

Virgin Money Super Defined Fees



1 December 2016

Set out below are definitions of the various fee types referred to through your Product Disclosure statement.

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.*