options for: Death cover (including terminal illness cover), Total and Permanent

Disablement (TPD) cover and Income Protection (IP) cover. Automatic Death and TPD cover is provided to eligible members;

- » Online access to your account;
- » Access to an account-based or transition to retirement pension product, also issued by the Trustee, via the Freedom of Choice Personal Retirement Service, providing you with a flexible income stream during and leading up to your retirement;
- » Access to a personal super savings product, also issued by the Trustee, via the Freedom of Choice Personal Superannuation Service if you leave your employer prior to retirement;
- » Access to an automatic rebalancing facility for managed investments to help keep your investment portfolios on track;
- » Consolidated regular reporting for your investments; and
- » Flexible payment options and a regular contribution facility if you are making personal contributions.

You should consider current PDS for the Freedom of Choice Personal Superannuation Service & Personal Retirement Service, available from the Freedom of Choice website [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au) before making any decision about the Freedom of Choice pension products, or the Freedom of Choice personal super product.

### Employers enjoy:

- » Employer online access; and
- » Access to a Clearing House facility with the ability to pay contributions to Freedom of Choice and any other superannuation fund nominated by an employee. The Clearing House facility is a financial product, known as SuperChoice, offered by SuperChoice Services Pty Limited, ACN 124 852 320. The PDS for SuperChoice, available from [www.freedomofchoice.com.au/employers](http://www.freedomofchoice.com.au/employers), should be considered before deciding whether to acquire or continue to hold this financial product.

### More information

1. You should read the important information about the benefits and features of the Employer Superannuation Service before making a decision. Go to the Reference Guide at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au).
2. The material relating to the benefits and features of the Employer Superannuation Service may change between the time when you read this PDS and the day you acquire the product.

## 4. Risks of super

Before selecting an investment option/strategy it is important to be aware of different risks affecting investments. All investments carry risk. Risk is measured between an actual result and the result which, based on past results, is expected. Put simply, risk is uncertainty.

Investment risk refers to the uncertainty of an investment not earning what it is expected to earn. While all investments carry risk, different strategies may carry different levels of risk depending on the assets that make up the strategy.

Volatility refers to the degree to which returns may fluctuate from year to year around their long-term average.

Assets such as shares and property typically offer a high level of risk and return, compared to assets such as bonds and cash which typically offer a low level of risk and return. As investment risk is linked to time frame, the level of risk and volatility of earnings decrease the longer an investment is held, as earnings tend to average out to their long-term historical returns. Assets with the highest long-term returns may also carry the highest level of short-term risk.

In 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;
- » superannuation laws may change in the future;
- » the amount of your future super savings (including any contributions and investment returns) may not be enough to provide adequately for your retirement.

The level of risk that you would be exposed to will vary depending on a range of factors, including:

- » your age;
- » the investment time frame (how long you wish to invest for);
- » your other investments or assets;
- » your tolerance of risk (how you feel about your investments fluctuating in value and potentially incurring negative returns in some years as well as positive gains in others).

Other significant risks associated with the Fund, the Service or the available investment options include fund or operational risk, market risk, security specific risk, currency risk, derivatives risk, management risk, gearing risk, information risk and insurance risk. General risks relevant to the Fund (as with most other funds) are:

- » All investments carry risk
- » Different investment strategies and investment options may carry different levels of risk depending on the assets that make up the strategy
- » Assets with the highest long-term returns (such as shares and property) may also carry the highest level of short-term risk.

### More information

1. You should read the information about the risks of super, before making a decision. Go to the Reference Guide at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au).
2. The material relating to risks of super may change between the time when you read this PDS and the day you acquire the product.

## 5. How we invest your money

**Warning: You should consider the likely investment return, the risk and your investment timeframe when choosing an investment option including the AMG MySuper option. Because of the range and complexity of the options available to you, we strongly recommend you consult your financial adviser to establish and regularly review your selected investments.**

Freedom of Choice provides you with a wide range of investment options from which to choose. This allows you to choose investments that meet your objectives and suit the level of risk with which you will be comfortable.

Your account will comprise a Cash Account and the underlying investments selected. Contributions will initially be placed in the Cash Account prior to being invested.

