Virgin Money Super Product Guide

1 DECEMBER 2016

This guide forms part of the Product Disclosure Statement
for Virgin Money Super, a plan in the Mercer Super Trust.

About this guide

This *Product Guide* (Guide) provides important information about Virgin Money Super and is part of the Product Disclosure Statement (PDS) for Virgin Money Super dated 1 December 2016. Virgin Money Super is a plan in the Mercer Super Trust ABN 19 905 422 981.

Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533 AFSL 235906 is the trustee of Virgin Money Super and issues this Guide and the *Virgin Money Super Insurance Guide* that are part of the PDS.

You can find this *Virgin Money Super Product Guide*, the *Virgin Money Super Insurance Guide* and PDS at **virginmoney.com.au/super** or you can call our Customer Care Team on **1300 652 770** to request a copy. We will send this to you within five business days from your request. You should consider all the information in this Guide and the *Virgin Money Super Insurance Guide* and PDS before making a decision about your super.

The information in this Guide is of a general nature only and does not take into account your personal financial objectives, situation or needs. You should use it to consider whether Virgin Money Super suits your investment objectives, financial situation or needs. You should obtain financial advice from your financial adviser tailored to your personal circumstances before making a decision. If you are an employer, the PDS will help you decide whether you wish to participate in Virgin Money Super to meet contribution obligations to employees.

Information in this Guide may change. You can obtain updated information that is not materially adverse at **virginmoney.com.au/super**

Where we use "Customer" in this Guide, the *Insurance Guide* and *PDS* we mean a member of Virgin Money Super.

We'll notify you about any changes via regular customer communications or our website. You can also request a paper copy of any updated information, which will be provided free of charge, by contacting our Customer Care Team on **1300 652 770**.

The trustee has partnered with Virgin Money Financial Services Pty Ltd ABN 51 113 285 395 AFSL 286869 (Virgin Money) to provide you with this product. The trustee also uses other service providers including: Mercer Outsourcing (Australia) Pty Ltd (MOAPL) ABN 83 068 908 912 AFSL 411980, Mercer Investments (Australia) Limited (MIAL) ABN 66 008 612 397 AFSL 244385, Mercer Financial Advice (Australia) Pty Ltd (MFAPPL) ABN 76 153 168 293 AFSL 411766 and the insurer for Virgin Money Super, OnePath Life Limited ABN 33 009 657 176, AFSL 238341 (Insurer). We have named these providers in this PDS and they have consented to being named.

MSAL, MOAPL, MIAL and MFAPPL are wholly owned subsidiaries of Mercer (Australia) Pty Ltd (Mercer) ABN 32 005 315 917.

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Mercer, MIAL or Virgin Money are not responsible for the issue of this PDS and do not make any recommendations or guarantee the investment performance, earnings or the return on any capital invested.

The value of the investment in Virgin Money Super may rise or fall. MSAL, MOAPL, MIAL, MFAPPL, Mercer and Virgin Money Financial Services do not guarantee the investment performance, earnings or the return of any capital invested in your account.

Richard Branson has given his consent for his name, image and signature to be used in this document, together with the statement made by him on page 1 and has not withdrawn this consent before the date of this Guide.

"We", "our" or "us" used throughout this Guide means MSAL.

For more information about Virgin Money Super, go to our website – **virginmoney.com.au/super** or contact our Customer Care Team on **1300 652 770** between 8am to 6pm AEST/AEDT weekdays (apart from national public holidays).

POWERED BY MERCER

A few words from Richard Branson

Superannuation might not be the sexiest market that Virgin has ever entered, but it may well be the most important.

In true Virgin style, we identified a gap in an industry ripe for disruption, and saw an opportunity to change things for the better.

All Australians deserve a bright future – which is exactly what Virgin Money Super aims to deliver.

Virgin Money Super will make your super work harder for you. Find out all details in this helpful Guide.

Richard Branson

Who's who

VIRGIN MONEY SUPER

Virgin Money has brought together strong partners to provide you with an attractive and competitive super product.

Virgin Money's partners offer:

- market leadership and industry innovation, and
- integrity, experience and expertise.

TRUSTEE

Virgin Money Super is a plan in the Mercer Super Trust.

The trustee of Virgin Money Super is Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533 AFSL 235906. In this Guide, MSAL is called "we", "our" and "us".

VIRGIN MONEY (PROMOTER)

Virgin Money Financial Services Pty Ltd ABN 51 113 285 395, AFSL 286869 (Virgin Money), the Promoter, is a financial services company that is connected with the Virgin Group. This group is one of the most well-known brands in the world and has successful enterprises in over 29 countries, spanning diverse industries such as finance, travel, telecommunications and entertainment.

Virgin Money aims to give customers simple, great value and transparent financial services products, backed up by our world-famous Virgin customer service.

VIRGIN MONEY SERVICES

As the Promoter, Virgin Money will provide general advice and arrange for customers to acquire products issued by Virgin Money Super's trustee, both directly (including online at **virginmoney.com.au/super**) and indirectly through its agents.

Virgin Money provides these services under its own Australian Financial Services Licence (AFSL) and not as the trustee's representative. The trustee does not accept responsibility for any information provided on Virgin Money's website or the advice and arranging services provided by Virgin Money under its own AFSL.

Virgin Money and its related entities do not guarantee the capital invested by customers, the performance of the specific investments available or Virgin Money Super generally.

ADMINISTRATION

Mercer Outsourcing (Australia) Pty Ltd (MOAPL) ABN 83 068 908 912, AFSL 411980 provides the following administration services for Virgin Money Super:

- administration of customer records and unit holdings
- daily management of operations including accounting
- preparation of communications materials, and
- Customer Care Team.

INVESTMENTS

The trustee has appointed Mercer Investments (Australia) Limited (MIAL) ABN 66 008 612 397 AFSL 244385 to advise on the selection, appointment, replacement and ongoing evaluation of investment managers through an implemented consulting arrangement.

INSURANCE

OnePath Life Limited (Insurer) ABN 33 009 657 176, AFSL 238341.

The Insurer is one of Australia's leading life insurers and provides access to insurance benefits for Virgin Money Super customers.

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Benefits and features

We want to make it simple for you to make decisions about your super.

Our main features include:

- ✓ Choice of investment and insurance options
- ✓ Low and easy to understand fees
- ✓ Simple online tools to manage your super at your fingertips
- ✓ The added bonus of the Virgin Money Super Baby Break (we will reduce the asset based administration fee from 0.394% per annum to 0.044% per annum while customers are on maternity or paternity leave, for a maximum of 12 months). Call the Customer Care Team to access this feature.

When you join, we'll send you a welcome communication and online password. Then we'll send you regular information to show you how your super is doing.

We'll also update you with:

- ✓ periodic magazines (including investment snapshots)
- ✓ quarterly investment reports (to keep you updated on the performance of investment markets)
- ✓ your annual statement, and
- ✓ *Virgin Money Super Annual Report.*

Login to your online account at **virginmoney.com.au/super** to:

- ✓ view your Virgin Money Super account balance
- ✓ update your personal details
- ✓ switch between investment options
- ✓ manage your communications preferences, and
- ✓ search for other super accounts and consolidate them into your Virgin Money Super account.

We will confirm the following:

- ✓ rollover amounts that you transfer into Virgin Money Super
- ✓ changes in your personal details
- ✓ benefit payments
- ✓ beneficiary nominations
- ✓ investment option changes
- ✓ insurance arrangement changes, and full and partial exits.

Virgin Money Super will generally email important information about your super such as letting you know when your Annual Statement is available online.

Therefore, it's important to keep us up to date with your current email address.

Alternatively, we can notify you via SMS that information is available online (if we have your mobile phone number).

If we are unable to send you information via an email or an SMS, we will post it.

You can update your communications preferences any time online under your 'Personal Details' section on **virginmoney.com.au/super** or call our Customer Care Team for help.

CALL US

Call our Customer Care Team on **1300 652 770**
8am – 6pm AEST/AEDT, weekdays.

SIMPLE SUPER ADVICE

We can help you make key decisions about your superannuation, such as which investment or insurance option to choose. A financial adviser can provide you with limited financial advice over the phone at no additional cost to you. An adviser will prepare and send you a written statement of advice.

This service helps customers with decisions about their super such as the most appropriate investment option or contribution strategy. Financial advisers are able to assist customers with enquiries regarding, for example:

- ✓ superannuation rollovers
- ✓ investment choice selections
- ✓ making additional contributions to your super versus paying down debt
- ✓ co-contributions
- ✓ spouse contribution splitting
- ✓ general advice on retirement strategies
- ✓ selection of insured benefit levels
- ✓ salary sacrifice and personal voluntary contributions
- ✓ transition to retirement.

For more comprehensive advice, we can refer you to a financial adviser from Mercer Financial Advice (Australia) Pty Ltd. You can negotiate fees for this advice with your adviser.

YOU CAN STAY WITH US NO MATTER WHERE YOU WORK

If you joined Virgin Money Super through an employer, you can stay with us if you move to a different job.

This way you can simplify your super by having it one place and avoid paying multiple fees.

If you start a new job and are able to choose to have your employer's Super Guarantee (SG) contributions paid into your Virgin Money Super account, you just need to complete the *Super Choice* Form available from our website and give it to your new employer. Your new employer can then pay your SG contributions into your Virgin Money Super account.

Remember to let us know if any of your contact details change so we can stay in touch with you.

You should also consider the impact of leaving or changing your job on any insurance cover you may have (including the cost of cover). Refer to the *Virgin Money Super Insurance Guide* for more information about insurance.

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 customer services justify higher fees and costs.

Your employer may be able to negotiate to pay lower administration fees. Ask the fund or your financial adviser*.

TO FIND OUT MORE

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

* This text is required by Australian law but does not apply to Virgin Money Super. Our fees are fixed.

This section of the *Virgin Money Super Product Guide* shows fees and other costs that we may charge. We may deduct these fees and other costs from your super account balance, from your investment returns or from Virgin Money Super's assets as a whole.

