



# TERM ALLOCATED PENSION

(closed to new members)

# Product Disclosure Statement

Preparation date: 7 June 2025

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### Contact details for smartMonday TAP

**Phone** 1300 614 644

**Email** [enquiry@smartmonday.com.au](mailto:enquiry@smartmonday.com.au)

**Web** [www.smartmonday.com.au](http://www.smartmonday.com.au)

**Post** GPO Box 1202, Brisbane QLD 4001

This Product Disclosure Statement (PDS) is issued by Equity Trustees Superannuation Limited (ABN 50 055 641 757; AFSL 229757; RSE Licence L0001458) as Trustee of Smart Future Trust (ABN 68 964 712 340) ('the Fund'). References to 'we', 'us', and 'our' in this PDS are references to the Trustee. smartMonday Term Allocated PENSION (TAP) is a product in the Fund.

This PDS is a summary of significant information for members transferring into the smartMonday TAP (USI: 68964712340010) from another Fund. The smartMonday TAP is closed to new members.

This PDS for smartMonday TAP can be found at [www.smartmonday.com.au](http://www.smartmonday.com.au) or provided on request by us on 1300 614 644 (free of charge).

The information in this PDS is general information only and does not take account of your personal financial objectives, situation or needs. You should obtain financial advice that is tailored to your personal circumstances before making a decision about smartMonday TAP.

The information in the PDS is up-to-date at the date of preparation, however it is subject to change from time to time. If a change is made to information that is not materially adverse, the PDS may not be updated. Updated information may be published at [www.smartmonday.com.au](http://www.smartmonday.com.au). You may request a free paper copy or electronic copy of any updated information by calling us on 1300 614 644. We may issue a Supplementary Product Disclosure Statement to update information in this PDS.

The Investment Manager for this product is Future Group Investment Management Pty Ltd (ABN 55 621 040 702, AFS Representative No 001271441) ('the Investment Manager'). The Sponsor of this Fund is smartMonday Solutions Pty Ltd (ABN 48 002 288 646; AFS Representative No 001312487) ('the Sponsor'). Both the Investment Manager and the Sponsor are Corporate Authorised Representatives of Future Group Financial Services Pty Ltd (ABN 90 167 800 580; AFSL 482684). smartMonday is a registered trading name of smartMonday Solutions Pty Ltd.

Neither the Trustee, nor any of its related entities, guarantees your investment in the product. The Trustee does not in any way endorse, warrant or accept responsibility for any services to members provided by or on behalf of the Sponsor in its own right.

Any statements in this PDS that have been made by, or are attributable to, a third party appear in the PDS with the consent of that third party

# 1. About smartMonday TAP

Mondays are a chance to do things differently. To start fresh. To be proactive. To get on top of all those small things on your 'to do' list. Because even small things done today can add up to make a big difference tomorrow.

At smartMonday, we've created a new style of super fund that makes it easy to take action. With just a few smart, easy steps today, you can take positive action to stay in control of your super.

smartMonday TAP pays a regular pension for a set period of time based on your life expectancy in a tax-effective environment subject to the rules and limits set by the Government.

We have a range of investment options and flexible income payment options to help you manage your super savings in retirement in the form of a Term Allocated Pension.

**IMPORTANT: The type of pension and pension investments that may be suitable for you will depend on your personal circumstances. As pensions are complex and give rise to different taxation and social security implications, depending on your personal situation, we recommend that you consult with a financial adviser.**

It is important that you feel empowered to make a great decision about your super. We aim to make this PDS as transparent and easy to read as possible, while including all of the legally required information. Please call us on 1300 614 644 or email us at [enquiry@smartmonday.com.au](mailto:enquiry@smartmonday.com.au) if you would like more information to help with your decision.

More information about the Trustee, the Fund and this product including the Trustee's key management personnel remuneration, the Fund's trust deed, Fund report and other required disclosures is available at

[www.eqt.com.au/superannuation/board-and-governance](http://www.eqt.com.au/superannuation/board-and-governance) and/or at [www.smartmonday.com.au](http://www.smartmonday.com.au).

## Seeking financial advice

Retirement is an important stage in life and getting financial advice is very important. There's lots to consider with your finances, especially your super. Depending on your circumstances you may need to make your super last as long as possible in retirement while providing you with the income you need to maintain your desired lifestyle. There may also be social security and taxation matters for you to consider, depending on your circumstances.

If you have a financial adviser, they can help you make decisions about your super and pension options, and a wide range of other financial matters. For personal taxation advice, you may also need to consult a taxation adviser.

For information about social security, you can also contact the Department of Human Services' Financial Information Service (FIS) officers on 132 300.

You can access limited personal advice regarding, pension options and the impact of 'Age Pension' benefits via the smartCoach service for an additional fee paid directly by you. Contact the smartCoach team on 1300 262 241. Any limited advice is provided by or on behalf of Future Group Financial Services Pty Ltd (ABN 90 167 800 580; AFSL 482684) and not the Trustee.

## Online access

Reviewing your superannuation regularly is one of the best ways to track its progress and take ownership of it. When you join as a member, you will be given access to a secure member online account, so you can manage and check in on your super anytime, anywhere, on any device. You can also access support and education to help you understand, grow and protect your super with tools (including helpful calculators) and content made available by the Sponsor at [www.smartmonday.com.au](http://www.smartmonday.com.au).

## Trust Deed

smartMonday TAP is governed by a Trust Deed which sets out the rights of members and beneficiaries, and the rights, duties and responsibilities of the Trustee. In the event of any inconsistency between the PDS (including this document) and the terms of the Trust Deed, the terms of the Trust Deed will prevail.

You can obtain a copy of the Trust Deed free of charge by calling 1300 614 644 or by email at [enquiry@smartmonday.com.au](mailto:enquiry@smartmonday.com.au).

From time to time, the Trustee may determine to amend the Trust Deed as circumstances change, such as to reflect changes in legislation. The Trustee can generally amend the Trust Deed without your consent if:

- The amendment does not reduce the existing accrued benefits of members or beneficiaries; or
- All relevant consents as required by law or by the Trust Deed are obtained; or
- In the opinion of the Trustee, the principal purpose of the amendment is to better enable the Fund to comply with super law.

## Reporting

As a member, you will receive or be given access to the member and Fund level information as required by law.

## Annual Member Information

We prefer to communicate with our members electronically. The type of information we send can include significant event notices, your Annual Member Statement, and transaction confirmations. Information can be sent via email, or by making the communication available on the website or on your member online account and notifying you when the information is ready to view. We may notify you electronically or by post, depending on your preference and what contact information we have for you. You can opt out of electronic communications and change your contact preferences online or by contacting us. We're happy to send you printed copies of any information upon request free of charge.

Following the end of each financial year you'll receive or have access to an Annual Member Statement, which provides a summary of your super benefit as at the previous 30 June. Annual Member Statements will be uploaded to your member online account. You will receive an email directing you to login when your statement is ready. The transactions that will appear on your statement include (where applicable): balance at the end of the previous year; pension payments, investments earnings (net of relevant fees, costs and taxes); withdrawals, fees and costs, and tax deducted from your account and the balance at the end of the year.

## Annual Fund Information

Each year, you will have access to a Fund Report that will provide you with information on the management and the financial position of the Fund as at the previous 30 June. The Fund Report will be available from [www.smartmonday.com.au](http://www.smartmonday.com.au). You may request that a copy be sent to you (free of charge) by post or in electronic form.

Other information about the Fund (e.g. Financial Statements, Auditor's report) and the Trustee (e.g. Director's report) is available at [www.smartmonday.com.au](http://www.smartmonday.com.au).

## Exit Information

When you cease to be a member of, or close an account in smartMonday TAP, you will receive an Exit Statement and, if applicable, a Rollover Benefit Statement and/or a PAYG Payment Summary.

If you require any further information, phone 1300 614 644.

## 2. How the smartMonday TAP works

### Features of a TAP

The main feature of a TAP is that it qualifies as a partially assets-test-exempt income stream for Social Security purposes.

Therefore, a TAP could give you access to the age pension or get you an increased age pension if you already qualify for a part pension.

A TAP also meets the pension and annuity standards for tax purposes. This may allow you to have a higher amount of your super qualifying for concessional tax rates and, may reduce the tax you pay on your regular income payments or on any withdrawal that you make.

Because of this, investments in a TAP are subject to a number of special conditions:

- **Payments are only made for a set period of time.** When you selected your payment period you chose a date between your actual life expectancy and your life expectancy if you were 5 years younger (both numbers are rounded up to the next whole number of years) – e.g. for a 65 year old male this meant a period between 18 and 22 years. You were also able to select a payment period based on your spouse's life expectancy.
- **You can only withdraw your capital in very limited circumstances.** Generally, lump sum withdrawals cannot be made from a TAP. The exceptions are that withdrawals can be made: to purchase another complying product, to pay a superannuation contribution surcharge, or to make a payment split under family law.  
Recent legislation commenced 7 December 2024 introduced a 5 year grace period allowing commutations proceeds to be withdrawn from the TAP in full, be used to commence another retirement phase pension or transferred to an accumulation account.
- **You cannot determine the amount of pension you want to receive.** The regular payment amounts are calculated once a year according to a formula set by the Government (based on your account balance and remaining payment period). Each income payment includes investment returns earned by the investment option(s) you have chosen and return of your initial capital. This means there is no capital returned to you at the end of the payment period.
- **Your account balance will rise and fall with the markets.** Your account balance will depend on the performance of the investment option(s) you have chosen, the amount of regular income payments you receive and any withdrawals you make. Most TAPs offer a range of investment options so that you can choose an option or options that best matches your needs.
- **TAPs offer significant taxation benefits.** You will generally pay no lump sum tax on your initial investment. No tax is paid on the investment earnings your TAP receives. In addition, you may receive some, or all, of your pension tax free, and you may be eligible for a tax rebate on any taxable income.
- **Your investment may be passed on to your family if you die.** In the event of your death, any balance left in your account can be paid as a lump sum or as a new pension to your dependents, your estate or other beneficiaries, or pension payments can continue to your reversionary partner or your estate (if applicable), in accordance with the trust deed. You can also make a binding nomination, to ensure the Trustee pays the amounts according to your instructions.
- Term allocated pensions are sometimes also referred to as "market linked pensions".

### Adding to your pension account

Superannuation law prevents additional money from being added to your pension account once it has commenced.