The Cash Account is central to all investments and transactions made within your account. Any money contributed and withdrawn from your account, including investment placements, withdrawals, insurance premiums, income distributions and fees and other costs pass through the Cash Account. You are required to maintain 1% of your account balance in the Cash Account. In addition, if you have insurance cover, three months' worth of insurance premium must also be maintained in the Cash Account.

Your contributions (less any fees, costs or taxes) will be invested

in accordance with your investment strategy (subject to the minimum investment levels). The Trustee recommends that you make this choice in consultation with your financial adviser.

You have access to over 150 different investment choices managed by leading Australian and international fund managers, plus the ability to construct a personal share portfolio made up of the top 300 companies listed on the ASX. You can choose from:

### Managed funds

You can choose from an extensive menu of different managed investment schemes ('managed funds'), managed by over 40 different investment managers, covering a wide range of investment strategies and styles. This enables you to diversify your investments and select investment managers with which you feel comfortable. There are also a number of managed funds with ready-made diversified portfolios available:

- » Diversified Defensive
- » Diversified Conservative
- » Diversified Growth
- » Diversified Balanced
- » Diversified Aggressive

Further information about the managed funds available is provided on the Investments page on our website [www.freedomofchoice.com.au/employer-service/investments](http://www.freedomofchoice.com.au/employer-service/investments).

### Direct Choice

You can construct your own share portfolio from a selection of ASX 300 listed securities including approved Exchange Traded Funds (ETFs). Further information about the selected listed securities available is provided on the Investments page on our website

[www.freedomofchoice.com.au/employer-service/investments](http://www.freedomofchoice.com.au/employer-service/investments).

### Term Deposits

A selection of Term Deposit products are available, with terms ranging from 30 days to 60 months, at competitive rates. Further information about the term deposits available is provided on the Investments page on our website [www.freedomofchoice.com.au/employer-service/investments](http://www.freedomofchoice.com.au/employer-service/investments).

### Default investment option

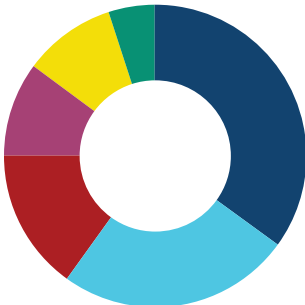
AMG MySuper is the default investment option designed for members enrolled into the Freedom of Choice Employer Superannuation Service by their employer who have not chosen an investment option. Our MySuper product is required to satisfy government legislation to offer a simple low cost investment option for members who haven't exercised choice.

If you have not made an investment choice after you have become a member, your contributions will be invested in AMG MySuper (the Fund's MySuper product).

You can switch investment options at any time online or by submitting an Investment Switch Form to the Administrator. Buy / Sell spreads and other transaction costs will apply depending on the investment changes made.

The investment options may be changed from time to time. From time to time the Trustee may make changes to the investment options that are available. The Trustee may close, remove or add investment options by notice to members. The Trustee may also make changes to the asset allocation or other characteristics of investment options. We will notify you of any significant changes that affect you, where required.

## Investment details for AMG MySuper option

<b>Description of option</b>	A single diversified portfolio of cash, listed property, fixed interest securities, Australian and International shares.												
<b>Suitable for</b>	Members seeking a diversified investment over a broad range of asset classes, in order to achieve a diversified capital growth-based return with moderate income.												
<b>Strategic Asset Allocation (neutral position)</b>	<div><table><tr><td>Australian Shares</td><td>35%</td></tr><tr><td>International Shares</td><td>25%</td></tr><tr><td>Listed Property Securities</td><td>10%</td></tr><tr><td>Australian Fixed Interest</td><td>10%</td></tr><tr><td>International Fixed Interest</td><td>15%</td></tr><tr><td>Cash</td><td>5%</td></tr></table></div>	Australian Shares	35%	International Shares	25%	Listed Property Securities	10%	Australian Fixed Interest	10%	International Fixed Interest	15%	Cash	5%
Australian Shares	35%												
International Shares	25%												
Listed Property Securities	10%												
Australian Fixed Interest	10%												
International Fixed Interest	15%												
Cash	5%												
<b>Investment return objective<sup>1</sup></b>	To achieve returns (net of fees and taxes on investments) that exceed movements in the Consumer Price Index by at least 2.50% over rolling 10 year periods.												
<b>Minimum suggested timeframe</b>	4 to less than 6 years												
<b>Risk Level<sup>2</sup></b>	High (Risk Band 6). Probability of negative returns is 4 to less than 6 years in 20 years.												