There may be other fees, such as activity fees, personal advice fees and insurance fees, but charges will depend on the nature of the activity, advice or insurance chosen by you.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document and the *Virgin Money Super Insurance Guide*.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

FEES AND OTHER COSTS TABLE – VIRGIN MONEY SUPER

Type of fee	Amount	How and when paid
Investment fee[1] The amount you pay for specific investment options is shown in the 'Breakdown of fees and other costs table' included in the 'Additional explanation of fees and costs' section of this booklet.	We charge the following investment fees: From 0.10% to 0.24% per annum of your super account balance depending on the investment option you choose.	Generally calculated and deducted daily when unit prices are determined. Reflected in your super account balance.
Administration fee[1]	We charge the following administration fees: An asset based administration fee of 0.394% per annum of your account balance **plus** a dollar based administration fee of $58.00 per annum regardless of your balance.	Generally deducted daily when unit prices are determined. Reflected in your super account balance. Generally deducted on the last day of the month from your super account.
Buy-sell spread	Nil	Not applicable
Switching fee	Nil	Not applicable
Exit fee	$100.00	Generally deducted from each withdrawal (including any partial payout) at the time we make the payout (before we apply tax). This applies whether this payment is made in cash, rolled over or transferred including amounts paid to: • Another super fund, or the ATO (including payments for tax payable), or • Your spouse following a contribution split.
Advice fees	Not applicable	Not applicable
Other fees and costs[1]	[1] Additional fees may apply. Refer to the 'Additional Explanation of Fees and Costs' section in this Guide for more information.	
Indirect cost ratio The amount you pay for specific investment options is shown in the 'Breakdown on fees and other costs table' included in the 'Additional explanation of fees and costs' section of this Guide.	0.00% to 0.04%* of your account balance per annum * As these investment options commenced after 30 June 2016, there was no actual ICR as at 30 June 2016. The amount shown is an estimate of the ICR that would have applied if these options had been in place on 30 June 2016.	Generally calculated and deducted daily (from the underlying investment vehicles or the relevant investment options) when unit prices are determined. Reflected in your super account balance.

EXAMPLE OF ANNUAL FEES AND COSTS FOR LIFESTAGE TRACKER® INVESTMENT OPTION

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

Example	LifeStage Tracker	Balance of $50,000
Investment fees	0.116%	For every $50,000 you have in LifeStage Tracker you will be charged $58.00 each year
PLUS Administration fees	0.394% plus $58	**And**, you will be charged $197.00 plus $58.00 in dollar based administration fees regardless of your balance
PLUS Indirect costs for LifeStage Tracker	0.04%	**And**, indirect costs of $20.00 each year will be deducted from your investment
EQUALS Cost of LifeStage Tracker		If your balance was $50,000, then for that year you will be charged fees of $333.00* for LifeStage Tracker

* Additional fees may apply. Refer to the 'Additional Explanation of Fees and Costs' section in this Guide for more information. And if you leave Virgin Money Super, you will also be charged an exit fee of $100.00 for every payment from your Virgin Money Super account (even where the payment is only part of your super account balance).

ADDITIONAL EXPLANATION OF FEES AND COSTS

Breakdown of fees and other costs table

This table below shows the investment fee, the asset based administration fee and the ICR for each investment option. See a description of ICR later in this section.

Investment option		Investment fee (% per annum)	ICR* (% per annum)
LifeStage	Born prior to 1949	0.116	0.03
	Born 1949-1953	0.116	0.03
	Born 1954-1958	0.116	0.02
	Born 1959-1963	0.116	0.03
	Born 1964-1968	0.116	0.03
	Born after 1968#	0.116	0.03
Virgin Choice Tracker	Australian Listed Properties	0.20	0.02
	Cash	0.10	0.01
	Indexed Diversified Shares	0.20	0.01
	Indexed Australian Shares	0.20	0.01
	Indexed Overseas Shares	0.20	0.01
	Enhanced Indexed Growth	0.24	0.01
	Enhanced Conservative Growth	0.24	0.01

* As these investment options commenced after 30 June 2016, there was no actual ICR as at 30 June 2016. The amount shown is an estimate of the ICR that would have applied if these options had been in place on 30 June 2016.

\# Includes paths Born 1969 to 1973, Born 1974 to 1978, Born 1979 to 1983, Born 1984 to 1988, Born 1989 to 1993, Born 1994 to 1998 and Born 1999 to 2003.

INVESTMENT FEE

The investment fee covers the ongoing cost associated with managing your investments. It is a percentage based fee that applies to each investment option, based on the value of your investments. The investment fee is not the same for all Virgin Money Super investment options.

ADMINISTRATION FEE

The administration fee is designed to cover the cost that Virgin Money Super incurs when we manage your super account. The administration fee consists of:

- A fixed dollar based customer fee of $4.83 per month ($58.00 p.a), which we deduct monthly from your account.
- A percentage based asset based administration fee of 0.394% per annum, applied against the value of your investments, which is deducted daily when unit prices are determined and is reflected in your super account balance.

The same percentage based asset based administration fee structure applies to all Virgin Money Super investment options.

INDIRECT COSTS

Each investment option has an ICR which is predominantly made up of any indirect costs (including but not limited to performance fees) incurred by the underlying investments used for Virgin Money Super.

The ICR is generally calculated and deducted daily (from the underlying investments or the relevant investment options, as applicable) when unit prices are determined, and are therefore reflected in the value of your super account balance.

The ICR for each investment option may vary reflecting the indirect costs (if any) incurred by the underlying investments.

The ICR for each investment option is determined at the end of each financial year. The estimated ICR for each investment option for the year ended 30 June 2016 is set out in the 'Breakdown of fees and other costs' table.

It is not possible to provide a precise figure for the ICR of individual investment options. But the adjacent table gives you an estimate of the ranges of the ICRs that are generally expected to apply for the individual investment options.

The actual ICR of investment options may be lower than or exceed the estimated range set out in the table to the right. This may occur where the underlying investment vehicle incurs unexpected and significantly different costs.

The Virgin Money Super Annual Report will provide the actual ICR that applies for each investment option.

Investment option	Estimated ICR range (% per annum of your super account balance)
LifeStage Tracker	0.00 to 0.04
Indexed Diversified Shares	0.00 to 0.04
Indexed Australian Shares	0.00 to 0.04
Indexed Overseas Shares	0.00 to 0.04
Enhanced Indexed Growth	0.00 to 0.04
Enhanced Conservative Growth	0.00 to 0.04
Australian Listed Properties	0.00 to 0.04
Cash	0.00 to 0.04

Below we've illustrated the total administration, investment and indirect costs that will apply to your super account per annum, across two investment options for a range of account balances.

Account balance	LifeStage Tracker	Enhanced Indexed Growth
$5,000	$85.50	$91.70
$10,000	$113.00	$125.40
$25,000	$195.50	$226.50
$50,000	$333.00	$395.00
$100,000	$608.00	$732.00
$250,000	$1433.00	$1,743.00
$500,000	$2,808.00	$3,428.00

ADVISER FEES

As a customer of Virgin Money Super you have access to a range of financial advice.

You can access our simple super advice for customers at no additional cost to you by calling our Customer Care Team.

For more comprehensive advice, you can negotiate advice fees with a Mercer financial adviser who is an authorised representative of Mercer Financial Advice (Australia) Pty Ltd. Fees for advice that is related to your super in Virgin Money Super can be conveniently deducted from your super account balance.

You can take advantage of the ability to deduct advice fees from your super account as long as you have a minimum of $500.00 in your account after the fee is deducted for any financial advice.

If an advice fee is to apply to you or you wish to vary the amount of an existing advice fee, you will need to contact the Customer Care Team for the relevant form.

Call our Customer Care Team if you wish to find out more about financial advice services or want to arrange to speak to a Mercer financial adviser.

PERFORMANCE FEES

The trustee does not directly charge nor incur any performance fees and accordingly there are no performance fees included in the investment fees charged to you by the trustee.

Where an external investment trust or manager charges a performance fee, these fees are reflected in the unit price of the underlying investment vehicle and form part of the ICR of the relevant investment option (refer to 'Indirect Costs' on the previous page).

External investment trusts or managers that charge a performance fee will generally only apply those fees when performance is greater than an agreed target. Accordingly, performance fees will generally only arise when higher returns, relative to a specified target for a particular manager, are achieved.

INDEXATION OF FEES

The exit fee is indexed annually on 1 January to the average of CPI and Average Weekly Ordinary Time Earnings (see 'Fees and other costs table'). The next indexation will be 1 January 2018.

FAMILY LAW FEES

If your marriage or de facto relationship (including same-sex relationship) breaks down, money in your super account may be able to be divided between couples under family law and other relevant legislation (depending on which State or Territory you are in).

A charge of $110.00 will apply for each information request and a charge of $88.00 for each benefit split.

The fee for benefit splits will generally be divided equally between you and your former partner.

INSURANCE FEES

Insurance premiums are deducted from your super account balance at the end of each month. See the *Virgin Money Super Insurance Guide* for the applicable insurance premiums.

In addition to any insurance premium, an amount of $1.50 per month per policy will be deducted at the end of each month and paid to MOAPL as a fee for administering your insurance arrangements including underwriting and claims processing.

GST

The GST disclosures in this Guide are of a general nature only.

GST is not payable on units purchased in Virgin Money Super. However, fees payable in respect of the management of Virgin Money Super are subject to GST, as described below.

GST applies to all fees charged to Virgin Money Super. Generally, Virgin Money Super cannot claim full input tax credits in respect of these fees, but will usually be entitled to reduced input tax credits (currently up to 75% of the GST paid) in respect of some of these fees. As a result, the fees payable to us including GST are higher than those disclosed in this Guide.

Any fees payable to us as set out in this Guide approximate the net cost of these fees (after GST) and assume that reduced input tax credits are available.

TAX

See Section 7 of the PDS for general information about tax or go to the 'How super is taxed' section in this Guide for more detailed information.

DEFINED FEES

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 customer; or
   ii. that relates to a customer and is required by law; and
b. those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an exit fee, an advice fee or an insurance fee.

Administration fees

An administration fee is a fee that relates to the administration or operation of Virgin Money Super and includes costs incurred by the trustee of the superannuation entity that:

a. relate to the administration or operation of Virgin Money Super; and
b. are not otherwise charged as an investment fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.

Advice fees

A fee is an advice fee if:

a. the fee relates directly to costs incurred by the trustee of Virgin Money Super because of the provision of financial product advice to a customer by:
   i. a trustee of Virgin Money Super; or
   ii. another person acting as an employee of, or under an arrangement with, the trustee of Virgin Money Super; and
b. those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an insurance fee.

Buy-sell spreads

A buy-sell spread is a fee to recover transaction costs incurred by the trustee of Virgin Money Super in relation to the sale and purchase of assets of Virgin Money Super.

Exit fees

An exit fee is a fee to recover the costs of disposing of all or part of customers' interests in Virgin Money Super.

Indirect Cost Ratio

The Indirect Cost Ratio (ICR) for Virgin Money Super's investment options is the ratio of the total of the indirect costs for a particular investment option to the total average net assets of that same option.

Note: A dollar-based fee deducted directly from a customer's account is not included in the ICR. Refer to 'Indirect Cost Ratio' earlier in this section of the Booklet for further details.