If you wish to transfer additional accumulated super savings into a pension income stream, there are two options available to you:

- You can start a separate (additional) pension account in the smartMonday PENSION available at [smartMonday.com.au](https://www.smartMonday.com.au); or
- You can 'transfer to another TAP that is open to new members.

Additionally, Recent legislation commenced 7 December 2024 introduced a 5 year grace period allowing commutations proceeds to be withdrawn from the TAP in full, be used to commence another retirement phase pension or transferred to an accumulation account.

You can have more than one pension account in the Fund if you wish, subject to any tax implications arising from your transfer balance cap (explained above) or other personal circumstances. You should consider consulting a taxation adviser for personal taxation advice. You should also consider the fees and costs associated with rolling back your existing pension account or having multiple accounts.

### Impact on social security benefits

Generally, to qualify for the Age Pension, you are assessed under two Government tests:

- the Income Test; and
- the Assets Test.

In order to qualify for the maximum Age Pension amount, you need to pass both tests. The test which gives you the lowest entitlement determines the amount of Age Pension you receive.

For the Income Test, your pension account may be deemed to generate a certain level of income based on a deemed rate of return. This rate of return is assumed to apply even if the actual amount of income you receive from the pension is greater or less than the deemed level of income.

The income of a TAP is assessed by Services Australia under the Income Test as total pension income less a 'deductible amount' that reflects a return of the purchase price.

The balance of your pension account is included in the determination of your assets for the purposes of the Assets Test.

As your TAP was purchased prior to 20 September 2007, it is 50% exempt for the Assets Test. (From 20 September 2007, all income streams purchased after this date are 100% counted for the Assets Test.) We notify Services Australia twice each year about your TAP account, but you can ask us at any time for an up-to-date schedule.

Determining your social security entitlements and the effect your superannuation pension may have can be a complex topic. You should discuss your financial objectives and circumstances with a financial adviser.

**IMPORTANT:** As the rules for social security entitlements are complex, we recommend you contact Centrelink on 13 23 00 to ensure you maximise your social security entitlements or consult with a financial adviser.

### Choosing your pension income and frequency

**IMPORTANT:** Your pension may not last for the rest of your life. How long your pension lasts will depend on factors including the amount you initially invest, the amount and frequency of your pension payments and any lump sums you withdraw (where permissible), the investment performance of the product (which may be positive or negative) as well as fees and costs.

You can select the frequency of income you wish to receive each year from your smartMonday TAP account, within the limits set by the Government.

#### Frequency of payments

As a smartMonday TAP member you can choose the frequency of your income stream payments from the following:

- > monthly
- > quarterly
- > half-yearly, or
- > yearly.

If you do not nominate a pension payment frequency, then you will be paid monthly.

#### Pension payment amounts

You cannot determine the amount of pension you want to receive. The regular payment amount is calculated according to a formula set by the Government. The amount depends on your account balance and the remaining payment period of the term you selected when you commenced your TAP. It is calculated when you initially invest and then each year on 1 July.

The total pension income that you must take over the financial year (after the first financial year) is calculated each 1 July as shown below.

$$\text{Total pension income for the year} = \frac{\text{Remaining account balance on 1 July}}{\text{Payment Factor for remaining payment period (rounded) on 1 July}}$$

**IMPORTANT:** We reserve the right to delay or suspend pension payments, including where unit pricing information is unavailable or unreliable or it would not be in the best financial interests of members of the Fund or this product to process pension payments.

#### The Government payment factor for Market linked income streams

Remaining Term	Payment Factor
11	9.00
10	8.32
9	7.61
8	6.87
7	6.11
6	5.33
5	4.52
4	3.67
3	2.80
2	1.90
1 or less	1.00

Note: Factors are correct as at the date of preparation of this PDS. From time to time, the Government has reduced the annual minimum payment factors set out above. If the pension payment factors are varied in future, we will publish the applicable payment factors at [www.smartmonday.com.au](http://www.smartmonday.com.au).

The administrator will communicate with you each year in July your new issued pension payment amount.

You can change the frequency of payments (but not the amount) anytime by logging into your online account. Alternatively, you can call us on [enquiry@smartmonday.com.au](mailto:enquiry@smartmonday.com.au) for assistance.

If we receive your request at least five business days before the next scheduled pension payment date, we can make the change for the next payment. Otherwise, the change requested will be effective from the following pension payment date. Pension payment dates are explained below.

#### How and when payments are made

Pension payments will only be made by electronic funds transfer (EFT) to your nominated Australian bank, building society or credit union account on the 15th day of the month (for monthly, quarterly, half-yearly and yearly payments), or the business day prior if the 15th falls on a weekend or public holiday.

You must nominate only an Australian bank, building society or credit union. This account must be in your name and can include an account you hold jointly. Payments cannot be made in cash, to an international bank account or a third-party account.

If you need to change your nominated bank, building society or credit union, you will need to complete and return a *Change of details* form to us, available at [www.smartmonday.com.au](http://www.smartmonday.com.au).

Pension payment amounts are withdrawn proportionately from both the taxable and tax-free components of your pension account. You cannot nominate the amount you will draw down from these components. For more information, see the *How your super is taxed* section of this PDS. If your pension account is invested in multiple investment options, you can nominate a 'drawdown strategy'.

#### Changing your investment strategy

You can choose an investment option or a mix of options that suit you. See the *Investment* section of this PDS for information on the available investment options.

You can switch your investments at any time using your member online account.

## Calculating the pension income payment in its final year

### *Commencement between 1 January and 30 June*

If your TAP originally commenced between 1 January and 30 June, the actual remaining payment period will be between 6 and 12 months (i.e. less than one year) when the payment factor (calculated on 1 July each year) for your pension reaches 1.00. Normally this would mean that the entire account balance on the last 1 July would have to be paid to you as income over the remaining payment period of less than one year.

However, in this final stage, where there is 6 months or more of the payment period remaining, we will extend the period of your regular payments so that your last year of regular payments will finish on 30 June (even though the payment period would normally have ceased before the next 30 June).

### *Commencement between 1 July and 31 December*

If your term allocated pension commenced between 1 July and 31 December, the actual remaining period will be between 12 and 18 months (i.e. more than a year) when the payment factor (calculated on 1 July each year) for your pension reaches 1.00. Normally this would mean that the entire account balance would have to be paid to you as income over the remaining period of more than one year.

However, in this final stage, where there is between 12 and 18 months of the payment period remaining, we will shorten the period of your regular payments so that your last year of regular payments will finish on the next 30 June (even though the payment period would normally have ceased after the next 30 June).

## Remaining account balance after the end of the payment period

If on 1 July following the end of the payment period there is a remaining account balance in your account we are required by law to pay the remaining account balance as a one-off income payment within 28 days. Such a situation can occur when the net earnings in the last year are higher than the income payment determined on 1 July of the last year.

## Choosing your drawdown strategy

If you select more than one investment option for your pension account, you can choose which investment options you'd like us to draw your pension payments from. We'll redeem units from these options when payments are due.

If you don't choose your drawdown preference, your drawdown strategy will be set to match your chosen investment options. If you change your investment options after commencing your pension, you may want to consider adjusting your drawdown strategy as we will only drawdown from investment options in which you have an available balance. If there is an insufficient balance remaining in an investment option you have selected as part of your drawdown strategy, we will drawdown the payment by redeeming units on a proportional basis across all the investment options you hold in your account. This drawdown will continue until we receive an updated drawdown preference from you.

Any fees and costs deducted directly from your account will be paid by redeeming units on a proportional basis across all the investment options you hold in your account.

You can change your drawdown preference using your member online account.

**IMPORTANT:** As Trustee, we may suspend or delay the processing of a withdrawal including where unit pricing information is unavailable or unreliable or it would not be in the best financial interests of members of the Fund or this product to process withdrawals. For example, this may occur in the case of a large withdrawal or payment, or in certain other situations, such as the illiquid nature of some underlying investments which are not able to be converted into cash within a reasonable time.

## Portability within Australia

Your TAP account balance may be transferred to another complying TAP product at any time.

Under portability arrangements, you can generally rollover or transfer part or all of your superannuation accounts into another fund of your choice. The portability rules allow us to refuse a portability request in some circumstances; for example, where an amount of less than \$1,000 will be left in your account after the transfer.

The time period for processing transfer requests is usually 3 business days from the date of receiving the request and all the relevant information required to effect the transfer, however a longer processing time may sometimes occur.

If you request to transfer your account to another fund, we must be satisfied that you have received or know that you can request all the information you reasonably need to understand the impact that actioning your request may have on your benefits. If you require any further information prior to making a portability request, contact us on 1300 614 644 or via email at [enquiry@smartmonday.com.au](mailto:enquiry@smartmonday.com.au).

## Nominating beneficiaries

In the event of your death, the remaining balance of your TAP account will generally be paid to your dependants and/or legal personal representative, subject to any nomination of beneficiaries that you have made.

There are three beneficiary nomination options available in a smartMonday TAP account:

- > Reversionary
- > Binding
- > Non-Binding

You should review your beneficiary nomination/s regularly as circumstances can change.

## Reversionary nomination (only available at account commencement)

If you elected the reversionary option when you opened your account, in the event of your death, the regular payments will generally continue to be made to your reversionary partner (as nominated on the application form).

Under the TAP your reversionary partner can only be your current spouse (including de facto spouse).

If payments to your reversionary partner have commenced, and your reversionary partner subsequently dies whilst still entitled to a pension, the balance of the benefit will be paid as a lump sum to your reversionary partner's estate.

A reversionary partner nomination when accepted by the Trustee is generally binding on the Trustee and is irrevocable. This means that you cannot change your decision once you have nominated a reversionary partner. If you would like to change or remove your nominated reversionary partner at a later date, you can only do so by completing a new application form and transferring to a complying TAP product with similar Social Security treatment or commuted to another retirement phase pension or transferred to an accumulation account under the 5 year grace period introduced 7 December 2024.

As people's personal circumstances don't always remain the same we recommend that you review the appropriateness of your reversionary partner nomination annually or if your personal circumstances change (e.g. in the event of a divorce and/or subsequent marriage).

Unlike binding and non-binding death benefit nominations, which can be made and varied at any point in time, a reversionary nomination can only be made at the time you set up your pension account. It takes precedence over all other types of death benefit nominations relating to your pension account.