<sup>1</sup> The investment return objective is formulated in accordance with legislative requirements for the return target in the AMG MySuper product dashboard available from [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au). The return target, risk and other information in the product dashboard may differ, from time to time, from information shown in this PDS for AMG MySuper.

<sup>2</sup> Based on a Standard Risk Measure. Further information about this is set out in the Reference Guide.

### Is the AMG MySuper option suitable for you?

The AMG MySuper option is designed to be suitable for the typical risk profile of the majority of members. But the option may not be suitable for you. The Trustee strongly recommends that you seek advice from a financial adviser who can help you through this process.

### Switching Investments

You can switch your investments into other options at any time or ask that future contributions be paid into a different investment option. For detailed information on all the investments and switching investment options for your existing balance and/or any future contributions, please refer to the Reference Guide (for access details see 'More Information' below).



## Do you need help?

Your financial adviser can help you determine the right investment strategy to match your tolerance to risk, investment goals and timeframe. It is recommended that you regularly review your investment strategy with your financial adviser to accommodate changes in your circumstances or market conditions over time.

If you do not have a financial adviser, contact Client Services on **1800 806 013** and they can put you in touch with a financial adviser.

## More Information

1. You should read the important information about the investment options before making a decision. Go to the Reference Guide at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au).
2. The material relating to the investment options may change between the time when you read this PDS and the day you acquire the product.

## 6. Fees and costs

### Consumer Advisory Warning

#### Did you know?

Small differences in both investment performances 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) Moneysmart** website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a superannuation fee calculator to help you check out different fee options.

You or your employer cannot negotiate to pay lower fees.

Fees and costs can be charged directly to your account or may be deducted from investment returns or Fund assets. You can use the fees and costs information below to compare costs between different superannuation products.

Fees and costs for AMG MySuper are shown below.

### Employer Superannuation Service – AMG MySuper option

Type of fee	Amount	How and when paid
Investment fee <sup>1</sup>	0.12% of assets per year (estimated)	Deducted from earnings before daily unit prices are calculated
Administration fee <sup>1,4</sup>	\$65.00 per year (\$1.25 per week) Plus 0.22% of assets per year (estimated)	Deducted on the last day of each month, in arrears, from your account balance  Deducted from earnings before daily unit prices are calculated
Buy/sell spread	+0.09%/-0.10%	Reflected in daily calculation of unit price and paid when a member goes into or out of the option
Switching fee	Nil	Not applicable
Advice fees relating to all members investing in a particular MySuper product or an investment option	Nil	Not applicable
Other fees and costs <sup>3</sup>	Various	Deducted from your account balance, where applicable
Indirect cost ratio <sup>1,2</sup>	0.004% of assets p.a. (estimated)	Deducted before gross earnings of the option's underlying investments are received by the Fund and reflected in the calculation of the option's daily unit prices

<sup>1</sup> If your account balance for a product offered by the Fund 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 must be refunded.

<sup>2</sup> Indirect investment related fees also apply and are included in the total Indirect Cost Ratio.

<sup>3</sup> Other fees such as activity fees, advice fees for personal advice and insurance fees may apply. For more information see 'Additional Explanation of Fees and Costs' in the Reference Guide.

<sup>4</sup> The Administration fee includes an amount for expense recoveries. Expense recoveries or general reserves may be used to replenish the Operational Risk Financial Reserve (ORFR) and meet Fund expenses from time to time.

**Note:** Estimated fees and costs are subject to variation from year to year.

Additional fees and costs apply to Managed Funds and may apply to Direct Choice and Term Deposit options, that are not required to be shown in this PDS or the Reference Guide. Refer to the applicable disclosure documents for investments available through these options.

## Example of annual fees and costs

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

EXAMPLE – AMG MySuper option		BALANCE OF \$50,000
Investment fees	0.12%	For every \$50,000 you have in the superannuation product you will be charged \$60 each year
<b>PLUS</b> Administration fees	\$65 (approximately \$1.25 per week)  Plus 0.22%	<b>And</b> , you will be charged \$65 in administration fees each year regardless of your balance <b>Plus</b> \$110 per year in administration fees based on a percentage of your balance
<b>PLUS</b> Indirect costs for the MySuper product	0.004%*	<b>And</b> , indirect costs of \$2 each year will be deducted from your investment
<b>EQUALS</b> Cost of product		If your balance was \$50,000, then for that year you will be charged fees of <b>\$237*</b> for the superannuation product.