Insurance fees

A fee is an insurance fee if:

a. the fee relates directly to either or both of the following:
    i. insurance premiums paid by the trustee of Virgin Money Super in relation to a customer of Virgin Money Super;
    ii. costs incurred by the trustee of Virgin Money Super in relation to the provision of insurance for a customer of Virgin Money Super; and
b. the fee does not relate to any part of a premium paid or cost incurred in relation to a life policy or a contract of insurance that relates to a benefit to the customer that is based on the performance of an investment rather than the realisation of a risk; and
c. the premiums and costs to which the fee relates are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an advice fee.

Investment fees

An investment fee is a fee that relates to the investment of the assets of Virgin Money Super and includes:

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

* There are currently no performance fees included in the investment fees. This is because the trustee does not directly charge or incur any performance fees. Where an external investment trust or manager (that is used to invest the assets of an investment option) charges a performance fee, these fees form part of the ICR of the relevant investment option. Refer to the 'Performance fees' section earlier in this Booklet for further details.

Switching fees

A switching fee for a MySuper product (the LifeStage Tracker investment option) means a fee to recover the costs of switching all or part of a customer's interest in Virgin Money Super to another.

A switching fee for superannuation products, other than a MySuper product, is a fee to recover the costs of switching all or part of a customer's interest in Virgin Money Super from one investment option or product in Virgin Money Super to another.

How super works

CONTRIBUTING TO YOUR SUPER

Our ability to accept contributions from you or on your behalf is governed by contribution rules. These rules also affect the amount of tax you may pay on contributions.

The following table gives you a brief summary about types of contributions, who can contribute to your super account and payment methods. Go to the 'How super is taxed' section of this Guide to find out more about tax and contributions limits.

Type of contributions – we accept the following contributions either on a one-off or regular basis:	Who can contribute	Payment method
Employer contributions (one-off or regular). The mandated minimum Super Guarantee (SG) that an employer must pay.	Your employer on your behalf	SuperStream^ compliant methods (e.g. clearing house or payroll solution)
Personal voluntary (one-off or regular) You choose to make additional payments.	From your post-tax salary or other sources (personal contributions may be deductible for self-employed, or other eligible persons)	BPAY®
Salary sacrifice An arrangement where a portion of your pre-taxed salary is paid directly into Virgin Money Super. This can have tax advantages for some*.	Your employer, with your consent from your pre-tax salary	SuperStream compliant methods (eg. Clearing house or payroll solution)
Spouse (one-off or regular) Your spouse may contribute on your behalf.	Your spouse (including a de facto spouse of the same or opposite sex)	BPAY®
Rollovers and transfers† Moving of monies from one super fund to another.	Your other super fund using our consolidation tool via your online account	Using our consolidation tool via your online account or via SuperStream compliant methods
Super Guarantee credits Credits that represent super contributions owed to you from a previous employer.	Via the Australian Taxation Office	We can receive these on your behalf at any time by Government process.
Co-contributions If you make personal voluntary (after tax) contributions and are eligible, the Government will also make a super co-contribution up to certain limits.	Government	We can receive these on your behalf after you have submitted your tax return and we have reported your contributions to the ATO.

^ SuperStream is the government mandated way for employers to make contributions to super funds which came into effect 1 July 2015.

* The tax advantages will depend on your personal circumstances so we recommend you obtain professional financial advice. Salary sacrifice contributions will count as income when assessing eligibility for Government co-contributions, spouse contribution rebates, tax deductible customer contributions or welfare benefits.

† Rollovers and transfers don't count as contributions under superannuation legislation however we've shown them here to illustrate the many different ways you can grow your Virgin Money Super account.

® Registered to BPAY Pty Ltd ABN 69 079 137 518.

We cannot accept contributions from you:

- if we don't hold your Tax File Number (TFN)
- if an individual contribution is greater than the limit allowed. (See more information about contribution limits in the 'How super is taxed' section of this Guide), or
- if you have not met the work tests for contributions set out by the Government (applicable from age 65 to 74), or
- you have reached age 75.

If your contributions do not meet these conditions, we will return any affected contributions to you or your employer (where applicable). The returned amount will generally not form part of your super account balance.

Contact our Customer Care Team on **1300 652 770**. If you would like more information about contribution refunds (where we do not hold a TFN).

Go to **www.ato.gov.au** for more information about claiming a tax deduction for personal super contributions.

For more information about tax and super please go to the 'How super is taxed' section of this Guide.

CONTRIBUTION INCENTIVES

You could be eligible for the Low Income Superannuation Contribution (LISC). The level of LISC depends on your income and your total concessional contributions for the financial year.

Or, you could be eligible for the Government co-contribution if you make personal voluntary after-tax contributions to a super fund.

The level of Government co-contribution depends on your income and the personal voluntary after-tax contributions you make during the financial year.

For more information, see the *Government Contributions* fact sheet available from **virginmoney.com.au/super**

CONTRIBUTION SPLITTING

Customers can split their super contributions with their eligible spouse (see below) and transfer the eligible contributions to an account in the name of their eligible spouse in another superannuation fund.

An eligible spouse must not have permanently retired (if past their preservation age) or reached age 65.
An eligible spouse includes:

- your husband or wife
- another person (whether of the same sex or not) with whom you are in a registered relationship, or
- another person who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.

You will generally be able to request a contribution split of up to 85% of concessional contributions as long as you maintain a super account balance of at least $500.

Any contributions that you split will continue to be counted towards your concessional contribution limit.

CONTRIBUTIONS THAT CAN'T BE SPLIT

You cannot split:

- contributions over the concessional contribution limit, untaxed contributions including personal voluntary contributions (but excluding contributions for which you have advised the trustee that you are claiming a tax deduction or salary sacrifice contributions), eligible spouse contributions and amounts contributed by the Government
- amounts rolled over or transferred into Virgin Money Super
- lump sum payments from an overseas super fund
- notional contributions relating to a customer's defined benefit, and
- contributions that legislation restricts or prohibits from being split. You will be advised when you request a split if this applies to you.

WHEN YOU CAN SPLIT CONTRIBUTIONS

You can request to split all or part of a previous financial year's contributions i.e. contributions from 1 July to 30 June, once that financial year is over. You have up to 12 months from the end of that financial year to request a contribution split.

If you leave Virgin Money Super before the 12 months is over, the trustee must receive your request to split contributions on or before the time that your super is paid out, rolled over or transferred to another super fund.

You may also be able to split contributions made in the financial year of your super payout. You will need to provide your request to split contributions to the trustee on or before the time that your super is paid out, rolled over or transferred to another super fund.

You can only make one split of contributions per financial year.

To request a contribution split, you must complete the correct form, which is available from **virginmoney.com.au/super** or call the Customer Care Team.

We recommend you seek advice from a financial adviser before making any decision about contribution splitting.

For more information about contributions go to the *Contributions* fact sheet at **virginmoney.com.au/super**.

CONSOLIDATING YOUR ACCOUNTS

You may move super money from other funds into Virgin Money Super.

If you've had other jobs, you may have multiple super accounts. You can roll all your super accounts into your Virgin Money Super account. This could improve your super investment overall as you'll only be paying one set of fees and handling one set of paperwork.

You can search for and consolidate your super accounts by using our consolidation tool in your online account at **virginmoney.com.au/super** or we can help you roll in your super over the phone. We will contact your other super fund(s) for you. Call our Customer Care Team if you need any help.

Generally, there's no charge for receiving money rolled in from other funds, although you should check with your other funds to see if there are any withdrawal or exit fees.

You should also consider the impact of leaving a fund on any insurance cover you have (including the cost of cover).

If you roll in preserved money, it stays preserved in Virgin Money Super. You should discuss the benefits of rollovers with a financial adviser.

Go to the 'How we invest your money' section for information about transferring money to Virgin Money Super from an overseas fund.

Can't remember where all your super is? Track it down using our consolidation tool via your online account at **virginmoney.com.au/super**

Paying your benefits

YOUR BENEFITS

Your Virgin Money Super account is known as an accumulation account. Your super account balance is made up of:

- amounts contributed to your account by you or your employer or in respect of you

  plus
- any money you transfer in from other super funds

  less
- taxes and surcharges, fees, expenses, insurance premiums and amounts paid out to or for you

  plus
- investment earnings (which can be positive or negative).

Your annual statement explains how your super has performed throughout the previous year.

If you're covered by insurance, you may be able to receive an additional insurance benefit in certain circumstances (for example, Total and Permanent Disablement).

Go to the 'How we invest your money' section of this Guide to find more information about the impact of investment performance on benefits.

ACCESSING YOUR SUPER

Government legislation is designed to ensure that you use your super for retirement and restricts access to your super.

There are three categories of super:

- unrestricted non-preserved super payouts
- preserved super payouts, and
- restricted non-preserved super payouts.

TAKING A PARTIAL PAYOUT

You may be able to access your unrestricted non-preserved component of your super at any time as a cash payment. Your statement will show if you have any such unrestricted non-preserved amounts.

If you request a partial payment, you must leave a minimum of $500.00 in your account.

You may also apply to have all or part of your super account balance rolled over to another complying superannuation arrangement (subject to maintaining a minimum account balance of $500.00 if you are making a partial withdrawal).

Your annual statement will provide details about the relevant category for each portion of your super.

For more information, see the *Accessing Your Super* fact sheet available from **virginmoney.com.au/super**

This fact sheet also includes details about:

- conditions for accessing preserved or restricted non-preserved super, and
- your preservation age (i.e. the age at which your preserved super can be paid to you in cash if you permanently leave work).

SUPER WORTH LESS THAN $500

After becoming a customer of Virgin Money Super, you need to ensure that your balance remains above the minimum account balance of $500.00.

If your account balance falls below $500.00, we may ask you to transfer your remaining balance to another approved superannuation arrangement. When requested, you will need to tell us where you would like us to transfer your super account balance (net of an exit fee) within 30 days.

If we don't hear from you within 30 days from the time we notify you in writing of your super account balance falling below $500.00, we reserve the right to transfer your super account balance to an Eligible Rollover Fund (ERF). This means that any future payout will come from the ERF and you will no longer have any rights under Virgin Money Super.

We will write to you when we transfer your super to the ERF. Virgin Money Super uses the SuperTrace Eligible Rollover Fund (SuperTrace).

See more details about SuperTrace in the 'Other key information' section of this Guide.

Any insurance cover you have in Virgin Money Super stops from the date we transfer your super account balance from Virgin Money Super. Any insurance premiums regularly deducted from your super account balance will also stop on the same date.

PAYING YOUR SUPER IF YOU LEAVE AUSTRALIA

You may be eligible to access your super and have it paid directly to you after you have left Australia as long as:

- you entered Australia on a temporary visa
- your temporary visa has expired or been cancelled, and
- you are not an Australian or New Zealand citizen or an Australian permanent resident.

Call the Customer Care Team for more information about making an application to the trustee for the release of your super for the reasons listed above.

The trustee may be required to transfer your super to the ATO if at least six months has passed since the expiry or cancellation of your temporary visa and you have left Australia and have not claimed your super.