Upon your death, your spouse will need to provide us with some basic supporting documents and provide evidence that the reversionary beneficiary nomination is still valid i.e. they were still your spouse at the date of death.

If a reversionary beneficiary nomination is not valid at the time the death claim is lodged, the Trustee will distribute your death benefit in accordance with the terms of the trust deed governing the Fund, which sets out the following:

- > If the nomination you have made is not valid or effective, the death benefit will be paid at the discretion of the Trustee to any one or more of your legal personal representative and dependants in the proportions the Trustee decides,
- > If you do not have any legal personal representative or dependants, the death benefit will be paid to any other persons chosen by the Trustee and permitted under the superannuation law in the proportions the Trustee decides.

**IMPORTANT: There are different tax and social security consequences depending on who receives your pension after your death, we recommend that you consult with a financial adviser.**

### Lump sum beneficiary nominations

If you did not nominate a reversionary pension beneficiary when your account commenced, you can still nominate one or more of your dependants, and/or your legal personal representative, to receive the balance of your pension account as a lump sum on your death, on either a non-lapsing binding or a non-binding basis, by completing and lodging the relevant form available at [www.smartmonday.com.au](http://www.smartmonday.com.au).

Note that if you make a beneficiary nomination in relation to your pension account after we already have a beneficiary or beneficiaries nominated on your pension account, the most recent nomination(s) will supersede the previous ones if valid and effective.

Under superannuation law, your “dependants” include the following:

- > Your spouse (including a de-facto spouse and a spouse of the same or opposite sex);
- > Your child (including a child of a spouse who is not your biological child);
- > A person in an ‘interdependent relationship’ with you; or
- > Any other person who the Trustee considers was financially dependent on you for maintenance or support at the date of your death.

Note that the definition of a “dependant” under tax laws differs from those above.

Someone can be in an interdependent relationship with you if:

- > You have a close personal relationship;
- > You live together;
- > One or each of you provides the other with financial support; and
- > One or each of you provides the other with domestic support and personal care.

Interdependency can also arise where two people have a close personal relationship but don’t live together or provide each other with financial support or personal care because of physical, intellectual or psychiatric disability (e.g. one person lives in a psychiatric institution suffering from a psychiatric disability).

### Non-binding nominations

A non-binding nomination is a written request made by you that suggests to the Trustee the beneficiaries that may receive your super benefit in the event of your death.

You can change your non-binding nomination at any time by logging into your member online account.

The Trustee has the final say as to who should receive your benefit. The Trustee will consider your nomination but is not bound to follow it. The Trustee has the discretion to pay to any one or more of your dependant(s) or legal personal representative(s) or a combination of both. A non-binding nomination has no expiry date.

### Binding nominations

You can make a binding nomination. Generally, your valid binding nomination binds the Trustee to pay your death benefit to the nominated beneficiary(ies) provided the nomination is effective at the time of your death. Your binding nomination expires every three years from the date it is signed, unless you renew it before it expires. You will be notified of your options before expiry.

You can change your nomination at any time by making a new binding nomination.

To make or change your binding nomination, provide us with a duly completed *Binding Death Benefit Nomination* form, available on the website. You can renew or revoke your binding nomination at any time by completing the *Binding Death Benefit Nomination* form, available on the website.

### Invalid lump sum beneficiary nominations

Your nomination may be invalid or become ineffective if:

- > One of your beneficiaries dies before you do;
- > One of your nominated dependants is not a dependant at the time of your death;
- > You are no longer a member of smartMonday TAP at the time of your death; or
- > The nomination was not made directly by you (the Trustee will not accept nominations made under a Power of Attorney, or from anyone other than a member).

If your nomination is not valid and in effect at the time of your death, the Trustee will treat it as a non-binding nomination and will pay the benefit at its absolute discretion.

### Keep your nominations up-to-date

It’s important that you keep your beneficiary nominations up-to-date. If your spouse dies, or you separate or divorce, you should update your beneficiary nomination by completing and lodging the relevant form available from the website at [www.smartmonday.com.au](http://www.smartmonday.com.au). The Administrator will write to you and confirm any new, amended or cancelled nomination that it has received on your behalf.

# 3. Risks of super

All investments carry risk. While we are not able to remove all of the risks associated with a pension account in the Fund, the Fund's underlying investment managers employ a range of investment risk management strategies to identify, evaluate and manage these risks.

## Pension specific risks

Your pension account is designed to provide you with an income stream to support you during your retirement. smartMonday TAP is market linked which means that your pension payments are supported by the value of your pension account, whilst your Pension payments term is guaranteed for the life of your pension.

You should be aware that:

- > Your ability to maintain your income stream from your pension account is reliant on the starting value of your pension account, investment earnings and losses within this product, and the amount you withdraw from your account through pension payments and lump sums/commutations, and fees and costs;
- > Your pension account may run out before you die (referred to as longevity risk – see below);
- > Like all superannuation vehicles, pension accounts are subject to tax and other laws which are subject to change (referred to as legislative risk - see below); and,
- > The value of your pension account and the amount you receive as pension payments may affect your rights to social security. Social security laws may change, which may in turn affect how your pension account and pension payments are treated for social security purposes.

When your TAP ends, the amount you get back will be the balance of your account after taking into account any applicable fees, costs and taxes. This may be less than you paid in.

## General investment risks

The investment options made available in the smartMonday TAP invest in different types of assets, including Australian shares, international shares, property and fixed interest.

Different asset classes behave differently over time and inherently have different levels of risk. Assets with the highest long-term returns may also carry the highest level of short-term risk.

Some general investment risks associated with investing in smartMonday TAP include:

### Climate Change Risk

Climate change risks are typically organised into three categories:

- > transition risks, which arise from the transition to a low carbon economy, such as increased costs associated with meeting new policy or regulatory changes;
- > physical risks, such as supply chain disruption and increased insurance premiums arising from damage caused by changing climate conditions or increased extreme weather events; and
- > liability risks, such as the potential for increases in stakeholder litigation and regulatory enforcement related to a failure to appropriately respond to the impacts of climate change.

### Company Specific Risk

The value of an investment in a particular company may vary because of changes to management, product distribution or the company's business environment.

### Credit Risk

Credit risk is the risk that a borrower will default on its obligations under a loan. This is relevant where the investment manager invests in corporate, government and semi-government bonds and other fixed interest securities, because these are effectively loans to the bond issuer. The risk is sought to be mitigated to an extent by the knowledge and experience of the underlying investment managers.

### Derivatives Risk

Derivatives are generally contracts that call for money to change hands at some future date, such as company issued options or listed exchange traded warrants or foreign exchange contracts. Exposures may be direct and indirect, the latter resulting from the managed funds in which the Fund invests. Risks associated with derivatives include the value of the derivative failing to move in line with the value of the underlying asset, market or index. This risk is relevant across all investment options available in the product.

### Diversification Risk

The extent of diversification across an investment option's assets may impact the amount of investment risk associated with an option's investment strategy. Diversification of investments can help manage investment risk. Diversification in the underlying assets or investments of an available investment option can help moderate the risk of lower investment returns and a lack of diversification can increase investment risk.

### Foreign Currency Risk

Investment in international equities and other non-Australian assets may give rise to foreign currency exposure. This means the value of foreign investments may vary as exchange rates change. Fluctuations in foreign currency can have both a positive and negative impact on investments with exposure to international equities, depending on how the investments are made.

### Inflation Risk

The rate of inflation can exceed the return from your investment. If this happens, the real value of your investment reduces.

### Interest Rate Risk

Changes in official interest rates can directly and indirectly impact on investment returns. Generally, an increase in interest rates has a negative effect on the valuation of stocks.

### Liquidity Risk

Investments may become illiquid due to market developments or other factors (that is, they cannot be readily converted to cash, at all or, at a price that reflects the investments true value, or quickly enough to meet liabilities, in particular benefit payments).

### Market Risk

Changes in legal and economic policy, political events and technology failure can all directly or indirectly create an environment that may influence the value of your investments.

### Market Timing Risk

The timing of your investment decision(s) may expose you to lower returns or capital losses.

### Mismatch Risk

The investment option you chose might not suit your needs or circumstances or the underlying investments might diverge from the investment strategy for the option/s.

### Sequencing Risk

The risk that a sequence of negative investment returns close to retirement could erode your retirement savings. Your account balance is likely to be at its largest when you approach retirement, and large negative returns at this time would have a more significant impact in dollar terms than if they were to happen when you're just starting out at a younger age.

### Sovereign Risk

There may be uncertainty of returns on a foreign investment due to the possibility the foreign Government might take actions which are detrimental to the members' interests.

### Other Risks

- > **Legislative risks** – There is a risk that changes to current legislation, such as taxation law or standards in tax law (including benefit payment or pension standards) may occur in the future and have an effect on the value, benefits or taxation of your investment including the amount you can receive as pension payments.
- > **Longevity risks** - The amount of your pension account balance, even after good investment returns, may not provide you with enough income in your retirement. There's a possibility you could outlive your retirement savings.
- > **Compliance risks** – Legislation governing super funds is complex and constantly changing. There is a risk of non-compliance with legislative requirements by the Trustee or its service providers that could impact on member benefits.
- > **Operational risks** – Operational risks include the risks due to inadequate or failed internal or service provider processes, people and systems that could impact the administration of the Fund, this product or members' benefits.

### Management of investment risks

The Trustee manages investment risks by establishing appropriate investment strategies that consider a range of factors including the risk, return, diversification and cash flow needs of the Fund and its products, as well as by providing members with a range of investment option choices to help meet their own needs. This includes managing, analysing and monitoring the liquidity position of the Fund and taking such action as may be required to enable the Fund to discharge its liabilities and meet its cash flow requirements in the best interests of members as a whole. For example, the Trustee may alter transfer, withdrawal or investment processes; allocations to cash; freeze withdrawals from illiquid or impaired assets temporarily or permanently; or cease accepting further investments in illiquid or impaired assets temporarily or permanently.

The Trustee monitors investment performance on a regular basis to ensure the investment objectives associated with the available investment strategies are appropriate.

The Trustee has appropriate organisational structures, including systems and processes to monitor and deal with risks associated with the operation of the Fund, with the assistance of its service providers. These arrangements are reviewed regularly to ensure operational risks are identified and managed efficiently.

The Trustee also maintains an Operational Risk Reserve, in accordance with super legislation (see the *Fees and costs* section of this document for more information). Further information about this reserve appears in the fund report for each financial year.