NOTE: \* Additional fees may apply including but not limited to a buy/sell spread which is reflected in the AMG MySuper option's unit price. Please refer to the Reference Guide (for access details see 'More information' below) and [www.freedomofchoice.com.au/prescribed-information](http://www.freedomofchoice.com.au/prescribed-information) for detailed definitions of the fees and costs shown above.

### Can the fees and costs change?

Yes, all fees and costs can increase or decrease without member consent. Updates for changes will be provided on the Freedom of Choice website [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au) or by notification to members in writing, depending on the nature of the change. For changes to fees and costs that are not estimates, members will be notified in writing at least 30 days before any material increase. Changes to fees and costs that are estimates will not be notified in writing as they are subject to fluctuations.

### Change to fees on termination of employment

If you leave the service of your employer and your account balance is equal to or exceeds \$2,500, the Trustee will transfer you to the Freedom of Choice Personal product with effect from the date you ceased employment and the fees and costs applicable to your account (depending on your investments) will remain the same with the exception of insurance costs. Please refer to Insurance Guide for information about insurance costs on ceasing employment, and the Personal Superannuation Service PDS available from your adviser or from [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au).

### Fees payable to a financial adviser

Additional fees may be payable to your financial adviser when you consult your adviser. These will be set out in the Statement of Advice your adviser gives you. You may be able to negotiate the fees with your adviser. If you authorise this and the law permits, the Trustee may deduct your adviser's fees relating to superannuation from your account only.

### More Information

1. You should read the important information about the fees and costs before making a decision. Go to the Reference Guide at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au)
2. The material relating to fees and costs may change between the time when you read this PDS and the day you acquire the product.

## 7. How is super taxed?

**Warning: You should provide your Tax File Number ('TFN') when you join the Service.**

If the fund does not receive your TFN:

- » Any concessional contributions will be taxed at the highest marginal rate
- » The fund will not be able to accept member contributions for you

- » You may pay more tax on your benefits than otherwise required
- » It will be more difficult to search for any lost super you may have.

The Government currently provides a number of tax incentives to encourage super contributions and there are a number of ways that super is usually taxed as summarised below, assuming we hold a TFN for you. Medicare levy or other levies may apply.

Tax applies to:	Tax payable
Employer contributions and any contributions that you have deducted from your pay before tax is taken out of your pay. Contribution tax is deducted from your account.	15%*
Personal contributions made from your after-tax pay or savings (for which you don't personally claim a tax deduction)	Nil
<b>Warning: Please note there will be taxation consequences if your contributions exceed the contribution caps or limits set by the Government. See Reference Guide</b>	
Withdrawals you make from your account if you are aged less than 60 depend on your circumstances. This tax will be deducted from your benefit before it is paid to you.	Nil – 20% See Reference Guide
Withdrawals from your account if you are aged 60 or over.	Nil
Tax on earnings: a. Investment earnings~ b. Capital gains, held for a year or more	15% 10%
Tax on earnings for pension accounts (other than Transition to Retirement pensions)	Nil

\* The tax rate is higher for individuals with high levels of income (\$250,000 or more) based on calculations in tax legislation.

~ Tax on earnings for the AMG MySuper product is reflected in the product's unit price and is not deducted directly from your account. Tax on earnings for other investment options is deducted directly from your account, where earnings from the investment options have been credited to your account before deduction of tax.

### More Information

1. You should read the important information regarding how your super is taxed in the Reference Guide at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au)
2. The material relating to how your super is taxed may change between the time when you read this PDS and the day you acquire the product.

## 8. Insurance in your super

The types of insurance cover available to Freedom of Choice Employer Superannuation Service members are:

- » Death cover, including terminal illness cover
- » Total & Permanent Disablement (TPD) cover
- » Income Protection (IP) cover, including a range of waiting periods and benefit payment periods.

We believe that all members should be able to protect their families and their future. That's why you will automatically receive insurance cover when you join Freedom of Choice Employer Superannuation Service provided you meet the Insurer's eligibility criteria. This will either be our Automatic Cover or Employer Plan Cover. Eligible AMG MySuper members will receive Automatic Cover unless they are covered by an arrangement (referred to as Employer Plan Cover) established in conjunction with their employer. Members with Employer Plan Cover will receive the insurance cover outlined in the *Employer Plan Additional Information Schedule*, provided they meet the Insurer's eligibility criteria.