If this happens, you will need to contact the ATO to claim your super, which will be paid to you subject to the deduction of tax. The ATO will provide the trustee with details of the customers who can have their super transferred in these circumstances.

Tax rates on super payouts to a temporary resident who has left Australia are higher than those which apply to Australian permanent residents or Australian and New Zealand citizens.

Interest (or investment earnings) in respect of temporary residents is not paid on amounts paid by the ATO (except in certain limited circumstances).

The transfer to the ATO can be required even if you are still employed by your Australian employer. Call the Customer Care Team if your benefit has been transferred to the ATO and you need help to prove to the ATO that you are entitled to that benefit.

In most cases, the trustee is required to provide a customer an exit statement when their benefit has been paid out of the fund. However, the Australian Securities and Investments Commission (ASIC) has provided trustees with relief from this requirement where benefits are paid to the ATO. This relief has been granted because most temporary residents do not advise the trustee of their overseas address details. The trustee intends to rely on this relief. This means that the trustee is not obliged to notify or give an exit statement to a non-resident where a benefit has been transferred to the ATO.

UNCLAIMED MONEY

Your payout will be considered as unclaimed money and sent to the ATO if:

- you are over age 65 and we have received no contributions or rollovers in the last two years, and
- we have been unable to contact you for a period of five years.

We may also be required to transfer your account to the ATO if:

- no contributions or rollovers have been received for more than 12 months, and
- we have not been able to contact you and your account balance is less than $4,000 ($6,000 from 31 December 2016), or
- if we do not have enough information to properly identify you.

You can approach the ATO to claim any such money directly.

LOST CUSTOMERS

We may transfer your super to the SuperTrace Eligible Rollover Fund (SuperTrace) if:

- we've written to you twice
- this mail has been returned unclaimed both times, and
- you are under age 65.

You will no longer be a customer of Virgin Money Super and any insurance cover you may have had through the fund will cease if your super is transferred to SuperTrace.

See 'About Virgin Money Super's Eligible Rollover Fund' later in this Guide for more details.

FAMILY LAW

Government legislation allows married and de facto* couples (including same sex couples) to make binding superannuation agreements or get court orders to determine how each partner's super will be divided if their marriage or relationship breaks down.

The Law also gives the Family Court a say in dividing a couple's super if a marriage or relationship breaks down.

* Restrictions apply where a de facto relationship has existed for fewer than two years. Restrictions also apply in respect of de facto couples in Western Australia. Currently the Commonwealth laws about de facto couples do not apply in Western Australia.

Under the Family Law Act 1975, the trustee needs to provide certain information about a customer's super payout to eligible persons where the information is required to negotiate a superannuation agreement or to help with a court order. For the purposes of the Family Law Act, an eligible person includes the customer, the spouse of a customer or any person who intends to enter a superannuation agreement with the customer.

We may need to adjust your super payout to reflect any agreements or court orders that may be binding on the trustee. We will advise you about any fee for a request related to the Family Law Act for your super payout.

Call the Customer Care Team about Family Law matters affecting your super.

ANTI-MONEY LAUNDERING

Under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AMLCTF Act), superannuation funds have to identify, monitor and mitigate the risk that the fund may be used for the laundering of money or the financing of terrorism. Because of this, you may need to provide proof of your identity (satisfactory to the trustee) before you withdraw your super benefit. You may also need to provide satisfactory proof of identity to satisfy other legal requirements.

At a minimum, you may need to verify your full name, date of birth and home address. This would usually be done by supplying a certified copy of your driver's licence or passport. We may be unable to process your payment request unless we receive this information in an appropriate form.

Under the AMLCTF Act, we may need to undertake additional identification checks and to monitor transactions. We may also need to block or suspend transactions. The trustee will not be liable for any loss suffered by you due to a delay in making a payment which has been caused by the need to comply with AMLCTF Act requirements.

By law the trustee is also required to comply with confidential reporting obligations to the AMLCTF Act regulator, Australian Transaction Reports and Analysis Centre (AUSTRAC).

How we invest your money

BALANCING RISK AND RETURN

Our aim is to deliver competitive long-term investment performance.

While all investments carry some risk, the trustee manages the impact of any investment risk by using carefully considered investment policies.

Investment options in Virgin Money Super have different levels of risk depending on the mix of assets in each option.

You can help to balance risk and expected returns by choosing investments across different asset classes, countries and investment managers through your choice of investment options.

Historically, growth investments, such as shares and property have the potential to produce higher returns over the long term but are also likely to experience more volatile investment returns in the short term.

Defensive investments such as cash or fixed interest (including higher yielding fixed interest), tend to produce lower but more stable long-term investment returns than growth investments.

Investment returns cannot be guaranteed and you may lose some of the money you have invested.

Your super can be invested in various asset classes shown in the table below (through our range of investment options).

Asset Class	Description
Australian Shares	Investments in Australian companies listed on the Australian Stock Exchange (ASX) or equity based trusts, derivatives or unlisted Australian based equity type investments. It may include a small exposure to companies listed outside the Australian exchange.
International Shares	Investments in companies listed on securities exchanges around the world. These investments may be hedged* or unhedged to manage movements in exchange rates, which can have an impact on the value of investments (up or down). Investments in international shares may be in developed markets, which may include countries that are among the most developed in terms of economy and capital markets. Alternatively, investments in international shares may be in emerging markets, which would include countries that typically have a lower standard of living and less developed infrastructure and financial markets.
Property and Infrastructure	Australian and international listed property funds including (but not limited to) office buildings, shopping centres, industrial estates and other similar property investments. Infrastructure investments are investments in long-term assets for major economic and social needs such as airports, tunnels, bridges, toll roads, pipelines and utilities. Investments in infrastructure assets can be in Australia or internationally through listed assets.
Alternative Assets	Alternative assets comprise investments that do not fit within other asset classes. They may include investments in hedge funds, private equity, natural resources, mezzanine debt and insurance linked strategies. Alternative investments may have growth and defensive characteristics.
Higher Yielding Fixed Interest	Targets a higher yield from fixed interest by investing in issuers that carry a higher degree of credit risk or illiquidity compared to defensive fixed interest and cash investments. Generally the exposures will be to non-investment grade corporate issuers, or sovereign bond issuers in emerging markets which may also carry emerging market currency risks.
Defensive Fixed Interest and Cash	Fixed interest investments generally provide a regular income stream with the repayment of capital expected at the end of the term. These exposures are generally considered defensive as they are invested in highly rated sovereign bond issuers in developed markets or highly rated investment grade corporate issuers. Cash includes short-term interest bearing investments and fixed term interest bearing investments.

* See 'Key terms explained' at the end of this Guide for an explanation about hedging.

INVESTMENT PHILOSOPHY AND APPROACH

Investment objectives and strategy

Each investment option has a specific performance objective.

Our strategy generally is to select a long-term mix of investments to support investment objectives and we believe our investment options are reasonably likely to meet their objectives. However, there are no guarantees.

We have included the investment objective and strategy for all investment options later in this Guide.

We may change the investment objective and strategy for each investment option to keep in line with the option's objective. The actual asset allocation may fall outside the stated ranges during material transactions or due to factors including extreme market conditions or asset transitions.

We will provide information about any significant changes to the features of our investment options.

We use formal quarterly analysis to monitor the performance of investment options against their objectives and to help us assess whether we need to make any changes.

Manager research and selection

The trustee has appointed Mercer Investments (Australia) Limited (MIAL) to advise on the selection, appointment, replacement and ongoing evaluation of investment managers.

MIAL's significant global scale in researching managers gives it access to some of the best ideas from more than 5,000 investment managers around the world.

MIAL leverages its global research network to establish optimal combinations of specialist managers for each asset class.

Some Virgin Money Super investment options adopt a multi-manager approach. This approach involves selecting optimal combinations of investment managers to achieve exposure to a range of investment management styles. This is designed to maximise the potential of the options to produce consistent performance throughout market cycles. For passive or index options, a single manager may be used.

The trustee may remove, replace, or appoint investment managers for investment options at any time.

Investing Virgin Money Super's assets

The trustee invests Virgin Money Super's assets in:

- funds managed by MIAL including but not limited to the Mercer Multi-Manager Funds (MMFs) or the Mercer Investment Funds (MIFs), which in turn have investments with underlying investment managers. The assets may also be invested in funds or investment vehicles managed by other Mercer related entities.
- other funds managed by professional investment managers, and
- a range of investments such as securities, derivatives and cash managed via mandates held with professional investment managers.

MIAL is the responsible entity of the MMFs and MIFs and appoints professional investment managers to manage the assets of the MMFs and MIFs either directly or via external investment vehicles.

All of the external investments for Virgin Money Super including the underlying investments of the MMFs and MIFs are held by an independent custodian.

UNITS AND UNIT PRICING

What are units?

When you invest in Virgin Money Super, you don't buy actual assets. Instead, the trustee allocates units of equal value in the investment options your money goes into.

We calculate your account balance by multiplying the number of units you have by the latest unit price. Unit prices fluctuate depending on the value of underlying investments so your account balance will also vary.

Unit price equals:

$$\frac{\text{the total value of assets in the investment option less relevant fees, costs and taxes}}{\text{the number of units issued in the investment options}}$$

Each investment option has a different unit price, because they grow at different rates and unit prices may fall as well as rise.

Each time we receive a contribution to Virgin Money Super, the trustee allocates units in the relevant option at the entry price. Each time we make payments, the trustee redeems units from the relevant investment option at the exit price. Payments include super payouts, fees, insurance premiums or tax.

The entry price for contributions, rollovers or transfers will generally be calculated after your transaction is received and validated (which may be different to the last available unit price at the time of your transaction). The exit price used for super payouts is generally the price available at the time of processing the relevant transaction.

Please note that:

- We can only allocate units when we receive all the necessary information to invest;
- We may suspend the issue (or redemption) of units whenever the trustee believes that the entry (or exit) price of the units cannot be calculated in a fair manner for all customers holding those units. We may also suspend the redemption of units if we are unable to realise sufficient funds to satisfy a redemption request from the sale of the underlying assets. and
- Units are not transferable.

Calculating unit prices

We generally calculate unit prices daily to the fourth decimal place (except on weekends and national public holidays) although we may recalculate prices more or less frequently.

Unit pricing and changes to investment options

Investment returns based on unit prices are likely to differ from the underlying manager's actual return due to differences in fees, timing and impact of transactional factors.

How assets are valued

Unless the trustee determines otherwise, the value of the underlying assets of the investment options will be based on market values determined by an external custodian or investment manager.

Our unit prices can be independently verified using our valuation methods and policies.

When valuing assets, we make an estimate of the tax liability due (which has not yet been paid on investment income and capital gains, both realised and unrealised).