# 4. How we invest your money

## The basics of investing

### Asset classes and risks

Different types of investments are broadly categorised into 'asset classes'. These include Cash, Fixed Interest, Shares, Property and Alternative investments. Each asset class carries a different level of potential risk as well as different level of potential return (known as the risk/return relationship).

In addition, assets are categorised as either 'growth' or 'defensive'. Shares and Property are considered growth assets. Cash and Fixed Interest are considered defensive assets.

Alternative investments may be characterised as either growth or defensive assets, depending on their characteristics.

The higher the level of risk associated with an investment, the higher its potential return over the long term, and conversely the lower the level of risk, the lower its potential return over the same term.

Generally, growth assets are expected to produce the highest return over the long term, say 20 years or more. They also have the highest chance (or risk) of producing a negative return or loss in value in the short to medium term. Defensive assets tend to provide comparatively lower returns over the long term, but also have a lower chance of producing a negative return or loss in value. This means that investment strategies with a higher proportion of growth assets, such as shares and property, have historically provided better long-term returns than investments which have a higher exposure to defensive assets, such as fixed interest and cash.

Having enough time in the market is an important consideration when selecting investments and strategies. Short-term fluctuations in investment returns are generally less important when your focus is on achieving a long-term growth objective.

### Risk profile

The risk profile of an investment option reflects the likely fluctuations (that is, rises and falls) in returns. The investment options made available in smartMonday TAP have different risk profiles depending on their underlying investments, including the degree of diversification in the underlying assets or asset types (asset allocation). The risk profile information shown later in this section of this document is based on a Standard Risk Measure, designed to help you compare different investment options or choices within and across super funds.

## Standard Risk Measure

### Measurement of investment risk

The Standard Risk Measure is based on industry guidance to allow members 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 costs and tax on the likelihood of a negative return. Members should still ensure that they are comfortable with the risks and potential losses associated with their chosen investment option.

The Standard Risk Measure is grouped into the following bands:

Risk Band	Risk Label	Estimated Number of Negative Annual Returns Over Any 20 Year Period
1	Very Low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to Medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to High	3 to less than 4
6	High	4 to less than 6
7	Very High	6 or Greater

The appropriate level of risk for you will depend on a range of factors including your age, your investment timeframes, your risk tolerance and what other investments you hold and how they are invested. You should assess your personal situation carefully before making an investment decision.

**IMPORTANT: Your investment is not guaranteed. The value of your investment can rise or fall. Neither the Trustee, nor any related entities or any other persons referred to in this document, guarantee the capital invested, your account, the underlying investments, or the performance of investments. If you close your account, you may get back less than the amount paid in because of the level of returns earned by your investments (including negative returns) and applicable fees and costs.**

We recommend you consult a financial adviser for assistance with how to manage your investment risk having regard to your personal financial objectives, situation, and needs.

### Are you ready to invest?

There are several factors to consider when choosing how to invest:

- What are your goals? You can use a financial calculator to help you understand how much you need to live the lifestyle you want at retirement. ASIC provides a retirement calculator available on [www.moneysmart.gov.au](http://www.moneysmart.gov.au).
- Have you considered your investment horizon and how long your super will be invested for? Generally, having a longer investment timeframe allows for a more growth-oriented investment approach. This is because you may have more time to ride out market fluctuations, giving your investments a chance to recover from short-term declines. However, it's important to consider your period of retirement, risk tolerance and financial goals, as market downturns can still impact long-term outcomes.
- Do you understand investment risk? What level of investment risk are you prepared to accept?
- Have you considered how you will balance those risks with your retirement goals?
- Do you know your needs and the types of investments that may be right for you?

## Diversification

You've probably heard the expression "*Don't put all your eggs in one basket*". It's often used to describe the concept of diversification. For your super, this means spreading your investments across different asset classes, underlying fund managers and investment strategies to create a diversified portfolio. The purpose of diversification is to reduce the level of overall risk of your investments.

A diversified portfolio typically falls into one of three strategies:

- **Growth-orientated**—typically invests mainly in shares and listed property which are diversified across geographies and industries and are expected to generate high capital growth over the longer term. The portfolio has a higher risk of capital loss than defensively-orientated strategies. It may also provide some income in the form of dividends from shares. The portfolio may also contain some alternative assets.
- **Defensively-orientated**—invests mainly in cash, fixed interest and may include some alternative assets and growth assets. The portfolio has a lower risk of capital loss than growth-orientated strategies. Interest payments from fixed interest securities may provide steady income streams.
- **Moderate**—invests in a mix of growth-orientated and defensively-orientated strategies aiming to deliver a moderate return with a moderate level of risk.

You can access a range of investment options available to you to help you to diversify your super portfolio. When selecting investment options you should speak with a financial adviser, if you have one.

## Different investment approaches

Our range of investment options utilises both a blend of indexed and active management investment approaches.

An indexed approach aims to track the risk and return characteristics of a market index. Indexed managers typically charge less in fees than active managers.

An active management approach seeks to use an investment managers research and their portfolio construction process to outperform a specific market index or to meet an investment objective. There is a risk, especially over shorter periods, that such active managers may underperform the relevant market index.

Active investment managers seeking to deliver greater investment performance than indexed managers typically charge more in fees as they incur higher costs. The higher fees are based on the expectation of out-performance of the market index.

## Investment performance

The investment performance of each investment option is regularly monitored by the Trustee to ensure the investment strategy of each option remains appropriate. The most up-to-date investment returns are available at [www.smartmonday.com.au](http://www.smartmonday.com.au). If you don't have internet access, please contact 1300 614 644 and we will provide this information to you.

Published investment returns are calculated after the deduction of investment fees and costs (including any performance fees) and transaction costs.

**IMPORTANT: Past investment performance is not a reliable indicator of future investment performance.**

## Selection of managers

The Trustee is responsible for the selection of the Fund's underlying managers, asset allocation and currency management.

The Trustee appoints specialist investment managers to invest your assets.

The Fund's Investment Managers assists the Trustee with the selection of underlying managers, and the implementation of the investment strategy of each of the available investment options.

The Trustee is a related entity of two companies that provide investment management functions and/or issue investment products (in the role of Responsible Entity for those products) that the Fund invests in:

- Equity Trustees Limited (ABN 46 004 031 298, ETL)
- Equity Trustees Wealth Services Limited (ABN 33 006 132 332, ETWSL).

ETSL, ETL, and ETWSL are all subsidiaries of EQT Holdings Limited, a company listed on the Australian Stock Exchange (ASX Code: EQT). The roles played by ETL and ETWSL in certain investments of the Fund are as follows:

- EQT Mortgage Income Fund – ETWSL is Responsible Entity, ETL is the investment manager;
- EQT Cash Management Fund – ETL is the Responsible Entity and investment manager;
- ETL is the investment manager of some investment mandates.

ETL may also from time to time be the Responsible Entity for managed funds (in which the Fund invests) with other underlying managers that are not part of EQT Holdings Limited.

Transactions between ETSL in its capacity as Trustee of the Fund and its related companies are conducted on normal commercial terms.

## Environmental, social and other considerations

The Trustee believes it is appropriate for underlying fund managers to consider a wide range of short-term and long-term factors in generating returns and mitigating risk. These factors may include environmental, social and governance attributes of the investments they make.

The Trustee does not specifically take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or realising these investments. The various underlying fund managers for the investment options may have their own policies concerning labour standards or considerations of an environmental, social or ethical nature.

To the extent that the underlying fund managers take into account such policies, they do so in their own right.

## Use of derivatives

Under our derivatives policy, we may use derivatives such as futures or options for limited purposes including hedging transactions, managing risk, and efficient portfolio management. The underlying investment managers may also use derivatives as part of their overall investment process. Derivatives are not used for speculative purposes.

**IMPORTANT: Variations in actual allocations of assets may occur from time to time for various reasons, such as the result of market fluctuations. If financial markets become unstable, the Fund may take strategic action (including changing the allocation of assets) to protect assets. Decisions are made with reference to the length of time the instability is expected to persist. Market conditions are monitored for this purpose.**

## smartMonday TAP's investment options

### Investment options

- > High Growth
  - > Growth
  - > Balanced Growth
  - > Moderate
  - > Defensive
  - > Zurich Managed Growth (closed to new investors)
  - > Cash
- 

### Important information

- > Read the information about the investment options, considering the returns, objectives, risks, and your investment timeframe, before making a decision.
- > We can change, close or terminate investment options at any time. Where practicable, we'll endeavour to notify you in advance if there's anything that we feel will significantly affect your investments in the Fund. Asset allocations in pre-mixed options may change without notification.
- > The asset allocation of your account balance may drift away from your chosen investment option allocation because of market movements and pension payments over time. You can review your asset allocation at any time via your member online account.
- > Upon formal notification of your death (e.g. receipt of a Death certificate), your account balance will be switched to the Cash investment option. Where a reversionary beneficiary is validly nominated on your account, no change will be made to the investment option allocation that applied to your account prior to your death.

smartMonday TAP – investment options

	High Growth	Growth		
<b>Investment Return Objective</b>	To achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 4.0% p.a. over rolling 15 year-periods.	To achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.5% p.a. over rolling 12 year-periods.		
<b>Investment Strategy</b>	Invests 90–100% of the portfolio in growth assets.	Invests 80–90% of the portfolio in growth assets and typically 15% in defensive assets.		
<b>Suitability</b>	Suitable for members who can tolerate negative returns in some years and are comfortable that returns can be very volatile over the short to medium term. Historically, high growth assets have offered the highest long-term returns.	Suitable for members who can tolerate negative returns in some years and are comfortable returns are generally less volatile than the High Growth portfolio but can still be very volatile over the short to medium term.		
<b>Recommend Minimum Investment Timeframe</b>	15 years	12 years		
<b>Risk Level<sup>a</sup></b>	Risk Band 6: High 4 to less than 6 estimated negative annual returns over any 20-year period	Risk Band 6: High 4 to less than 6 estimated negative annual returns over any 20-year period		
<b>Asset allocation</b>	<b>Target %</b>	<b>Range %</b>	<b>Target %</b>	<b>Range %</b>
Australian shares	36	0–70	34	0–70
International shares	47	0–70	41	0–70
Alternative–growth	12	0–30	10	0–30
<b>Total growth</b>	<b>95</b>	<b>90–100</b>	<b>85</b>	<b>80–90</b>
Alternative–defensive	0	0–10	5	0–15
Fixed interest	0	0–10	6	0–15
Cash	5	0–10	4	0–15
<b>Total defensive</b>	<b>5</b>	<b>0–10</b>	<b>15</b>	<b>10–20</b>

a. The Standard Risk Measure (SRM) is not a complete assessment of risk. For example, while the SRM indicates the likely frequency of negative annual returns (for a 20-year period), it does not indicate the potential size of negative returns. For more information, read the Standard Risk Measure in this section.