### Automatic Cover

Will apply to you subject to eligibility and your employer has not established tailored insurance arrangements for you under an Employer Plan. Automatic Cover consists of Death and TPD insurance cover and the level of cover ranges from \$100,000 for a 16 year old, up to \$210,600 for a 26 year old and reduces to \$6,800 for a 70 year old. Automatic cover is designed to provide members with appropriate level of cover depending on age and when it is needed the most.

Automatic Cover only commences once relevant eligibility criteria and commencement of cover conditions are satisfied.

You should be aware that although you may be eligible for 'White Collar' or a 'Professional' occupation class you will be defaulted into the 'Non Office Based' occupation class for the purpose of calculating Premium. To be classified as 'White Collar' occupation class or a 'Professional' occupation class, you must complete an Occupation Rating Form. If you do not complete an Occupation Rating Form you may be paying higher premiums than necessary. If you complete an Occupation Rating Form the change in occupation class will occur on the date, we receive your signed declaration. If after joining the Fund we received a signed Occupation Rating Form within 90 days of the date of your Welcome Kit and 120 days of joining the Fund, we will backdate any change in occupation classification for the purposes of calculating Premium.

### Employer Plan Cover

Will apply to you if you are eligible for automatic cover and an Employer Plan with tailored insurance arrangements has been established in conjunction with your employer. Employer Plan Cover can include Death, TPD and IP cover, depending on the Employer Plan you participate in. Death and TPD cover may be a fixed dollar amount based on age and gender or calculated as a multiple of salary (subject to maximum limits). IP cover is based on a percentage of salary. The type and level of cover you will automatically receive (if eligible) will be set out in your *Employer Plan Additional Information Schedule* included in your Welcome Kit, if applicable.

### Voluntary insurance cover

You may also apply for additional insurance cover above any automatic insurance you receive or if you are not eligible for automatic cover. This can be done by either:

- » Transferring existing cover held within another super fund when rolling over to Freedom of Choice Employer Superannuation Service under transfer terms acceptable to the Fund's Insurer. The 'Insurance Transfer Form' is available from [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au) or by phoning 1800 806 013; or

- » Submitting a completed 'Insurance Cover Application Form' along with any medical or other evidence required, which will be assessed by the Insurer. The 'Insurance Cover Application Form' is available from [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au) or by phoning 1800 806 013.

Voluntary insurance cover only commences once the Insurer has accepted your application.

Insurance cover (automatic or voluntary insurance cover) ceases in certain circumstances including when the maximum insurable age is reached or there is insufficient money in a member's account to pay for the cover. You should note that even if there are sufficient funds in your account to meet premiums your cover may cease for other reasons. This includes new laws which require the Trustee to cease any insurance cover you have in the Fund if the Trustee has not received an amount (e.g. contributions or rollovers) for you for 16 continuous months (i.e. your account is inactive), unless you elect to maintain your cover even if your account balance becomes inactive. Members can opt out of the automatic cover, cancel or reduce their insurance cover by making a written request to the Fund's Administrator. **Note: Unless you cancel automatic cover (or cover ceases for some other reason) the costs of cover will be deducted from your account. If you elect to maintain cover, the costs of cover will continue to be deducted and may erode your balance in the Fund.**

### Cost of insurance cover

There are costs associated with any insurance cover. Different premium rates apply to different types of cover based on your personal circumstances including your gender, age next birthday, occupation, amount and type of cover. For additional Voluntary Cover the premium rates may be loaded by the Insurer based on your personal circumstances including your health status.

If you are eligible for Automatic Cover, you will pay between \$0.67 to \$7.03 per week for the cover based on a default 'Non Office Based' occupational rating, with the actual cost depending on your gender and age next birthday as set out in the *Insurance Guide*.

If you are eligible for a 'White collar' or 'Professional' occupational category your premiums will be different however you must submit an Occupation Rating Insurance Form to us to be able to access lower premium rates.