Use of derivatives

Derivatives, such as futures or options, are investment products where value is derived from one or more underlying assets. The value of a share option, for example, is linked to the value of the underlying share.

The trustee does not undertake day-to-day management of derivative instruments.

Derivatives may be used to assist in the efficient management of the portfolios (e.g. to quickly and effectively adjust asset class exposures and for rebalancing purposes) and to manage risk (e.g. for currency hedging). Losses from derivatives can occur (e.g. due to market movements).

Derivative risk is managed by limiting derivative use in relevant Investment and or Transition Management Agreements with investment managers and by considering the risks and controls set out in the managers' Derivative Risk Statements, where applicable.

Sustainable investment

We build sustainability principles into our investment options to help protect and enhance the value of your super. We look beyond traditional financial factors to consider the potential investment impacts of corporate governance as well as environmental and social issues – such as an aging population, energy and resource constraints and climate change.

We believe Environmental, Social and Governance (ESG) factors may have a material impact on long-term risk and return outcomes. For more information refer to the trustee's *Mercer Funds Sustainable Investment Policy* and *Mercer Funds Corporate Governance Policy*, available from **virginmoney.com.au/super** or by calling the Customer Care Team.

Principles of sustainable investment and good governance apply to all asset classes unless otherwise indicated.

Investment managers appointed to investment options may consider the ESG factors (outlined in the Environmental, Social and Governance Considerations table below) when assessing investment risk and opportunities.

The trustee does not impose any specific ESG requirements on investment managers for indexed investment options.

Environmental, Social and Governance Considerations

Investment managers consider many of the factors in the table below when assessing investment opportunities.

Environmental	Social	Governance
• energy efficiency • pollution control • resource scarcity • renewable energy • water management • environmental policies • environmental reporting	• employee labour standards (including wages, working hours and diversity) • occupational health and safety • employee relations • human rights • labour practices (including child and forced labour) • talent attraction and retention	• community engagement • corporate citizenship • anti-bribery and corruption • remuneration • board balance and diversity • operational and risk management

UNDERSTANDING INVESTMENT RISK

This section is a summary of the different risks that can have an impact on your investments in Virgin Money Super.

Generally, investment risk is used to describe the risk that an investor will get back less than they put in. In super, taxes, expenses and low or negative investment returns can also have an impact on investment risk.

Your investment could rise or fall in value or produce a return that is less than expected. Rises and falls in value can happen quickly and for many reasons.

The types of investment risk that may affect your investment in Virgin Money Super include:

Individual asset risk – the risk associated with individual assets within a particular asset class.

Market risk – the risk of major movements within a particular financial market or asset class.

Political risk – the risk that domestic and international political events could impact the value of the investment. Instability affecting investment returns could stem from change in government, legislative bodies, other foreign policy makers or military control.

Inflation risk – the risk that money may not maintain its purchasing power due to increases in the price of goods and services (inflation).

Derivatives risk – the risk that exposure (either directly or indirectly) to derivative instruments increases the risk in a portfolio or exposes a portfolio to additional risks. These risks include the possibility that a position is difficult or costly to reverse or that there is an adverse movement in the asset, interest rate, exchange rate or index underlying the derivative. See the 'Use of derivatives' section earlier in this Booklet.

Timing risk – the risk that at the date of investment, your money is invested at higher prices than those available soon after. Alternatively, it can also mean the risk that, at the date of redemption, your investments are redeemed at lower prices than those that were recently available or that may have been available soon after.

Investment manager risk – the risk that an investment manager will underperform (e.g. because of an incorrect market view or an investment style or as a result of losing key personnel).

Credit risk – the risk that a debt issuer will default on payment of interest or principal.

Liquidity risk – the risk that you will be unable to redeem your investment at the time you choose.

Currency risk – the risk that international investments gain or lose value as a result of a weakening or strengthening Australian dollar.

See the 'Risk summary for the investment options' table further on in this Guide for details on which risks apply to our investment options.

MINIMISING RISK

The trustee has considered the above investment risks in constructing the Virgin Money Super investment options by:

- investing with a number of different investment managers (to reduce investment manager risk)
- where applicable, investing across different asset classes (to reduce market risk, inflation risk and liquidity risk)
- where applicable, investing across different countries (to reduce political risk, inflation risk, liquidity risk and currency risk), and
- investing in a number of individual securities within each asset class (to reduce individual asset risk, liquidity risk and credit risk).

Our choice menu allows you to create your own mix of investment options to suit your desired level of risk.

Diversification

To some extent, diversification can reduce timing risk. You can manage timing risk by selecting an investment option that best suits your particular investment time horizon (the time you expect to have your super invested in the option).

The investment managers appointed by the trustee to manage Virgin Money Super investment options may use derivatives to help manage risk (e.g. to hedge part of an international currency exposure). See the 'Use of derivatives' section earlier in this Booklet.

You should carefully consider the risks of each of the options before making any investment decisions. This is important as we cannot guarantee the value of your investment in any of the options and you may get back less money than you invest. You should be aware that investment returns can be volatile and the value of your investments may increase or decrease. You should not rely on past performance as an indicator of the future performance of any of the investment options.

The above information is a general outline of the risks that may potentially have an impact on your investment in Virgin Money Super. However, it is not an exhaustive list. We strongly recommend that you speak to a financial adviser before making any investment decisions.

Standard risk measure

The Standard Risk Measure (SRM) is the estimated number of negative annual returns in any 20 year period. It is a tool to help you compare investment risk across investment options. The SRM is based on industry guidance and is not a complete assessment of investment risk. It does not take into account:

- what the size of a negative return could be
- if the size of a positive return will be enough to meet your objectives, or
- the impact of administration fees and tax on the likelihood of a negative return.

You should check you are comfortable with the risks and potential losses associated with your chosen investment option(s).

The standard risk measure consists of seven risk labels:

Risk label	Estimated number of negative annual returns over any 20 year period
Very high	6 or more
High	Between 4 and 6
Medium to high	Between 3 and 4
Medium	Between 2 and 3
Low to medium	Between 1 and 2
Low	Between 0.5 and 1
Very low	Less than 0.5

Risk labels are not a guarantee of the number or frequency of negative annual returns for an investment option.

RISK SUMMARY FOR INVESTMENT OPTIONS

The table below shows whether there is a low, medium or high likelihood (L, M or H) of a particular risk applying to an investment option. Please note the information contained in this table is indicative only. The likelihood of risks may change over time.

	Investment options	Individual asset risk	Market risk	Political risk	Inflation risk	Derivatives risk	Timing risk	Investment manager risk	Credit risk	Liquidity risk	Currency risk
LifeStage Tracker	Born prior to 1949	L	L	L	L	L	L	L	L	L	L
	Born 1949-1953	L	M	L	L	L	M	L	L	L	M
	Born 1954-1958	L	M	L	L	L	M	L	L	L	M
	Born 1959-1963	L	M	L	L	L	M	L	L	L	M
	Born 1964-1968	L	H	L	L	L	M	L	L	L	M
	Born after 1968*	L	H	L	L	L	M	L	L	L	M
Choice Investment Options	Indexed Diversified Shares	L	H	L	L	L	H	L	L	L	H
	Indexed Australian Shares	L	H	L	L	L	H	L	L	L	L
	Indexed Overseas Shares	L	H	M	L	L	H	L	L	L	H
	Enhanced Indexed Growth	L	M	L	L	L	M	L	L	L	M
	Enhanced Indexed Conservative Growth	L	L	L	M	L	L	L	L	L	L
	Australian Listed Property	L	H	L	L	L	H	L	L	L	L
	Cash	L	L	L	H	L	L	L	L	L	L

* Includes paths Born 1969 to 1973, Born 1974 to 1978, Born 1979 to 1983, Born 1984 to 1988, Born 1989 to 1993, Born 1994 to 1998 and Born 1999 to 2003.

VIRGIN MONEY SUPER'S INVESTMENT OPTIONS AT A GLANCE

	Investment options	Minimum suggested timeframe	% Growth investments as at 1 December 2016	Standard risk measure
LifeStage Tracker	Born prior to 1949	At least 4 years	45	Medium to high
LifeStage Tracker	Born 1949-1953	At least 4 years	49	Medium to high
LifeStage Tracker	Born 1954-1958	At least 5 years	59	High
LifeStage Tracker	Born 1959-1963	At least 6 years	69	High
LifeStage Tracker	Born 1964-1968	At least 7 years	79	High
LifeStage Tracker	Born after 1968*	At least 7 years	85	High
Choice Investment Options	Indexed Diversified Shares	At least 10 years	100	High
Choice Investment Options	Indexed Australian Shares	At least 10 years	100	High
Choice Investment Options	Indexed Overseas Shares	At least 10 years	100	High
Choice Investment Options	Enhanced Indexed Growth	At least 5 years	70	High
Choice Investment Options	Enhanced Indexed Conservative Growth	At least 3 years	30	Low to medium
Choice Investment Options	Australian Listed Property	At least 10 years	100	High
Choice Investment Options	Cash	1 year or less	0	Very low

Note: All investment options are managed using a multi-manager approach.

* Includes paths Born 1969 to 1973, Born 1974 to 1978, Born 1979 to 1983, Born 1984 to 1988, Born 1989 to 1993, Born 1994 to 1998 and Born 1999 to 2003.

Investment options in detail

You can choose from a range of investment options in Virgin Money Super, which have different investment styles or asset classes.

When your employer joins you up to Virgin Money Super, we will invest your super in our default option LifeStage Tracker. You can change your investment options via your online account.

If you join Virgin Money Super yourself, we will usually send you the details of your Virgin Money Super account within 30 minutes of you completing the online form. Once we confirm your details, you will be able to login to your online account and tell us how you want your Super invested. If you do not make a choice, we will invest your super in the LifeStage Tracker option.

About LifeStage Tracker

You can leave the hard work to us and invest in our LifeStage Tracker investment option. LifeStage Tracker is suitable for people who want us to automatically change their investment mix as their age changes. When you invest in LifeStage Tracker, you are allocated a path based on the year of your birth. Each year, your path is adjusted to reduce exposure to growth assets. When you are younger your path is invested in higher-risk asset classes and as you get closer to retirement your path will move to more stable assets.

The LifeStage Tracker investment option has a whole of life approach to investing your super.

It is designed for customers seeking a sustainable income through retirement. Your investment in LifeStage Tracker is actively managed to help ensure your asset mix is in line with your life stage.

When you're younger, LifeStageTracker starts with a higher allocation of growth assets (growth 85% and defensive 15%). As you get older, your asset allocation will gradually be adjusted to reduce volatility in the years leading up to your retirement. This adjustment continues until you have an asset allocation of 45% growth and 55% defensive.

This gradual adjustment to the asset allocation is called the glidepath.