	Balanced Growth	Moderate	Defensive			
<b>Investment Return Objective</b>	To achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3% p.a. over rolling 10-year periods.	To achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 1.75% p.a. over rolling 3-year periods.	To achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 0.75% p.a. over rolling 2-year periods.			
<b>Investment Strategy</b>	Invests 60–80% of the portfolio in growth assets and typically 20-40% in defensive assets.	Invests 60–80% of the portfolio in defensive assets and typically 20-40% in growth assets.	Invests 75–100% of the portfolio in defensive assets and typically 0-25% in growth assets.			
<b>Suitability</b>	Members who can tolerate negative returns in some years and are comfortable that there is likely to be volatility in returns in the short to medium term, but volatility tends to decline over longer periods.	Members who can tolerate negative returns in some years and are comfortable that there are relatively low returns but with less volatility than Balanced Growth option.	Members who can tolerate an occasional negative return and are comfortable that there are relatively stable returns. Historically, offers lower long-term returns than the other options.			
<b>Recommended Minimum Investment Timeframe</b>	10 years	3 years	2 years			
<b>Risk Level<sup>a</sup></b>	Risk Band 6: High 4 to less than 6 estimated negative annual returns over any 20-year periods.	Risk Band 4: Medium 2 to less than 3 estimated negative annual returns over any 20-year periods.	Risk Band 2: Low 0 to less than 1 estimated negative annual returns over any 20-year periods.			
<b>Asset allocation</b>	<b>Target %</b>	<b>Range %</b>	<b>Target %</b>	<b>Range %</b>	<b>Target %</b>	<b>Range %</b>
Australian shares	26	0–70	12	0–30	5	0–20
International shares	35	0–70	16	0–30	9	0–20
Alternative–growth	9	0–30	7	0–15	5	0–20
<b>Total growth</b>	<b>70</b>	<b>60–80</b>	<b>35</b>	<b>20–40</b>	<b>19</b>	<b>0–25</b>
Alternative–defensive	8	0–15	15	0–30	15	0–40
Fixed interest	16	0–30	30	0–60	46	0–90
Cash	6	0–30	20	0–60	20	10–90
<b>Total defensive</b>	<b>30</b>	<b>20-40</b>	<b>65</b>	<b>60–80</b>	<b>81</b>	<b>75–100</b>

a. The Standard Risk Measure (SRM) is not a complete assessment of risk. For example, while the SRM indicates the likely frequency of negative annual returns (for a 20-year period), it does not indicate the potential size of negative returns. For more information, read the Standard Risk Measure in this section.

	Cash	Zurich Managed Growth (closed to new investors)		
<b>Investment Return Objective</b>	To achieve returns (before investment fees and taxes) that exceed the benchmark return over any 12-month period.	To provide investors with capital growth over the medium to long term, through exposure across a range of asset classes. To achieve Consumer Price Index (CPI) +2.5% p.a. over rolling five-year periods after fees and taxes		
<b>Investment Strategy</b>	Invests in short-term securities. Intended to be suitable for those who put more weight on capital security and liquidity than returns.	The option invests in the Zurich Managed Growth Fund. Under the PDS for that Fund it is typically exposed to a diversified portfolio of 72% in growth assets and 28% in defensive assets.		
<b>Suitability</b>	Members who put more weight on capital security and liquidity than returns and are comfortable that returns can be low but stable with minimal volatility.	Members who can tolerate negative returns in some years and are comfortable that there are relatively low returns but with less volatility than Balanced Growth option.		
<b>Recommended Minimum Investment Timeframe</b>	1-2 years	5 years		
<b>Risk Level<sup>a</sup></b>	Risk Band 1: Very Low Less than 0.5 estimated negative returns over any 20-year period.	Risk Band 6: High 4 to less than 6 estimated negative annual returns over any 20-year periods.		
<b>Benchmark Index</b>	Bloomberg Ausbond Bank Bill Index	N/A		
<b>Target Asset Allocation</b>	100% cash and short-term fixed interest securities			
<b>Asset allocation</b>	<b>Target %</b>	<b>Range %</b>	<b>Target %</b>	<b>Range %</b>
Australian shares	0	0	29	17-41
International shares	0	0	28	16-40
Australian property securities	0	0	2	0-12
Global property securities	0	0	2	0-12
Alternative Investments	0	0	9	4-14
Infrastructure	0	0	2	0-6
<b>Total growth</b>	<b>0</b>	<b>0</b>	<b>72</b>	<b>45-85</b>
Fixed interest securities	0	0	10	0-30
Absolute Return Bond	0	0	8	0-15
Growth Fixed Income	0	0	6	0-12
Convertible Bonds	0	0	0	0-8
Cash	100	100	4	0-15
<b>Total defensive</b>	<b>100</b>	<b>100</b>	<b>28</b>	<b>15-55</b>

a. The Standard Risk Measure (SRM) is not a complete assessment of risk. For example, while the SRM indicates the likely frequency of negative annual returns (for a 20-year period), it does not indicate the potential size of negative returns. For more information, read the Standard Risk Measure in this section.

## Inflation and how it is measured

Inflation is generally described as the increase in prices over time. The most common measure of inflation is the rate of change in the Consumer Price Index (CPI)<sup>5</sup> which is published by the Australian Bureau of Statistics (ABS).

The CPI measures quarterly changes in the price of a 'basket' of goods and services which account for a high proportion of general household expenses (e.g. groceries, clothing, transport, and housing expenses).

Other than the Cash option, the investment options aim to provide investment returns exceeding their inflation-based targets.

## Our unit pricing policy

We have adopted a formal unit pricing policy for the investment options in the Fund. We can change this policy and any underlying procedures at any time.

Unit pricing usually occurs daily on business days. The calculation of the unit price for each investment option is:

$$\frac{\text{Net asset value}^a \text{ (of the relevant option)}}{\text{The number of units on issue to members in that option}}$$

The number of units on issue to members in that option

a. *Net asset value is equal to the gross asset value (i.e. market value of the underlying investments and cash at bank for that investment option) as at the close of business on a given day, plus accrued income minus expense recoveries minus investment income tax provisions.*

The buy spread is added to the unit price to obtain the buy price and the sell spread is deducted to obtain the sell price.

We reserve the right to suspend unit pricing or transaction processing activities in exceptional circumstances (for example, under situations of extremely volatile market conditions, or when large cash flows are moving into or out of the Fund). Transactions that may be suspended in these circumstances can include benefit payments and investment switches.

## Application of unit prices

Unit prices are derived and applied in an equitable manner that values members' benefits and distributes investment earnings and losses fairly. We apply a 'forward pricing' mechanism to process transactions to and from your account in the Fund. This means that all transactions are processed using a unit price calculated after the Fund has received the transaction request.

- > **Withdrawals (e.g. pension payments and commutations)** — normally processed within 3 to 5 business days after all necessary information is received, using the sell price on the day the withdrawals (including transfers out of the Fund) are processed.
- > **Investment switches**—we process switches after receipt of the completed request. The switch will not be processed any earlier than the 3rd business day after receipt, and will normally be processed within 5 business days, using the buy price for switches in and sell price for switches out as applicable on the date of processing.
- > **Other transactions**— such as deductions from your account for administration fees, or any rebates and refund to your account (where applicable), are processed using the sell price for deductions and buy price for any rebates or refunds available in our systems, on the date of processing.

Unit prices fluctuate from day to day but in extraordinary market conditions the price movements can be significant. Price movements can also be significant in smaller (by assets) investment options relative to the size of the cash flows in and out of them. We do not accept liability for any losses you may have suffered as a result of these factors, except where it can be established that we have not applied our unit pricing policy correctly.

2. We use the Consumer Price Index (All Groups) for the eight capital cities (ABS 6401.0).

## 5. Fees and costs

### 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](http://www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

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

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

Taxes are set out in the *How pensions are taxed* section of this PDS.

**You should read all the information about fees and other costs because it is important to understand their impact on your investment. Investment fees and costs, transaction costs, and buy-sell spreads vary depending on the investment option(s) you are invested in, as set out in the *Additional explanation of fees and costs* below.**

See *Defined Fees* further below for the definition of each type of fee and cost according to government legislation. Not all defined fees listed will apply to this product.

### Fees and costs summary

Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>a</sup></b>		
Administration fees and costs	\$72 p.a.	This dollar-based fee is deducted from your account balance at the end of each month in arrears, or when you close your account. This fee applies per pension account you hold.
	<b>Plus</b> Up to 0.29% p.a.	This percentage-based fee is deducted monthly from your account based on your account balance at month end in arrears, or when you close your account.
	<b>Plus</b> 0.015% p.a. (estimated) <sup>b</sup>	This fee is paid from the Fund's reserves as and when required to cover additional costs incurred by the Fund. <b>This fee is not deducted directly from your account or reflected in the calculation of unit prices.</b>
Investment fees and costs	0.18% to 0.60% p.a. (estimated) <sup>c</sup> Investment fees and costs for each option are listed under <i>Additional explanation of fees and costs</i> .	Deducted from investment returns and reflected in the calculation of unit prices each business day. <b>This fee is not deducted directly from your account.</b>
Transaction costs	0.00% to 0.03% p.a. (estimated) <sup>d</sup> Transaction costs for each option are listed under <i>Additional explanation of fees and costs</i> .	Reflected in the calculation of unit prices each business day, depending on the costs incurred outside the Fund in investing the assets of the investment option. <b>This cost is not deducted directly from your account.</b>

Member activity related fees and costs		
Buy-sell spread <sup>e</sup>	Depending on the investment option, ranges from: Buy: Up to 0.10% Sell: Up to 0.10% Buy-sell spread for each option is listed under <i>Additional explanation of fees and costs</i>	Applies when you withdraw from your account (sell units), or when you switch between investment options and is reflected in the unit price when units are bought and sold. <b>This cost is not deducted directly from your account.</b>
Switching fee	Nil	Not applicable
Other fees and costs <sup>f</sup>	Varies, depending on the activity or advice	Activity and advice fees are deducted directly from your account, when applicable.