If you are eligible for Employer Plan Cover, insurance costs range from \$0.28 to \$31.73 p.a. for each \$1,000 sum insured for Death and TPD cover and from \$0.55 to \$91.31 p.a. for each \$1,000 of annual benefit for IP cover. The cost of Employer Plan Cover will be set out in more detail in your *Employer Plan Additional Information Schedule* included in your Welcome Kit, if applicable. Further information will also be detailed in your Welcome Kit.

You are responsible for paying the insurance costs. Insurance costs are deducted monthly in arrears from your account (and paid to the Insurer) either by deductions from your cash holding or redemption of units. They may be adjusted for any changes to your cover during a financial year. Unless you have Automatic Cover your insurance costs may increase when you cease employment with your employer and are transferred to the Fund's Personal Division (Freedom of Choice Personal Superannuation Service).

**Warning: Insurance terms and conditions (in particular, eligibility criteria, cover cessation circumstances and exclusions) may affect your entitlement to insurance cover or the payment of insured benefits so you should read the Insurance Information in the Insurance Guide and (where applicable) your Employer Plan Additional Information Schedule before deciding whether the insurance is appropriate for you.**

### Important information about insurance:

**This document does not contain full details of the insurance contract between the Trustee and its Insurer and only offers a general guide to the insurance offered to Freedom of Choice Employer Superannuation Service members. The group insurance is provided under a contract between the Trustee and AIA Australia. If there is any conflict between this document and the insurance contract with AIA Australia, to the extent permitted by law, the insurance contract will prevail.**

*AIA Australia has consented to the statements referable to it in this document in the form and context in which they are included.*

### More Information

1. You should read the important information about insurance cover before making a decision. Go to the Insurance Guide at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au) and, if applicable, the Additional Insurance Guide provided to you with your Welcome Letter.
2. The material relating to insurance may change between the time when you read this PDS and the day you acquire the product.

### Do you need help?

It is difficult to know how much insurance you will need. Contact Client Services on **1800 806 013**. They can put you in touch with a financial adviser that can help you.

## 9. How to open an account

If you are a member, your employer will have signed you up.

You will receive confirmation of your membership and all the great automatic features that apply to you if you are eligible.

If you are an employer and would like to commence participating in the Freedom of Choice Employer Superannuation Service by enrolling your employees into the Fund (that is, by opening an 'employer plan' for your employees), please call **1800 806 013** and Client Services will walk you through the process.

### Not sure what to do next?

Visit [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au) or call Client Services on **1800 806 013**. The Freedom of Choice Client Service team will be happy to assist you with any questions you may have.

### Cooling off period

Upon opening a plan, employers have a period of 14 days ('cooling off period') during which they can cancel their plan. The 14 day period starts on the earlier of the date the employer receives their Plan Confirmation Schedule or 5 days after the plan commencement date.

Should an employer wish to cancel their plan during this period without having to pay any charges, they must write to Freedom of Choice prior to the expiration of this period.

If the employer cancels their plan during the cooling off period, any contributions received will be rolled-over to a super fund of the employer's choice. The contributions will be adjusted to take into account any increase or decrease in the value of investments and the tax payable on behalf of the Fund as a result of the employer opening a plan. As a result, the amount rolled-over may be less than that invested.

The Trustee may charge for reasonable expenses incurred in processing an employer's request to cancel their employer plan.

A cooling off period is not available for employees whose employer has signed them up.

## Complaints

If you have a complaint, please contact

The Complaints Officer  
Freedom of Choice  
Level 9, 324 Queen Street  
Brisbane QLD 4000  
Phone: 1800 806 013  
Email: [enquiries@freedomofchoice.com.au](mailto:enquiries@freedomofchoice.com.au)

Complaints can also be made to an external body - the Australian Financial Complaints Authority (AFCA):

Email: [info@afca.org.au](mailto:info@afca.org.au)  
Telephone: 1800 931 678 (free call)  
GPO Box 3 Melbourne VIC 3000

## Privacy

The Fund is subject to a Privacy Statement to protect your personal information. A copy of the Trustee's Privacy Statement is available at: [www.eqf.com.au/global/privacystatement](http://www.eqf.com.au/global/privacystatement). Please refer to the Reference Guide and Insurance Guide (if relevant) for more information on Privacy.

### More Information

1. You should read the important about Privacy, Cooling Off and Complaints before making a decision. Go to the Reference Guide at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au)
2. The material relating to Privacy, Cooling Off and Complaints may change between the time when you read this PDS and the day you acquire the product.