If we are advised of an incorrect date of birth, you will be moved into your correct path (effective from the time your correct date of birth is confirmed) for the investment of any future contributions and other cashflows. Your super account balance will also be switched to the correct path at that time.

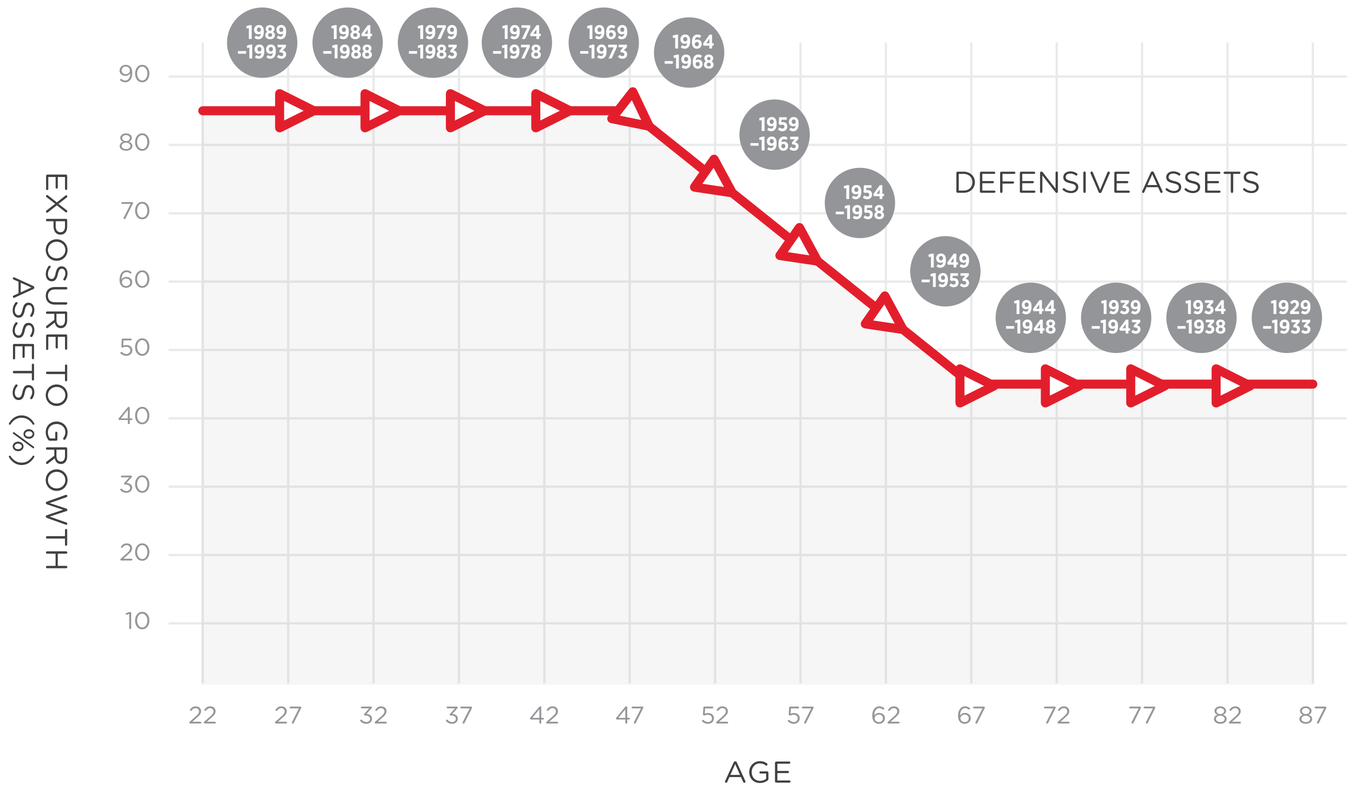
There are descriptions of the relevant investment details including the asset allocation of each of the paths later in this Guide.

For example, if you were born between 1949 and 1968 at the date of this Guide, the asset allocation for your path will gradually change over time. The relevant path's allocation to growth assets (such as shares and property) will generally reduce by 2% below the allocations shown for each year that passes.

As shown in the adjacent chart, the Born 1954-1958 path will have 59% growth assets at 1 December 2016 but is expected to have 53% growth assets by January 2020. If you were born before 1949, the allocation to growth assets for your path will not change. If you were born between 1968 and 1973, the allocation to growth assets for your path will begin to reduce from 1 January 2020.

Refer to the *Virgin Money Super Annual Report* for details of the actual asset allocation to the various asset classes of each of the paths.

LifeStage Tracker Glidepath



LifeStage Tracker

BORN PRIOR TO 1949

Description – This path is for customers born up to 31 December 1949.

You may be retired so your money is invested in mainly defensive assets.

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 1.50% per annum over rolling four year periods.

Standard risk measure

Medium to high

Minimum suggested timeframe

Four years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 45% (30% – 60%)

DEFENSIVE INVESTMENTS 55% (40% – 70%)

Asset Class	Range %	Benchmark %
Australian Shares	5-35	20
International Shares	5-35	20
Property & Infrastructure	0-15	5
Alternative Assets	0-10	0
Higher Yielding Fixed Interest	0-10	0
Defensive Fixed Interest & Cash	40-70	55

BORN 1949-1953

Description – This path is for customers born between 1 January 1949 and 31 December 1953.

You may be considering reducing working hours and/or transitioning to retirement so your money is invested across both growth and defensive assets.

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 1.75% per annum over rolling four year periods.

Standard risk measure

Medium to high

Minimum suggested timeframe

Four years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 49% (35% – 65%)

DEFENSIVE INVESTMENTS 51% (35% – 65%)

Asset Class	Range %	Benchmark %
Australian Shares	5-35	22
International Shares	5-35	22
Property & Infrastructure	0-15	5
Alternative Assets	0-10	0
Higher Yielding Fixed Interest	0-10	0
Defensive Fixed Interest & Cash	35-65	51

BORN 1954-1958

Description – This path is for customers born between 1 January 1954 and 31 December 1958.

You are beginning to approach retirement; therefore we are gradually reducing your allocation to growth assets.

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25 per annum over rolling five year periods.

Standard risk measure

Medium to high

Minimum suggested timeframe

Five years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 59% (45% – 75%)

DEFENSIVE INVESTMENTS 41% (25% – 55%)

Asset Class	Range %	Benchmark %
Australian Shares	10-40	27
International Shares	10-40	27
Property & Infrastructure	0-15	5
Alternative Assets	0-10	0
Higher Yielding Fixed Interest	0-10	0
Defensive Fixed Interest & Cash	25-55	41

* The reference to Born after 1968 includes paths Born 1969 to 1973, Born 1974 to 1978, Born 1979 to 1983, Born 1984 to 1988, Born 1989 to 1993, Born 1994 to 1998 and Born 1999 to 2003.

LifeStage Tracker

BORN 1959-1963

Description – This path is for customers born between 1 January 1959 and 31 December 1963.

You may have many years left to retirement and time to see through the ups and downs of a more aggressive investment approach, so your money is still invested in mainly growth assets.

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.75% per annum over rolling six year periods.

Standard risk measure

High

Minimum suggested timeframe

Six years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 69% (55% – 85%)

DEFENSIVE INVESTMENTS 31% (15% – 45%)

Asset Class	Range %	Benchmark %
Australian Shares	15-45	32
International Shares	15-45	32
Property & Infrastructure	0-15	5
Alternative Assets	0-10	0
Higher Yielding Fixed Interest	0-10	0
Defensive Fixed Interest & Cash	15-45	31

BORN 1964-1968

Description – This path is for customers born between 1 January 1964 and 31 December 1968.

You have many years left to retirement and time to see through the ups and downs of a more aggressive investment approach, so your money is invested in mainly growth assets.

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.25% per annum over rolling seven year periods.

Standard risk measure

High

Minimum suggested timeframe

Seven years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 79% (65% – 95%)

DEFENSIVE INVESTMENTS 21% (5% – 35%)

Asset Class	Range %	Benchmark %
Australian Shares	20-50	37
International Shares	20-50	37
Property & Infrastructure	0-15	5
Alternative Assets	0-10	0
Higher Yielding Fixed Interest	0-10	0
Defensive Fixed Interest & Cash	5-35	21

BORN AFTER 1968*

Description – This path is for customers born after 31 December 1968.

You have many years left to retirement and time to see through the ups and downs of a more aggressive investment approach so your money is invested mainly in growth assets.

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.50% per annum over rolling seven year periods.

Standard risk measure

High

Minimum suggested timeframe

Seven years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 85% (70% – 100%)

DEFENSIVE INVESTMENTS 15% (0% – 30%)

Asset Class	Range %	Benchmark %
Australian Shares	25-55	40
International Shares	25-55	40
Property & Infrastructure	0-15	5
Alternative Assets	0-10	0
Higher Yielding Fixed Interest	0-10	0
Defensive Fixed Interest & Cash	0-30	15

About our Choice investment options

You can create your own investment mix by choosing any combination from our range of Choice investment options. This option is suitable for customers who want to get more involved with how your funds are invested and what amounts are allocated to particular asset classes.

You can invest according to the level of investment risk and return that you are comfortable with.

You can choose from the more conservative Cash/Fixed Interest asset class through to the potentially riskier and higher returning Indexed Australian or International Shares. You can also invest some of your super in our ready-mixed LifeStage Tracker option.

The tables below can help you understand the asset classes (and their risk/return profile).You can change your mix of any of our investment options below to suit your needs via your online account.

INDEXED DIVERSIFIED SHARES

Description – This option invests mainly in Australian and international shares. International currency exposure may be hedged. The option takes an indexed investment approach. It is designed for customers who want exposure to growth assets and can tolerate a high level of risk over ten years.

Objective

To match the notional return of a benchmark portfolio of suitable market indices over periods of one year or greater.

Standard risk measure

Medium to high

Minimum suggested timeframe

Ten years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 100% (90% – 100%)

DEFENSIVE INVESTMENTS 0% (0% – 10%)

Asset Class	Range %	Benchmark %
Australian Shares	40-70	50
International Shares	40-70	50
Defensive Fixed Interest & Cash	0-10	0

INDEXED AUSTRALIAN SHARES

Description – This option invests mainly in Australian shares. The option takes an indexed investment approach. It is designed for customers who want exposure to growth assets and can tolerate a high level of risk over ten years.

Objective

To match the notional return of a benchmark portfolio of suitable market indices over periods of one year or greater.

Standard risk measure

Medium to high

Minimum suggested timeframe

Ten years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets

GROWTH INVESTMENTS 100% (90% – 100%)

DEFENSIVE INVESTMENTS 0% (0% – 10%)

Asset Class	Range %	Benchmark %
Australian Shares	90-100	100
Defensive Fixed Interest & Cash	0-10	0

INDEXED OVERSEAS SHARES

Description – This option invests mainly in global shares. International currency exposure is generally unhedged. The option takes an indexed investment approach. It is designed for customers who want exposure to growth assets and can tolerate a high level of risk over ten years.