- a. If your account balance for a product offered by the Fund is less than \$6,000 at the end of the financial year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance for the year (or the period until your account is closed). Any amount charged in excess of that cap must be refunded.
- b. Estimates are based on the 2024/25 financial year and may vary in future years.
- c. Estimated investment fees and costs include an amount up to 0.03% p.a. for performance fees. The calculation basis for this amount is set out in *Additional explanation of fees and costs* section below. Investment fees and costs are indicative only and may change in subsequent years depending on (for example) the investment performance and indirect costs incurred in underlying investments.
- d. Transaction costs are based on actual costs incurred for the 2024/45 financial year and involve estimates where information was unavailable at the date that the PDS was prepared.
- e. The buy-sell spread is a mechanism to recover transaction costs incurred by the Trustee in relation to the purchase or sale of assets when money moves into, or out of an investment option. The buy-sell spread may change without notice to meet changes in the transaction costs, including in circumstances of adverse market conditions. If there is a change to the buy-sell spread, we will let you know within 3 months of the change taking place.
- f. Other fees may apply, including activity fees and advice fees (for personal advice). See the *Additional explanation of fees and costs* section below.

### Example of annual fees and costs for a superannuation product

The following table gives an example of how the ongoing fees and costs for the Balanced Growth option in this superannuation product can affect your investment over a one-year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE – Balanced Growth option		Balance of \$50,000
Administration fees and costs	0.305% Plus \$72	For every \$50,000 you have in the superannuation product, you will be charged or have deducted from your investment <b>\$152.50<sup>a</sup></b> in administration fees and costs plus <b>\$72</b> regardless of your account balance.
<b>PLUS</b> Investment fees and costs	0.53%	<b>And</b> , you will be charged or have deducted from your investment <b>\$265</b> in investment fees and costs.
<b>PLUS</b> Transaction costs	0.03%	<b>And</b> , you will be charged or have deducted from your investment <b>\$15</b> in transaction costs.
<b>EQUALS</b> Cost of product		If your balance was \$50,000 at the beginning of the year, then for that year you will be charged fees and costs of <b>\$504.50<sup>b</sup></b> for the superannuation product.

- a. Costs includes \$7.50 paid out of the Fund's Reserves based on the 2024/25 financial year.
- b. Note: Additional fees may apply.

## Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your superannuation investment over a 1-year period, for all superannuation products and investment options. It is calculated in the manner shown in the *Example of annual fees and costs*.

The cost of product information assumes a balance of \$50,000 at the beginning of the year. Additional fees such as buy-sell spreads may apply. Further information about the additional fees that may apply can be found in the *Additional explanation of fees and costs* below.

You should use this figure to help compare superannuation products and investment options.

The cost of product for 1 year may be reduced if discounted asset administration fees apply.

Name of Investment Option	Cost of product <sup>a</sup>
High Growth	\$504.50
Growth	\$509.50
Balanced Growth	\$504.50
Moderate	\$474.50
Defensive	\$454.50
Cash	\$314.50
Zurich Managed Growth (Closed to new investors)	\$524.50

a. Cost includes \$7.50 paid out of the Fund's reserves, based on the 2024/25 financial year.

Note: Additional fees may apply. Please refer to the *Additional explanation of fees and costs* and *Defined fees* sections below for more information.

# Additional explanation of fees and costs

## Administration fees and costs

These are the fees and costs relating to the administration and operation of this product, including administering your pension account and operating the Fund more generally, payable by you, or (in some cases) from Fund's reserves. These fees and costs may include the cost of maintaining the Fund's Operational Risk Reserve (ORR). See further below for more information about the ORR and other Fund reserves.

### Percentage-based administration fee

This is a percentage-based fee split into three components:

- > **Amount deducted monthly in arrears from your account**
- > **Amount paid from Fund's reserves, as and when required:** The additional percentage-based fee that may be deducted from the Fund's reserves is to cover additional costs (such as regulatory change expenses) incurred in a financial year. This will be included as Administration fees and costs where the amount deducted from the reserve is in excess of the administration fees and costs recovered from member's account balances or through unit prices. The amount shown in the *Fees and costs summary* as payable from the Fund's reserves is an estimate based on additional administration costs paid from the reserves for the 2024/25 financial year. The amount payable from the reserves in the current or future financial years may be different.

### Dollar-based administration fee

This is a dollar-based fee that is deducted monthly in arrears from your account. This fee will apply per pension account that you hold.

If you have chosen different investment options, the direct administration fees are deducted proportionally from all investment options in which you are invested at the time of the fee deduction. However, the Trustee reserves the right to make fee deductions from the investment options it determines, where fee deductions cannot be implemented as outlined above for any reason.

## Investment fees and costs

Investment fees and costs are deducted from the Fund's assets before unit prices are determined. Investment fees and costs are expressed as an annual percentage of the net assets.

The investment fees and costs comprise of an investment fee charged by the underlying investment managers of the Fund and indirect investment costs which are incurred in the underlying investments. These costs are based on estimated and actual information for the 2024/25 financial year, available to us at the date of preparation of this document. To the extent practicable, this information was obtained from investment managers of the underlying investments and may be higher or lower and may change without prior notice.

The investment fees and costs for each of investment options are shown below.

Investment Option	Investment Fees and Costs <sup>a</sup> estimated (% p.a.)
High Growth	0.53
Growth	0.54
Balanced	0.53
Moderate	0.47
Defensive	0.43
Cash	0.18
Zurich Managed Growth (Closed to new investors)	0.60

a. Investment fees and costs may include performance fees, which may vary from year to year.

## Performance fees

Performance fees are an amount paid or payable, calculated by reference to the performance of an investment and, where applicable, are reflected in the estimated investment fees and costs.

The manager of an underlying investment may be entitled to a performance fee if the investment outperforms a set target. If a performance fee is payable, it is accrued in the unit price and this cost is passed on to members through the investment fees and costs of the investment option. Performance fees do not affect the administration fees and costs of this product.

Performance fees are generally calculated as an agreed percentage of any investment performance above an agreed hurdle rate, multiplied by the average portfolio balance.

The performance fee set out below is a historical average which is included in the investment fees and costs shown for each investment option, below. Future performance fees will depend on the investment return achieved from year to year and, accordingly, the amount of the performance fees, and their impact on the investment fees and costs you pay, will vary. Updated 5-year average performance fees may be published at [www.smartmonday.com.au](http://www.smartmonday.com.au). We recommend that you regularly check [www.smartmonday.com.au](http://www.smartmonday.com.au) for updated fees and costs information.

Investment option	5 Year Average up to 30 June 2025 (% p.a.) <sup>a b</sup>
High Growth	0.03
Growth	0.02
Balanced Growth	0.02
Moderate	0.01
Defensive	0.00

a. The figure required to be shown is the average of the performance fees attributable to each investment option for the last 5 financial years to 30 June 2025 or, if the investment option has not existed or did not provision for performance fees for the last 5 financial years, the average for the period since the option has existed and provided for performance fees. These are estimates only based on information available as at the date of preparation of this document.

b. Performance fees do not apply to the Cash or Zurich Managed Growth investment option.

## Transaction costs

Transaction costs are costs associated with the sale and purchase of assets of the super entity, other than costs that are recovered by charging buy-sell spreads. These costs include costs relating to the buying and selling of investments and may include costs such as brokerage, buy-sell spreads of the underlying investments (where applicable), settlement costs (including settlement related custody costs), stamp duty on investment transaction costs and clearing costs.

These costs are influenced by numerous factors including the complexity of investments involved in transactions, the different asset classes and investment managers that make up the investments involved in the transaction and the time and costs of services provided in relation to the processing of investment transactions. Transaction costs shown in the *Fees and costs summary* above are an estimate only, based on information available to us (at the date of preparation of this document) about the costs incurred in the 2024/25 financial year. Net transaction costs payable from the date of preparation of this document (after amounts recovered through charging a buy-sell spread) may be higher or lower. Any net transaction costs are an additional cost to you, deducted from the Fund's assets before unit prices are determined.

The estimated transaction costs applicable to each investment option (based on the 2024/25 financial year), after taking account of amounts recovered through charging a buy-sell spread, are set out in the table below.

Investment Option	Transaction Costs <sup>a</sup> (% p.a.)
High Growth	0.03
Growth	0.03
Balanced Growth	0.03
Moderate	0.03
Defensive	0.03
Cash	0.00
Zurich Managed Growth (Closed to new investors)	0.00

a. Transaction costs are estimates and may vary from year to year.

## Buy-Sell spread

Each time you transfer money in, and each time you make a withdrawal from your pension account, or switch investment options, you are effectively buying or selling units which may require the Trustee to trade underlying assets. This trading generates transaction costs which the Trustee recovers by charging a buy-sell spread that is taken into account in the calculation of unit prices. The buy-sell spread is the difference between the entry price and the exit price of units and is an additional cost incurred by you when money is added or money is withdrawn (including when fees are deducted) from your account. The proceeds of the buy-sell spread is retained within the Fund and offsets the transaction costs associated with the Fund buying or selling assets in relation to transactions initiated by members or relating to the administration of member accounts.

The spread ensures that those member transactions, contribute towards these transaction costs, and other members who are not engaged in these member related activities at that particular time, are not disadvantaged.

The buy-sell spread for smartMonday TAP (from the date of preparation of this PDS) is shown in the table below:

Investment Option	Buy	Sell
High Growth	0.02%	0.02%
Growth	0.03%	0.03%
Balanced Growth	0.02%	0.02%
Moderate	0.02%	0.02%
Defensive	0.01%	0.01%
Cash	0.00%	0.00%
Zurich Managed Growth (Closed to new investors)	0.10%	0.10%

As an example, if you invest \$50,000 in the Balanced Growth investment option, you will incur a buy cost of 0.02% of the transaction amount, being \$10, at the time you invest.

The buy cost is added (+) to the net asset value price (NAV) of the underlying assets per unit to determine an entry price ('Buy Price'). The sell cost is subtracted (-) from the NAV to determine an exit price ('Sell Price').

As the imposition of a buy-sell spread is built into the unit price, it does not appear on statements to members as a separate fee. For further information about unit prices, refer to the *How we invest your money* section of this document.

Other transaction costs (i.e., other than transaction costs met through buy-sell spread) may apply. More information about transaction costs is provided above.

## Taxation

Goods and Services Tax (GST) may apply to fees and charges. All fees and costs shown in this PDS are inclusive of GST where applicable and net of reduced input tax credits (RITCs), other than RITCs specified below.

RITCs received by the Fund in relation to any GST applied to the dollar-based administration fee and the asset administration fees deducted directly to a member's account, are passed on to members.

RITCs received by the Fund in relation to any GST applied to fees and charges deducted when calculating unit prices are retained within the Fund's reserves.

## Tax rebates

The Fund may be eligible to claim a tax deduction for certain administration fees and costs incurred. Where we are eligible to claim a tax deduction for administration fees charged directly to your account, the benefits of these tax deductions are retained by the Fund. Where we are eligible to claim a tax deduction for fees and costs deducted from the unit price of your investment, the benefits of these tax deductions are passed on to you in the unit price of the investment option. Due to the taxation treatment of retirement pensions, tax deduction benefits are not available to retirement pensions.

For more information about tax relevant to pensions, see the *How pensions are taxed* section of this PDS.

## Activity fees (Family Law fees)

The following Family Law fees may be payable:

Type of Fee	Amount	How and When Paid
Request for information by member	\$0.00	Not applicable.
Request for information by non-member	\$0.00	Not applicable.
Implementation of an order to split or flag an interest	\$160.00 (\$80 each)	Deducted equally from the member and non-member's account when the split is completed.
Pay out of a Family Law benefit	\$0.00	Not applicable.

In addition, where the Trustee incurs legal expenses in responding to matters arising from flagging or splitting your benefits, these expenses may be deducted from your account. You will be advised about these expenses before they are incurred.

## Advice fees

### Personal financial advice

You have access to limited personal advice regarding transition to retirement, pension options and the impact of 'Age Pension' benefits via a smartCoach service for an additional fee paid directly by you (this cannot be deducted from your pension account). Contact the smartCoach team on 1300 262 241. Any limited advice is provided by or on behalf of Future Group Financial Services Pty Ltd (ABN 90 167 800 580; AFSL 482684) and not the Trustee. For further information about these limited advice services consider the Financial Services Guide (FSG) issued by Future Group Financial Services Pty Ltd.

For more comprehensive personal advice that takes into consideration your desired lifestyle now and into the future as well as your other financial circumstances, objectives and needs, you may wish to obtain advice from a financial adviser.

You can arrange to pay your financial adviser for advice about super via a deduction from your pension account. You can negotiate the amount of the fee with the adviser and they will provide you with a document (such as a Statement of Advice) detailing the services provided and the fee charged for those services. The different ways to deduct an advice fee, also negotiable with your adviser, are shown in the table below.

Type of Advice fees	Amount <sup>a</sup>	How and when paid
<p>The advice fee can be:</p> <ul style="list-style-type: none"> <li>&gt; Asset-based fee<sup>b</sup>, or</li> <li>&gt; Fixed-dollar fee, and/or</li> <li>&gt; Ad-hoc (one-off) fixed-dollar fee</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Up to 2.20% p.a.</li> <li>&gt; Up to \$11,000 p.a.</li> <li>&gt; Up to \$11,000 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Asset based fee and Fixed dollar fee are calculated based on your account balance and deducted at the end of each month, for no more than a 12-month period (for each percentage-based fee agreed to).</li> <li>&gt; Ad-hoc (one-off) fixed-dollar fee deducted from your account balance at the end of the month that the <i>Authority to advise</i> form was received.</li> </ul>
<p>To authorise payment of the advice fee by way of a deduction from your account, you and your adviser need to complete and return an <i>Authority to advise</i> form, available at <a href="http://www.smartmonday.com.au">www.smartmonday.com.au</a> or by calling us. You can only authorise payment to your adviser for advice directly related to your account. Your adviser should provide you with a document setting out the services the adviser will provide and the fees you have agreed to pay.</p> <p>The Trustee has discretion to refuse to deduct an advice fee.</p>		<p>Example of Asset-based fee: Let's say you have a total account balance of \$100,000 and that you've agreed an asset-based advice fee deduction of 1% for the year. The amount deducted from your account each month will be \$83 (i.e. 1% x \$100,000/12).</p>

- a. *The sum of all advice fees paid (with your authorisation) to an adviser from your account in relation to advice received about your account is capped at the greater of \$10,000 p.a. or 2% p.a. (excluding GST) of the total assets under advice across your super and pension products in the Fund. After allowing for GST, this corresponds to \$11,000 p.a. or 2.20% p.a. deducted from your account balance.*
- b. *The Asset-based and Fixed-dollar fee can only be deducted from your account for a maximum of 12 months from the date you agree to it. It will be turned off at the end of 12 months (or the end date indicated on the Authority to advise form). If agreed with your adviser, a new fee authority can be put in place by completing a new Authority to advise form.*

## Fund reserves

### Operational Risk reserve

As a result of legislative requirements, we maintain an operational risk reserve (ORR) in the Fund to cover potential losses to members arising from an operational risk event, being an event where the Fund suffers loss due to inadequate or failed internal processes, people and systems, or because of an external event.

The ORR may be drawn upon to assist in compensating members of the Fund in the event of an operational risk having materialised.

The ORR target is currently set at 0.25% of funds under management. The ORR is maintained in line with the Trustee's ORR strategy for the Fund, however if there are insufficient funds to maintain the ORR, additional funds may be allocated from the Fund's other reserves or (subject to any required notifications) from additional one-off fee deductions from members' accounts.

### General reserve

The Trustee maintains a General reserve to pay for Fund expenses. The General reserve is invested in the fund's operating bank account. On an annual basis, the General reserve is funded via a deduction of up to 0.15% per annum that is taken into account in the calculation of unit prices for the Fund's investment options, and interest earned on this reserve. The level of the General reserve is reviewed by the Trustee each year.

## Changes to fees and costs

The amount or level of fees or charges can be changed without your consent. A material increase in fees or charges must be notified to you at least 30 days in advance of the increase taking effect. Estimated fees and costs and buy-sell spreads are subject to change from time to time. Excess administration expenses may arise in a financial year. Any changes to buy-sell spreads, estimated fees and costs and/or excess costs may be published at [www.smartmonday.com.au](http://www.smartmonday.com.au). We recommend that you regularly check the website for updated fees and costs information.

## Additional expenses

The Trustee has the right to be reimbursed out of the assets of the Fund for all expenses it incurs on behalf of the Fund (unless precluded by law).

The Trustee will pay the routine expenses of the Fund (including, but not limited to custody, accounting and audit) from the administration fees and costs charged to members. However, if the Trustee should incur additional expenses in a financial year which have not been anticipated by the Trustee when disclosing the administration or other fees and costs (including unexpected costs arising from any disputes or litigation or costs changes in law) those expenses may be paid out of the Fund's reserves or other Fund assets, including member accounts.

For example, from time to time, the Government makes changes to super rules and infrastructure which result in additional implementation costs for the Fund. The Government may also apply additional levies on super funds. If not paid from the reserve, we may deduct an appropriate amount from your account to recover some or all of these costs, but we'll notify you at least 30 days before we make any deduction.

## Defined Fees

These definitions are prescribed by law.

### Activity Fees

A fee is an **activity fee** if:

- a) the fee relates to costs incurred by the Trustee of the superannuation entity that are directly related to an activity of the Trustee:

- i) that is engaged in at the request, or with the consent, of a member; or
  - ii) that relates to a member and is required by law; and
- b) those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a buy-sell spread, a switching fee, an advice fee or an insurance fee.

### Administration Fees and Costs

**Administration fees and costs** are fees and costs that relate to the administration or operation of the superannuation entity and includes costs incurred by the Trustee of the entity that:

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

### Advice Fees

A fee is an **advice fee** if:

- a) the fee relates directly to costs incurred by the Trustee of the
- b) superannuation entity because of the provision of financial product advice to a member by:
  - i) a Trustee of the entity; or
  - ii) another person acting as an employee of, or under an arrangement with, the Trustee of the entity; and
- c) those costs are not otherwise charged as administration fees and costs, investment fees and costs, a switching fee, an activity fee or an insurance fee.

### Buy-sell Spreads

A **buy-sell spread** is a fee to recover costs incurred by the Trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.

### Exit Fees

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

### Investment Fees and Costs

**Investment fees and costs** are fees and costs that relate to the investment of the assets of a superannuation entity and includes:

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

### Switching fees

A **switching fee** for a superannuation product other than a MySuper product is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.

### Transaction costs

**Transaction costs** are costs associated with the sale and purchase of assets of the superannuation entity, other than costs that are recovered by the superannuation entity charging buy-sell spreads.

# 6. How pensions are taxed

This section provides a general guide to the way activities in relation to your pension account may be taxed.

**IMPORTANT:** This is a general summary only as at the date of preparation of this PDS. The impact of tax laws will depend on your personal circumstances. For this reason we strongly recommend that you consult a professional taxation adviser before acting on the basis of this information. For further general information, including updates to caps or thresholds, visit the ATO's website.

## Tax on investment earnings

Investment earnings on assets within a TAP will not incur any investment earnings tax. However excess balance transfer tax may apply if the total amount in your smartMonday TAP and other retirement phase pensions you have with other funds exceeds your personal transfer balance cap.

## Tax components of your pension account

Your pension account balance may consist of both a taxable component and a tax-free component. Your pension payments will consist of taxable and tax-free components in the same proportion as the components of your total pension account balance.

For example, if you commenced a pension on 30 June 2007, of which 80% was a taxable component and 20% was a tax-free component, depending on your age tax may apply to 80% of the pension paid to you but be subject to a 15% offset (rebate). See the information under *Tax Offset* below.

The tax-free component is calculated at the time of commencing the pension. That component is then fixed for the lifetime of the pension and all pension and lump sum payments made to you are deducted from the tax-free and taxable components in those proportions. You cannot choose which tax components your pension payments are taken from.

**IMPORTANT:** If you have more than one pension account in the smartMonday TAP, each pension account is treated as a separate superannuation interest with its own taxable and tax-free components.

### Tax-free component

The tax-free component is made up of:

- Any 'crystallised segment' (these are components of your superannuation that existed before 1 July 2007). No tax is deducted from the tax-free component of your pension account, regardless of your age.