Objective

To match the notional return of a benchmark portfolio of suitable market indices over periods of one year or greater.

Standard risk measure

Medium to high

Minimum suggested timeframe

Ten years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 100% (90% – 100%)

DEFENSIVE INVESTMENTS 0% (0% – 10%)

Asset Class	Range %	Benchmark %
Global Shares	90-100	100
Defensive Fixed Interest & Cash	0-10	0

Choice investment options

ENHANCED INDEXED GROWTH

Description – This option invests across most asset classes but mainly in growth assets. The option predominantly takes an indexed investment approach, but with a small amount of active management. It is designed for customers who want exposure to mainly growth assets and can tolerate a high level of risk over five years growth assets.

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3% per annum over rolling five year periods.

Standard risk measure

High

Minimum suggested timeframe

Five years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 70% (60% – 80%)

DEFENSIVE INVESTMENTS 30% (10% – 40%)

Asset Class	Range %	Benchmark %
Australian Shares	20-45	30
International Shares	20-45	34
Property & Infrastructure	0-15	6
Alternative Assets	0-15	0
Higher Yielding Fixed Interest	0-15	0
Defensive Fixed Interest & Cash	10-40	30

ENHANCED INDEXED CONSERVATIVE GROWTH

Description – This option invests across most asset classes but mainly in defensive assets. The option predominantly takes an indexed investment approach, but with a small amount of active management. It is designed for customers who want exposure to mainly defensive assets and can tolerate a low to medium level of risk over three years. assets.

Objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 1.5% per annum over rolling three year periods.

Standard risk measure

Low to medium

Minimum suggested timeframe

Three years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 30% (20% – 50%)

DEFENSIVE INVESTMENTS 70% (50% – 80%)

Asset Class	Range %	Benchmark %
Australian Shares	5-25	12
International Shares	5-25	14
Property & Infrastructure	0-15	4
Alternative Assets	0-10	0
Higher Yielding Fixed Interest	0-10	0
Defensive Fixed Interest & Cash	50-80	70

Choice investment options

AUSTRALIAN LISTED PROPERTY

Description – option invests mainly in Australian listed property. It is designed for customers who want exposure to growth assets and can tolerate a high level of risk over ten years.

Objective

To outperform the notional return of a benchmark portfolio of suitable market indices over periods of one year or greater.

Standard risk measure

High

Minimum suggested timeframe

Ten years

Asset allocation

Growth/Defensive benchmark (ranges show in brackets)

GROWTH INVESTMENTS 100% (90% – 100%)

DEFENSIVE INVESTMENTS 0% (0% – 10%)

Asset Class	Range %	Benchmark %
Australian Listed Property	90-100	100
Cash	0-10	0

CASH

Description – This option invests mainly in cash. It is designed for customers who want no exposure to growth assets and can tolerate a very low level of risk over one year or less.

Objective

To maintain the invested capital and to achieve a return above that available on bank bills as measured by the Bloomberg AusBond Bank Bill Index on an annual basis.

Standard risk measure

Very low

Minimum suggested timeframe

One year or less

Asset allocation

Growth/Defensive benchmark

GROWTH INVESTMENTS 0%

DEFENSIVE INVESTMENTS 100%

Asset Class	Range %	Benchmark %
Cash		100

How super is taxed

Contribution limits and tax can be complex. We have provided a general summary of the way superannuation is taxed based on tax laws current at the time this Guide was prepared. The Government has announced several super tax reforms that are expected to be implemented in 2017. See ato.gov.au for more information.

This section applies to Australian or New Zealand citizens or Australian permanent residents. If you are an Australian or New Zealand citizen or an Australian permanent resident but are currently not a resident of Australia for tax purposes, different tax rules will apply.

Superannuation is generally taxed at three stages:

- contributions received,
- investment income earned, and
- super payouts made.

TAX ON CONTRIBUTIONS

The tax paid on super contributions depends on:

- whether the contribution is concessional or non-concessional
- the amount of the contribution
- whether the trustee has your TFN, and
- your level of income.

The trustee generally deducts tax of 15%* on concessional contributions and on some other amounts transferred from overseas funds and certain untaxed Australian funds. Contributions tax is levied on your net contributions after relevant fees and insurance premiums have been deducted. If we accept a taxable contribution into Virgin Money Super, we will deduct 15% tax immediately and this deduction will be held until we need to pay it to the ATO.

* Customers on incomes of $300,000 or more (income is as defined by the ATO for this purpose) are subject to an additional tax of 15% on some or all of their concessional contributions.

NO TAX FILE NUMBER (TFN)

You will have to pay extra tax on employer contributions, salary sacrifice contributions and possibly on your super payout and we cannot accept your personal voluntary contributions (including any spouse contributions) if we do not have your TFN.

CONCESSIONAL AND NON-CONCESSIONAL LIMITS

You will need to pay more tax if your concessional contributions are over a specified limit.

The standard concessional contribution limit is $30,000 for the year ending 30 June 2017. However for people who were age 49 and over on 30 June 2016, a higher concessional contribution limit of $35,000 applies for the year ending 30 June 2017.

Excess concessional contributions will be assessable income and taxed at the individual's marginal tax rate (including Medicare) less 15% to allow for any contribution tax that has already been paid. This will generally result in the same tax being applied as if the excess contribution had been received as salary. An interest charge will also be applied to recognise that the tax on excess contributions is collected later than normal.

In addition, individuals can apply for a refund of the excess concessional contributions made from 1 July 2013.

Excess concessional contributions, that are not refunded, count against the non-concessional contribution limit.

Non-concessional contributions up to a specified annual limit are generally tax-free. The non-concessional contribution limit is $180,000# for the year ending 30 June 2017*.

However, eligible* people under age 65 at any stage during the year can bring forward two years' worth of contributions, giving them a combined limit of $540,000 over three years.*

If super contributions go over one or both of the annual contribution limits, additional tax will usually apply.

* Proposed super reforms affect limits on non-concessional contributions from 1 July 2017.

Excess non-concessional contributions that are not refunded will be subject to tax at 49% (47% from 1 July 2017).

Alternatively an individual (after receiving an ATO assessment) can request a refund of the excess non-concessional contributions and 85% of the amount of investment earnings deemed to be associated with those contributions. Any refunded excess non-concessional contributions will not be subject to additional tax but 100% of the deemed investment earnings will be subject to the tax at the individual's marginal tax rate less a tax offset of 15%.

For more details on tax, the current annual limits or claiming a deduction for your super contributions, see the *Contributions* fact sheet available from **virginmoney.com.au**

TAX ON INVESTMENT INCOME

Generally, the trustee is liable to pay tax at a maximum rate of 15% on:

- all investment income
- realised capital gains from assets held for less than 12 months, and
- two-thirds of realised capital gains from assets held for 12 months or more.

A realised capital gain is when an asset is actually sold for more than the original purchase price.

The trustee won't be liable to pay tax on gains received from Virgin Money Super investments in pooled super trusts and statutory funds of life insurance companies. This is because the pooled super trust or life office would have already deducted tax.

The actual rate at which the trustee pays tax may be reduced below 15% due to the effect of various tax credits (including franking credits) and rebates.

TAX ON SUPER PAYOUTS

You may have to pay tax on your super payout when it is paid from Virgin Money Super. The actual amount of tax you'll have to pay depends on:

- your age when your payout is made
- the type of payout, and
- some other factors including your residency and citizenship status.

Super payouts for Australian or New Zealand citizens or an Australian permanent resident are generally:

- tax free when paid from age 60 (although tax may be payable on some death and temporary disability payouts)
- taxable when paid before age 60.

For more information, go to the *Tax on Super Payouts* fact sheet on **virginmoney.com.au/super**

We strongly recommend that you seek financial advice about how tax laws affect you, especially if you are considering making large contributions or retiring. This is because the tax treatment of super can be complex and may change at any time.

Other key information

COOLING OFF

If you made the choice to join Virgin Money Super, you're entitled to a cooling-off period to make sure you're completely happy with your decision to join us. This means that you can cancel your initial application to join Virgin Money Super within 14 days of the earlier of:

- the date you receive confirmation that you are a customer from us, or
- the end of the fifth day after we first issue you with units as part of your investment in Virgin Money Super.

If you cancel within the cooling-off period, the amount we'll pay you will be adjusted for any changes in the unit price of the investment options, less any applicable tax and reasonable administrative and transaction costs.

If you want to cancel within the cooling-off period, you should notify us in writing.

You will also need to provide us with the details of another complying super fund, approved deposit fund or retirement savings account for preserved or restricted non-preserved benefits.

Please note, if you exercise any right or power that you have in relation to being a customer of Virgin Money Super during the cooling-off period (for example, you make an insurance claim), you can't cancel your initial application.

Cooling off does not apply to you if your employer signed you up. Also, the cooling off period doesn't apply to any investment switches or additional investments.

If no nomination is received or your nominated superannuation entity does not accept the nomination, the refundable amount may be transferred to SuperTrace and you will no longer have any rights under Virgin Money Super.

You can find more information about SuperTrace on the next page.

ENQUIRIES AND COMPLAINTS

We aim to deal with complaints as soon as possible.

If you feel you need to make a complaint, please contact:

Mercer Super Trust's
Enquiries and Complaints Officer
GPO Box 4303
Melbourne VIC 3001
Tel: 1300 652 770

After investigating your complaint, our Complaints Officer will write to you advising you of the result. This should generally only take 28 days. Some issues, however, may take up to 90 days to resolve.

If you are not satisfied with our response, you can generally request a formal reconsideration by the trustee.

However, if you have made a complaint and are not satisfied with the outcome or you don't receive a response within 90 days, then you can to contact the Superannuation Complaints Tribunal (SCT). The SCT is an independent body set up by the Commonwealth Government to assist in the resolution of complaints.

You must lodge any complaints with the SCT within certain time limits. For more details about requirements and time limits, you can contact the SCT as follows:

Superannuation Complaints Tribunal
Locked Bag 3060
Melbourne VIC 3001

Tel: 1300 884 114
Fax: (03) 8635 5588
Email: info@sct.gov.au
Website: www.sct.gov.au

If the SCT decides to proceed with handling your complaint, it will try and help you and the trustee to reach a mutual agreement through conciliation. If conciliation is unsuccessful, the complaint will be referred to an SCT panel for a determination.

ABOUT OUR ELIGIBLE ROLLOVER FUND

Virgin Money Super uses the SuperTrace Eligible Rollover Fund (SuperTrace).