### Taxable component

The taxable component of your pension account is your total account balance less the value of the tax-free component.

If you would like more information about these components contact 1300 614 644.

## Tax on payments

### Tax on pension payments

The tax you may pay will depend on your age.

Age	Tax on pension payments
Age 60 or over	Tax-free
Less than age 60	Tax free component does not incur tax Taxable component taxed at your marginal rate (plus Medicare levy), with no tax offset unless the income stream is for a disability or death super benefit

### Tax on lump sum withdrawals

Depending on your age, tax may be payable on a partial or full lump sum or commutation benefit paid to you from your pension account. In general, benefits paid to persons aged 60 or over do not incur tax (if paid from a taxed source).

Note: Tax does not apply to lump sums paid to individuals diagnosed with a terminal medical condition (as defined in Government legislation), regardless of the individual's age.

### Tax on death benefits

The tax treatment of death benefits depends on whether they are paid as a reversionary pension or as a lump sum, and who the recipient of the benefit is.

**IMPORTANT:** The tax treatment of death benefits can be complex, and we recommend that you speak with your financial and tax advisers.

### Death benefit lump sum

The tax treatment of a lump sum death benefit payment from a deceased member's account depends on who the benefit is paid to.

The definition of a dependant is different for who can receive a super death benefit (defined in super law) and how the death benefit will be taxed (defined in taxation law).

Under super law, a death benefit dependant can be the deceased's spouse (including de facto spouse) or child of the deceased or the deceased's spouse (of any age), or a person who was either financially dependent on, or in an interdependency relationship with, the deceased.

Under taxation law, a death benefit dependant can be the deceased's spouse (including de facto spouse), or former spouse, or child of the deceased or deceased's spouse under 18 years of age, or a person who was either financially dependent on, or in an interdependency relationship with, the deceased.

Whilst a lump sum death benefit can be paid by the Trustee to any person who meets the death benefit dependant definition under super law, the lump sum death benefit payment will only be tax free for those persons who meet the taxation law definition of a death benefit dependant.

For super law death benefit dependants who are not also taxation law death benefit dependants, the tax-free and taxable components of the benefit will need to be calculated and tax paid on the taxable component (generally 15% plus the Medicare levy).

Where a death benefit is received by the legal personal representative of a deceased estate, tax payable will be determined according to who is intended to benefit from the estate.

For more general information on super death benefits, see the **ATO's website**.

The tax treatment of death benefits paid in the form of an income stream is different, summarised below.

## Reversionary pension or death benefit pension

If you die whilst in receipt of a pension and your pension continues to be paid to your reversionary beneficiary as permitted by superannuation legislation or your dependant beneficiary elects to receive the benefit as a pension, the continuing pension will be taxed as follows:

<b>Tax Component</b>	<b>Deceased, dependant beneficiary or reversionary is age 60 or over</b>	<b>Deceased and reversionary or dependant beneficiary are both under age 60</b>
Tax-free component	Does not incur tax	Does not incur tax
Taxable component	Does not incur tax unless benefit includes an untaxed element (see above for further information)	Taxed at marginal tax rates (plus applicable levies) with 15% tax offset, if eligible. Once reversionary reaches age 60, whole payment does not incur tax.

Pension payments to a financially dependent child will be required to be paid as a lump sum when the child reaches age 25 unless the child has a disability of the kind described in the Disability Services Act 1986. This amount will not incur tax.

An income stream cannot revert to, or be paid to, a non-dependent upon your death. Income streams can only be paid out to a non-dependent as a lump sum.

## What you need to know about giving us your TFN

The *Superannuation Industry (Supervision) Act 1993* authorises us to collect, use and disclose your TFN for lawful purposes including to establish and administer your account with the Fund and to provide information relating to your super to the ATO.

These purposes may change in the future as a result of legislative change. We may disclose your TFN to another super provider when your benefits are being transferred, unless you request in writing that your TFN not be disclosed to any other super provider.

It is not an offence not to quote your TFN. However, giving your TFN to us will have the following advantages (which may not otherwise apply):

- > We will be able to accept all permitted types of contributions for you;
- > Other than the tax that may ordinarily apply, you will not pay more tax than you need to – this affects both contributions to your super and when you start drawing down your super benefits; and
- > It will make it much easier to trace different super accounts in your name so that you receive all your super benefits when you retire.

# 7. Other important information

You should be aware of the following information

## Customer identification and verification requirements

The Anti-Money Laundering and Counter Terrorism Financing (AML/CTF) Act requires the providers of financial products and services to conduct customer identification. This may occur on account opening, during the course of the customer relationship and/or upon withdrawal of funds. You (or your beneficiaries in the event of your death) will be asked to verify your identity, either through electronic verification or by providing copies of appropriate documentation to us. If you, or your beneficiaries, do not comply or provide suitable identification when requested there may be consequences, for example, a delay in the payment of benefits. We will not be liable to you if any transactions or requests are delayed or refused due to any AML/CTF Act requirement.

## Privacy

The Trustee is subject to a Privacy Statement to protect your personal information.

### Your right to privacy

When you provide instructions to us, we will be collecting personal information about you. This information is needed to admit you as a member of the Fund, administer your benefits and identify when you may become entitled to your benefits and to comply with Australian taxation laws and other applicable laws and regulations. If the information requested is not provided, we may be unable to process your application or administer your benefits, or your benefits may be restricted.

### Privacy policies

The Privacy Statement applicable to the Trustee can be found at [www.eqt.com.au/global/privacystatement](http://www.eqt.com.au/global/privacystatement)

If you have any queries or complaints about your privacy, please contact:

Privacy Officer, Equity Trustees Superannuation Limited c/o smartMonday TAP  
Call: 1300 614 644  
Email: [enquiry@smartmonday.com.au](mailto:enquiry@smartmonday.com.au)

### Use and Disclosure

The information that you provide may be disclosed to certain organisations to which we have outsourced functions, or which provide advice to us and/or to Government bodies, including but not limited to:

- > Organisations involved in providing administration and custody services for the Fund, the Fund's insurers, accountants, auditors, legal advisers, and/or those that provide mailing and/or printing services.
- > In the event that you make a claim for a disablement benefit, the insurer may be required to disclose information about you to doctors and other experts for the purpose of assessing your claim.
- > Relevant service providers to verify your identity by electronic verification.
- > The ATO, APRA, ASIC, AUSTRAC, Centrelink and/or other government or regulatory bodies.
- > Those where you have consented to the disclosure and/or as required by law.

In some cases, these organisations may be situated in Australia or offshore.

## Collection of Tax File Number ('TFN')

The *Superannuation Industry (Supervision) Act 1993* authorises us to collect, use and disclose your TFN for lawful purposes including to establish and administer your account with the Fund and to provide information relating to your super to the ATO.

These purposes may change in the future as a result of legislative change. We may disclose your TFN to another super provider when your benefits are being transferred, unless you request in writing that your TFN not be disclosed to any other super provider.

It is not an offence not to quote your TFN. However, giving your TFN to us will have the following advantages (which may not otherwise apply):

- > We will be able to accept all permitted types of contributions for you;
- > Other than the tax that may ordinarily apply, you will not pay more tax than you need to – this affects both contributions to your super and when you start drawing down your super benefits; and
- > It will make it much easier to trace different super accounts in your name so that you receive all your super benefits when you retire.

## Additional information

We may from time to time provide you with direct marketing and/or educational material about products and services we believe may be of interest to you. Should you not wish to receive this information (including by email or electronic communication), you have the right to 'opt out' by contacting us:

Privacy Officer, Equity Trustees Superannuation Limited c/o smartMonday TAP  
Call: 1300 614 644  
Email: [enquiry@smartmonday.com.au](mailto:enquiry@smartmonday.com.au)

The Fund's service providers have their own privacy policies. The Sponsor's Privacy Policy can be found at [www.smartmonday.com.au](http://www.smartmonday.com.au)

Note: The Sponsor may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. Should you not wish to receive this information (including by email or electronic communication), you have the right to 'opt out' by contacting the Sponsor:

Call: 1300 614 644  
Email: [enquiry@smartmonday.com.au](mailto:enquiry@smartmonday.com.au)

## Enquiries and Complaints

The Fund has an established procedure for dealing with your enquiries and complaints, which you can find in our **Enquiries and Complaints Policy**.

### Enquiries

Enquiries can be made by telephone to 1300 614 644 or in writing to [enquiry@smartmonday.com.au](mailto:enquiry@smartmonday.com.au)

If the enquiry has not been dealt with to your satisfaction, then you can make a complaint about this.

## Complaints

Superannuation legislation requires us to have arrangements in place for you to make complaints.

A complaint can be made verbally or in writing:

By telephone: 1300 614 644

By mail: The Complaints Officer, smartMonday TAP GPO Box 1202,  
Brisbane QLD 4001

By email: [enquiry@smartmonday.com.au](mailto:enquiry@smartmonday.com.au)

If you need additional assistance to lodge a complaint, we can support you. Please contact us to discuss how we may be able to assist you.

An acknowledgement will be issued to you at the time of receipt of your complaint, either by phone, email or post. Our team will investigate and respond on all aspects of the matters raised in your complaint.

We will provide you with a response no later than 45 calendar days after receiving your complaint, unless another timeframe is allowed or required under the relevant legislation.

If you make a complaint and we resolve it within 5 business days from receipt to your satisfaction we are not required to send you a formal complaint response, unless you request one; or your complaint relates to hardship, a declined insurance claim, the value of an insurance claim or for any decision of the Trustee (or failure by the Trustee to make a decision) relating to a complaint.

For death benefit objections, the Trustee must provide a complaint response no later than 90 calendar days after the expiry of the 28-calendar day period for objecting.

We will do our best to resolve your complaint as soon as possible. However, if we are unable to provide you with a response within the required timeframe, we will provide you with progress updates including reasons for the delay.

You may also lodge a complaint with the Australian Financial Complaints Authority (AFCA), although AFCA will not normally deal with a complaint until it has been through our internal complaints handling process.

AFCA provides fair and independent financial services complaint resolution that is free to consumers. Time limits may apply to complaints to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires. Other limits may also apply. AFCA's contact details are:

By telephone: 1800 931 678

By mail: Australian Financial Complaints Authority, GPO Box 3,  
Melbourne, VIC 3001

By email: [info@afca.org.au](mailto:info@afca.org.au)

Website: [www.afca.org.au](http://www.afca.org.au)