SuperTrace Eligible Rollover Fund
ABN 73 703 878 235
Locked Bag 5429
Parramatta NSW 2124

Telephone: 1300 788 750
Fax: 1300 700 353
Website: www.supertrace.com.au
Email: SuperTrace.Member@cba.com.au

The trustee of SuperTrace is Colonial Mutual Superannuation Pty Ltd ABN 56 006 831 983 AFSL 235025 (CMS). SuperTrace is administered by The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (CMLA).

Set out below is a summary of some of the more significant features of SuperTrace (current at the date of this Booklet):

- All assets of SuperTrace are invested in the Policy issued to CMS by CMLA. The Policy is currently invested solely in the Capital Stable Fund in the CMLA's No. 2L Statutory Fund. The Capital Stable Fund and the CMLA No. 2L Statutory Fund invest in assets that can fluctuate in value. There is no investment choice available to customers;
- The investment objective of the Capital Stable Fund is to invest in a diversified portfolio of assets expected to generate a mix of income and long-term capital growth with an emphasis on stable returns;
- The investment strategy for the assets in the Capital Stable Fund is to invest in a broad range of assets with a majority in defensive assets;
- Investment returns are credited to customers' accounts as an annual crediting rate effective 30 June. The crediting rate reflects the performance of the underlying assets held by SuperTrace and are net of asset charges and tax on investment earnings. The crediting rate is not guaranteed and negative rates may be applied;
- An ongoing fee is deducted from the earnings of SuperTrace prior to the crediting rate being declared. For the current fee refer to the SuperTrace PDS;
- SuperTrace is unable to accept contributions from customers or their employers; however rollovers from other superannuation funds are permitted; and
- SuperTrace does not provide insurance cover.

For more information, contact a SuperTrace Customer Service Representative on **1300 788 750** between 8.30am and 6pm AEST Monday to Friday or go to **www.supertrace.com.au** for a copy of their latest Product Disclosure Statement.

BENEFICIARIES

For the sake of your family, it's important to let the trustee of Virgin Money Super know who you would prefer to receive your death benefit if you die while a customer of the fund. For more information about nominating beneficiaries, see the *Beneficiaries* fact sheet available from **virginmoney.com.au/super**

SERVICE PROVIDERS TO TRUSTEE

The administrator, the primary fund manager and custodian are paid out of the trustee's fee income and their fees are not an additional cost to customers.

See the Virgin Money Super *Insurance Guide* for information about the insurer of your plan. Call the Customer Care Team for details about the custodian.

FUND RULES

Three legal documents make up the governing rules of the fund:

- the trust deed that governs the operation of Virgin Money Super
- the designated rules covering the general operation of the fund, and
- the benefit design schedule that sets out the specific details of your plan.

The governing rules of the fund together with relevant laws and regulations, set out the rules and procedures under which Virgin Money Super operates and also set out the trustee's duties and obligations to you.

AMENDMENTS TO VIRGIN MONEY SUPER AND GOVERNING RULES

Sometimes the governing rules' provisions need to be amended.

The trustee has the power to amend all or any of the provisions of the trust deed and designated rules at any time.

Any amendment must comply with the restrictions in the trust deed, designated rules and any applicable Government requirements.

The trustee can amend your plan at any time. Any amendment or variation has to comply with the law and governing rules. Customer payouts may be adjusted if Virgin Money Super is closed or contributions varied.

CLOSING VIRGIN MONEY SUPER OR THE MERCER SUPER TRUST

The Mercer Super Trust is an indefinitely continuing fund with no fixed termination date. The trustee may terminate the Mercer Super Trust or Virgin Money Super at any time.

Upon termination, the trustee must:

- realise (i.e. sell or cash out) the property of Virgin Money Super or Mercer Super Trust (as appropriate)
- discharge all liabilities
- pay the expenses of termination, and
- distribute the balance in accordance with the governing rules of Virgin Money Super subject to relevant government legislative requirements.

You may request a copy of the Virgin Money Super Governing Rules by calling the Customer Care Team.

If Virgin Money Super or the Mercer Super Trust closes, you will need to tell us where you would like your super paid to, net of any exit fee payable, within 30 days. If you don't tell us what to do within 30 days your super may be transferred to the SuperTrace Eligible Rollover Fund. You'll find more information about SuperTrace earlier in this Guide.

TRUSTEE POWERS AND RESPONSIBILITIES

The trustee is responsible for:

- ensuring customers' rights and interests are protected
- payment of correct super payouts at the appropriate time
- proper management of assets, and
- the general operation of Virgin Money Super in accordance with government documents and applicable legislation.

The trustee has power to invest the assets of Virgin Money Super in real and personal property of any nature. The trustee may not borrow money except for temporary borrowing (not exceeding 10% of the value of the assets of Virgin Money Super) to pay super entitlements and to settle securities transactions.

The trustee has the right to override any customer's investment options as required by law.

The trustee pays itself a fee out of the fees charged in respect of customers.

RETIREMENT OF TRUSTEE

The trustee must retire if it ceases to be qualified to act as trustee of Virgin Money Super in accordance with Government regulations. The trustee may also retire at any time by appointing another company to act as trustee in its place. The new trustee must be eligible to act as trustee of Virgin Money Super. The directors of the trustee are also subject to Government regulations concerning their eligibility to be directors

TRUSTEE'S INDEMNITY

Both the trustee and its directors are entitled to be indemnified, out of the assets of Virgin Money Super, against all liabilities including losses, costs and expenses that may be incurred in administering Virgin Money Super.

Liabilities include any payments to the trustee of any predecessor Virgin Super fund for any liabilities incurred by that trustee before the transfer of Virgin Money Super into the Mercer Super Trust.

The operation of the trustee's indemnity may result in a reduction in a super payout.

The indemnity does not apply to:

- liabilities arising out of fraud, dishonesty or intentional or reckless neglect or default, or
- amounts, such as penalties, for which indemnification is not permitted under Government legislation.

YOUR PRIVACY IS IMPORTANT TO US

We collect, use and disclose personal information about you in order to manage your superannuation benefits and give you information about your super. We may also use it to supply you with information about the other products and services offered by us and related companies.

Your personal information will be disclosed to Virgin Money. Both MSAL and Virgin Money may supply you with information about other products and services offered by them and their related companies, to conduct customer satisfaction research or improve their products and develop new products.

Call the Customer Care Team if you do not want to receive marketing material from MSAL and Virgin Money or you can change your communications preferences online.

If you don't provide us with your personal information or otherwise authorise us to collect this information from third parties, we may not be able to provide you with one or more of our products or services.

We may sometimes collect information about you from third parties such as your employer, a previous super fund, your financial adviser, our related entities and publicly available sources.

We may disclose your information to various organisations to manage your super, including your employer; the fund's administrator; our professional advisers; insurers; our related companies which provide services or products relevant to your super; any relevant government authority that requires your personal information to be disclosed; and our other service providers that help manage your super.

To manage your super, your personal information will be disclosed to MSAL's service providers in another country, most likely at our administrator's processing centre in India. It may also be disclosed to some of Virgin Money's partners, service providers and other third parties in New Zealand, Philippines, India, Singapore, the United States of America, United Kingdom, Spain and Israel. MSAL's and Virgin Money's Privacy Policies list all other relevant offshore locations.

The Privacy Policies include more details about how we deal with your personal information and who you can talk to if you wish to access and/or correct information held about you. These policies also include details about how you may lodge a complaint about the way we or Virgin Money have dealt with your information and how that complaint will be handled.

You can read Virgin Money's Privacy Policy online at **virginmoney.com.au/super** and MSAL's Privacy Policy at **mercerfinancialservices.com** or you can obtain a copy by calling the Customer Care Team.

If you have a question or you have a complaint about a breach of your privacy, please contact our Customer Care Team or write to:

Mercer's Privacy Officer
Mercer Superannuation (Australia) Limited
GPO Box 4303, Melbourne VIC 3001

Virgin Money's Privacy Officer
Level 8, 126 Phillip Street
Sydney NSW 2000

Email: privacy@virginmoney.com.au

Key terms explained

Asset allocation

Mix of assets, such as shares or bonds in an investment option. It also includes the growth/defensive benchmark of the investment option.

Asset class

Type of asset that has special features, predominately its potential return and volatility. The main asset classes are shares, property, cash and bonds.

Benchmark and ranges

The benchmark is the long-term asset allocation of the investment option. Factors such as the trustee's assessment of market valuations may cause the actual mix to vary from the benchmark, but it will generally stay within the asset allocation ranges.

Consumer Price Index (CPI)

CPI is a measure of the rate of inflation. In Australia, it's based on a selection of household goods and services.

Derivatives

Securities that derive their value from another security, e.g. futures and options.

Fund manager

Organisation that specialises in the investment of a portfolio of assets on behalf of an individual or organisation (also commonly referred to as an "investment manager"). The trustee may decide to change Virgin Money Super's underlying fund manager(s) at any time.

Global

Global means Australian and international. For example, investments may be made in Australian and international shares where an investment option invests in Global shares.

Hedging

Hedging is the process of protecting investments against a loss, or reducing the risk of a loss. For example, the value of international investments is affected by changes in the value of the Australian dollar. If the Australian dollar rises in value, then international investments reduce in value. Currency hedging is where investment managers use various techniques to minimise the effect of currency movements on international investments.

Indexed investment approach

Investment options with an indexed approach (sometimes called a passive approach) aim to perform in line with the overall market but may have some exposure to an active management index. Indexes measure the performance or change in value of a particular group of assets, such as bonds, cash and shares.

Minimum suggested timeframe

This is the minimum time you should consider holding your investment in an investment option. This is a guide only.

Multi-manager investment approach

More than one specialist manager may be appointed to manage assets in each asset class, sector or investment style within the investment options.

MySuper

Part of the Government's packages of super reforms introduced in 2014. MySuper aims to make it easier for people to compare default superannuation products. Virgin LifeStage Tracker is Virgin Money Super's MySuper offer.

Non-preserved amounts

Amounts held in superannuation since 1999 that you can access without meeting a condition of release, such as permanent retirement after age 60, or reaching 65 years of age.

Objectives

These identify the type of return the option aims to achieve for investors. The objectives are sometimes stated in terms of a particular named index, e.g. the Bloomberg AusBond Bank Bill Index, or a target that relates to CPI.

Please note the objectives of any particular investment option should not be treated, or relied upon as a forecast, indicator or guarantee of any future returns or performance for that option. The value of investments may rise and fall, in any of the options.

Portfolio

Range of investments across a group of asset classes, managed together as a 'portfolio' to achieve a single performance objective.

CUSTOMER CARE

Phone

1300 652 770
8am and 6pm AEST/AEDT Monday to Friday
(apart from national public holidays)

Postal Address

Virgin Money Super
GPO Box 4650
Melbourne VIC 3001

Website

virginmoney.com.au/super

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